S-2106.2

SUBSTITUTE SENATE BILL 5449

State of Washington 60th Legislature 2007 Regular Session

By Senate Committee on Government Operations & Elections (originally sponsored by Senators Swecker, Rockefeller, Jacobsen, Kastama, Clements, Pflug, Haugen, Benton and Rasmussen)

READ FIRST TIME 02/26/07.

AN ACT Relating to authorizing voluntary environmental management and incentive zone plans for subareas; amending RCW 36.70A.060; adding a new section to chapter 36.70A RCW; creating a new section; and making an appropriation.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 <u>NEW SECTION.</u> Sec. 1. (1) The legislature finds that there is a 7 broadly held ethic among the citizens of the state that includes 8 appreciation of nature and environmental values, and that many citizens 9 are willing to voluntarily undertake activities to protect and enhance 10 environmental values on their own land and in their communities.

11 (2) The purposes of this act are to: Promote nonregulatory 12 measures, incentives, and educational programs; reduce conflict between 13 agencies, local governments, and stakeholders; alleviate adverse 14 consequences of prescriptive rules; and protect both property rights 15 and values and critical area functions and values.

16 (3) The legislature therefore intends that counties and cities 17 utilize voluntary solutions as a planning priority where they would be 18 effective in substantially meeting the goals and requirements of the 1 growth management act, and provide ample opportunities for citizens to 2 understand and pursue voluntary options to improve their own 3 environment.

4 <u>NEW SECTION.</u> **Sec. 2.** A new section is added to chapter 36.70A RCW 5 to read as follows:

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(1) Cities and counties may:

7 (a) Initiate or participate in environmental management and
8 incentive zone subarea planning partnerships;

9 (b) Adopt proposed environmental and incentive zone subarea plans 10 as an alternative means, within a subarea, of meeting the requirements 11 to protect the functions and values of critical areas under this 12 chapter, including critical areas defined in RCW 36.70A.030(5) (a) 13 through (d);

(c) Provide exceptions or individual waivers to critical area requirements, within a subarea, including the requirements pertaining to critical areas contained in RCW 36.70A.060, 36.70A.170, and 36.70A.172, if the plan as a whole includes best available science for the subarea under consideration and provides at least the equivalent protection of critical area function and value; and

20 (d) Integrate voluntary and nonregulatory incentives and regulatory 21 programs to meet other requirements of this chapter, as well as other 22 state and federal requirements.

(2) Cities and counties choosing to initiate planning under thissection shall:

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(a) Appoint a lead management entity; and

(b) Create a scoping document to identify: (i) The geographic boundaries of the proposed planning subarea; and (ii) requirements and responsibilities the environmental management incentive zone subarea planning process is designed to meet.

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(3) For the purposes of this section:

(a) "Lead management entity" means a lead subarea planning entity appointed by a city or county, or jointly by participating cities and counties, to coordinate and facilitate the use of nonregulatory incentives under the environmental management incentive zone subarea planning process. Cities, counties, conservation districts, public organizations, and private nongovernmental organizations with authority to receive public funds may serve as a lead management entity. (b) "Planning partnership" means a city or county, or combination
 of cities and counties, partnering with property owners, stakeholders,
 conservation districts, and a lead management entity to create and
 implement an environmental management incentive zone subarea plan.

5 (c) "Plan" means an environmental management incentive zone subarea6 plan.

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(4) An appointed lead management entity shall:

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(a) Apply to the department for funding to plan under this section;

9 (b) Identify and apply for financial and technical assistance from 10 other appropriate public and private sources, including sources at the 11 federal, state, or local level; and

12 (c) Promote and facilitate voluntary contracts, projects, and 13 commitments, and assist partner communities and their constituents in 14 formalizing attendant financial and legal documents.

15 (5) The department shall:

16 (a) Prescribe the form and manner of applications for funding under 17 this section;

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(b) Select and fund at least five pilot planning efforts; and

applications for 19 funding, giving preference (C) Rank to 20 applications with the greatest potential to: (i) Promote voluntary 21 measures, incentives, and educational programs that, when integrated 22 with regulatory measures authorized outside this chapter, will contribute to both the protection of critical area functions and values 23 24 and the protection of property rights and values; (ii) promote 25 cooperation between multiple and diverse jurisdictions and stakeholders in efforts to conserve contiguous landscapes and avoid uncoordinated 26 27 land use patterns; (iii) use proven monitoring and adaptive management methods to measure the effectiveness of incentives and programs adopted 28 under this section in achieving critical area protection, and allow for 29 30 necessary adjustments or improvements to those incentives and programs 31 over time; and (iv) support the economic viability of working natural 32 resource lands and industries.

(6) For the purpose of planning or implementing any element of anenvironmental management and incentive zone subarea plan:

35 (a) Cities, counties, and other appropriate government 36 jurisdictions may enter into interlocal agreements with each other 37 under RCW 39.34.030 or adopt memorandums of agreement with each other 38 or with private entities and nongovernmental organizations;

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1 (b) Planning partnerships are encouraged to invite participation 2 from appropriate federal, state, local, private, or tribal agencies, 3 authorities, and organizations with nonregulatory incentive programs or 4 regulatory jurisdiction related to environmental, fish, or wildlife 5 issues within the planning region; and

6 (c) Invited agencies, authorities, and organizations are encouraged 7 to broadly interpret their ability to collaborate as part of a 8 multiagency team and provide a unified assessment of regulatory 9 requirements and nonregulatory opportunities pertinent to planning 10 under this section.

(7)(a) A plan adopted under this section must, to the maximum extent practicable, promote and include voluntary, nonregulatory solutions as a planning priority where they would be effective in substantially meeting the goals and requirements of this chapter.

(b) Development policies, rules, or conditions may also be included in a plan as necessary, in accordance with nexus and rough proportionality requirements, to provide adequate protection of critical area functions and values.

(c) Development policies, rules, and conditions included in the plan under this section may not prohibit uses legally existing on any parcel prior to plan adoption except for those uses restricted or limited through voluntary agreements by landowners included in the plan as permanent or long-term commitments.

(d) This section is not intended to impair a landowner's ability to
qualify for voluntary incentive programs, such as the conservation
reserve enhancement program, that provide for the restoration of fish
and wildlife habitat or the improvement of