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STATE OF WASHINGTON
RECREATION AND CONSERVATION OFFICE

September 12, 2025

Katherine Chapman-See
Director
Office of Financial Management
Post Office Box 43113
Olympia, WA 98504-3113

Dear Katherine Chapman-See

I am pleased to present to you the Recreation and Conservation Office's (RCO) capital budget supplemental request for the 2026 fiscal year. RCO envisions a Washington State that has abundant recreation spaces, healthy habitats and working farms and forests that support people, fish and wildlife. We take our role as an exemplary partner seriously and work hard to make our vision come to life.

This supplemental budget submittal is necessary due to anticipated reductions to federal funding for the remainder of the biennium in our salmon recovery grant program.

The importance of RCO's work continues to grow as we strive to recover salmon, a key factor in the survival of the Orca population, an icon of the Pacific Northwest.

If you have questions about the supplemental budget submittal, please contact RCO's Chief Financial Officer Mark Jarasitis at 360.902.3006 or mark.jarasitis@rco.wa.gov.

Sincerely

A handwritten signature in black ink, appearing to read "Megan Duffy", with a large, sweeping loop extending to the right.

Megan Duffy
Director



**Recreation and Conservation Office
2026 Supplemental Capital Budget**

- **Ten-Year Capital Program Summary – CBS001 report**
- **DAHP Review Letter and exempt project list**
- **Grant Project - Capital Project Request – CBS002 report**

467 - Recreation and Conservation Funding Board
Ten Year Capital Plan by Project Class
 2025-27 Biennium

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Version: BM RCO Capital Budget Supp 2026

Report Number: CBS001

Date Run: 9/30/2025 2:31PM

Project Class: Grant/Loan

Agency Priority	Project by Account-EA Type	Estimated Total	Prior Expenditures	Current Expenditures	Reapprop 2025-27	New Approp 2025-27	Estimated 2027-29	Estimated 2029-31	Estimated 2031-33	Estimated 2033-35
0	40000830 2026 Supplemental Salmon Recovery Funding Board Grant Program									
	26D-1 Natural Clim	20,000,000				20,000,000				
	Solu Ac-State									

Total Account Summary

Account-Expenditure Authority Type	Estimated Total	Prior Expenditures	Current Expenditures	Reapprop 2025-27	New Approp 2025-27	Estimated 2027-29	Estimated 2029-31	Estimated 2031-33	Estimated 2033-35
26D-1 Natural Clim Solu Ac-State	20,000,000				20,000,000				

Ten Year Capital Plan by Project Class

*

Report Number: CBS001

Date Run: 9/30/2025 2:31PM

<u>Parameter</u>	<u>Entered As</u>	<u>Interpreted As</u>
Biennium	2025-27	2025-27
Functional Area	*	All Functional Areas
Agency	467	467
Version	BM-A	BM-A
Project Classification	*	All Project Classifications
Include Enacted	No	No
Sort Order	Project Class	Project Class
Include Page Numbers	Y	Yes
For Word or Excel	N	N
User Group	Agency Budget	Agency Budget
User Id	*	All User Ids

DAHP and Tribal Review Letter and Exempt Project List Recreation and Conservation Office, 2026 Supplemental

In accord with Executive Order 21-02, Archeological and Cultural Resources, the Recreation and Conservation Office (RCO) must regularly consult with the Department of Archaeology and Historic Preservation (DAHP) and affected tribes to help ensure the protection of Washington's heritage. RCO coordinates this process and ensures documentation is in place to verify that the appropriate DAHP and tribal consultations have occurred. Unless exempt¹, the documentation must be in place before most - ground disturbing activities may occur.

The above applies to the following grant programs:

Recreation, conservation and farm and forest preservation grant programs: Aquatic Lands Enhancement Account, Boating Facilities Program, Nonhighway and Off-Road Vehicle Activities Program, Firearms and Archery Range Recreation Program, Washington Wildlife and Recreation Program, Community Forests, Planning for Recreation Access, Community Outdoor Athletic Facilities and Youth Athletic Facilities

Salmon recovery grant programs: Family Forest Fish Passage Program, Puget Sound Acquisition–Restoration, Puget Sound Estuary and Salmon Restoration Program, Salmon Recovery, Washington Coast Restoration and Resiliency Initiative, Riparian Grant Program and Brian Abbott Fish Barrier Removal Board

¹ What projects may be exempt?

- a. Those that trigger compliance with the National Historic Preservation Act, Section 106. These projects involve those:
 - With federal grants administered by RCO (Boating Infrastructure Grants, Land and Water Conservation Fund, Recreational Trails Program, Salmon Recovery)
 - Where a federal grant is used as match
 - That require a federal permit (for example, Army Corps of Engineers; if the project includes upland work, that portion is not exempt and must go through the EO 05-05 review)
 - Those located on federal lands
 - Those submitted by a federal applicant.
- b. Those listed as exempt in the Programmatic Agreement between RCO and the Department of Archeology and Historic Preservation (DAHP).

467 – Recreation and Conservation Office

Capital Budget Requests

2026 Biennium (supplemental) RCO Revision 9/30/2025

Version: BM RCO Capital Supplemental 2026

Report Number: CBS002

Project Number: 40000830

Date Run: 9/30/2025

Project Title: 2026 Supplemental Salmon recovery Funding Board Grant Program

Project Title:	2026 Supplemental Salmon Recovery Funding Board Grant Program
Project Class:	Grant Pass through
Starting Fiscal Year:	
Agency Summary: This is also known as the project summary or recommendation summary (RecSum) text. Provide a brief, clear and concise description of the project, including the problem or opportunity and how the proposed project addresses it. The agency summary should be no more than two or three sentences.	<p>The Recreation and Conservation Office (RCO) provides administrative support, grant program management, and program development to four independent boards: the Recreation and Conservation Funding Board, the Salmon Recovery Funding Board, the Invasive Species Council, and the Habitat and Recreation Lands Coordinating Group. It also houses the Governor’s Salmon Recovery Office.</p> <p>RCO and its associated funding boards administer a variety of grant programs that conserve and improve Washington’s great outdoors, and aid in the recovery of salmon populations. The office provides leadership, funding, coordination, and technical assistance to government agencies, Native American tribes, nonprofit organizations, and private landowners to create opportunities for outdoor recreation, conserve the best of state’s wild lands and wildlife, and recover salmon from the brink of extinction.</p> <p>*Related to Puget Sound Recovery*</p>
Project Description:	
Project Summary Habitat loss continues to be one of the most important factors directly limiting the recovery of salmon and indirectly limiting the recovery of southern resident killer whales in Washington. The Salmon Recovery Funding Board (SRFB) grant program implements the Salmon Recovery Act (RCW 77.85) and provides funding for projects that protect and/or restore salmon habitat and other activities across the state. While other grant programs focus on a particular geographic region or bring in other non-salmon values, this is the one grant program in Washington that focuses exclusively on protecting and restoring salmon habitat state-wide. Projects are developed locally and evaluated to assess if and how well they will implement priorities addressed in federally-adopted salmon recovery plans. Funds are primarily derived from two sources: state general-obligation bonds and federal appropriation through the Pacific Coastal Salmon Recovery Fund (PCSRF).	
The arrival of funding for the current annual Pacific Coastal Salmon Recovery Fund is uncertain—for 2026. We have completed the application process, but the federal government has not committed to a grant award. This supplemental budget request is a direct result of the lack of funding commitment. There are many key functions related to salmon recovery that require these funds to continue.	

This grant program provides the foundation for all our salmon recovery efforts in Washington State. It reaches across the state, funding projects to restore all species of listed salmon populations and provide protections to the healthy populations of salmon that still exist. Projects brought to the Salmon Recovery Funding Board for approval are required to meet the goals of the regional salmon recovery strategies, which have been developed in coordination with the National Oceanic and Atmospheric Administration, and the projects located in Puget Sound directly support the salmon habitat strategic initiative and other salmon recovery goals recently adopted as part of the Action Agenda by the Puget Sound Partnership. These projects, and the salmon they support and enhance, are also critically important to the Indian tribes whose rights were established in treaties signed with the federal government to allow their continued right to fish, gather shellfish, hunt and exercise other sovereign rights.

The work of the Salmon Recovery Funding Board, through this grant program, funds habitat restoration efforts that benefit not only salmon but the Southern Resident killer whales that depend on the salmon. While this funding history shows the emphasis put on projects that benefit Chinook, it also reveals the work towards recovery that remains given the critical state of both salmon and Southern Residents in Washington.

RCO's mission is to work with others to protect and improve the best of Washington's natural and recreational resources, enhancing the quality of life for current and future generations. This request is in direct alignment with the agency's mission. In addition, the request supports the strategic direction of the Salmon Recovery Funding Board and is aligned with the Puget Sound Action Agenda and mission and work of the Governor's Southern Resident Killer Whale Recovery and Task Force.

Puget Sound strategies include Healthy Shorelines, Riparian Areas, Fish Passage Barriers, Salmon Recovery, Research and monitoring, and Floodplains and Estuaries

Project Description

As Washington's population has grown and altered the natural landscape, our salmon populations have dwindled. In 1991, the federal government declared the first salmon in the Pacific Northwest, Snake River sockeye, as endangered under the Endangered Species Act. In the next few years, sixteen more species of salmon were listed as either threatened or endangered. As more salmon became listed, state leaders realized they needed a coordinated effort. By the end of the decade, the Legislature had created the Salmon Recovery Funding Board to administer state and federal funds to protect and restore salmon habitat.

The board has created an approach unique in the nation for the recovery of salmon. Local communities work together to write recovery plans that are approved by the federal government. The communities develop projects, vet them locally, and submit them to the Salmon Recovery Funding Board for scientific and technical review. This bottom-up approach engages local communities in salmon recovery, and the state's oversight ensures that only the best, most scientifically sound projects are funded. Washingtonians rely on salmon for food, recreation, jobs, cultural identity, and social tradition. These iconic fish evoke the best Washington has to offer – pristine water, rich landscapes, a healthy environment, and a thriving natural resource economy. Domestic commercial fishing creates nearly 23,000 jobs in Washington, with salmon harvest alone worth almost \$14 million a year (National Marine Fisheries Service. (2022). Fisheries Economics of the United States, 2019. U.S. Dept. of Commerce, NOAA Tech. Memo. NMFS-F/SPO-229A, 236 p). Recreational fishing generates more than \$1.5 billion in economic activity annually in Washington State. (Mojica, J., and Fletcher, A., 2020. Economic Analysis of Outdoor Recreation in Washington State, 2020 Update. Earth Economics. Tacoma, WA.)

Another unique feature of this grant program is the emphasis placed on monitoring the effectiveness of projects. While the funding levels have not kept up with the need (as mentioned above), we know from monitoring data that projects do restore habitat and, from them, we get more fish. An example includes the estuary restoration projects in the South Fork Skagit River delta that have cumulatively restored 682 acres of tidal wetlands that nurture approximately 160,000 young Chinook salmon every year. In general, system-wide monitoring of Chinook densities in the Skagit delta show an increase of 690 smolts per hectare in restored habitat. Restoration efforts also

increased the overall length of time juvenile Chinook spent in estuaries in the Skagit. Similarly, in the Nisqually River delta, where state and federal funds have been used to restore approximately 900 acres of estuary habitat, monitoring of channels pre and post restoration showed fish access increased from 30 percent of the time present to 75 percent of the time present.

The annual Pacific Coastal Salmon Recovery Fund allocation has ranged from \$18.4m-\$26 million over the last five years. In the most recent year, RCO received \$22m. However, in the proposed presidential budget for 2026, PCSRF is zeroed out.

Should RCO receive the 2026 PCSRF allotment from the federal government, RCO would utilize funds all 2026 state supplemental funds to fund 'Targeted Investment' projects. These projects are regional, large projects--that have been vetted and ranked by salmon recovery experts. They represent critical investments in salmon recovery for our state, and often increase efficiency of funding projects, because can be done in less time if all funding is available at once.

Eligible Grant Recipients:

- Local governments - cities, towns, counties, and special districts (ports, park, conservation, and school districts)
- Tribal governments
- Nonprofit organizations
- Private Landowners (in limited circumstances)
- State agencies
- Conservation Districts; and
- Regional Fisheries Enhancement Groups

The request supports IT related activities only to the extent that RCO uses a portion of its administrative funds to support its IT infrastructure and PRISM project database. All larger IT enhancements follow the OCIO review process.

Revenue Source: Funding is being requested from the Natural Climate Solutions Account. Funds may be used as match for the federal salmon recovery funds.

In addition to grants and related administration there are additional activities required for this funding normally covered by PCSRF funding

- Grants - \$15,320,000
- Regional statewide support - \$2,880,000
- Cultural Resources review - \$300,000
- Effectiveness monitoring - \$1,300,000, and
- SRFB Review Panel - \$200,000
 - Total - \$20,000,000

Contact Name:	Brock Milliern
Contact Phone Number:	360-789-4563
Contact Email:	brock.milliern@rco.wa.gov
Agency Activity:	A005 – Manage Salmon Recovery Investment
Dependent on legislation passing (Enter related bill number):	
Provisos:	
Choose a project type: (see list next page)	GRANTS

Project Location:	Add location info if it is one project				
Describe Growth Management Impacts:	GMA is not considered for this program.				
Grant Recipient Organization:	See project list for full list of eligible applicants				
RCW that establishes the grant:	RCW 77.85				
Application process used:	All projects are identified, evaluated and prioritized through a bottom-up approach that begins at the local level with the local lead entity group and the regional salmon recovery organization. Lead entity groups (usually at the watershed level) work with landowners to develop projects and then submit a prioritized list of projects that have been evaluated by a technical advisory group. These projects are further reviewed and prioritized by the Regional Salmon Recovery Organization, which is responsible for implementing the adopted salmon recovery plan for that particular area. Once project lists are submitted to the Salmon Recovery Funding Board (board), the lead entity and regional representatives meet with the board's technical review panel, comprised of scientists from different disciplines, to finish the review process. Criteria adopted by the board are also used as part of the evaluation process. The fully-vetted projects are then presented to the Salmon Recovery Funding Board in priority order and adopted for funding.				
Funding details:					
Fund	25-27 funds	27-29 funds	29-31 funds	31-32 funds	32-34 funds
26D – Natural Climate Solutions Account	20,000,000				
Operating Impacts:	None. This is a pass-through grant program.				
Cost Estimate:					
Attachments:					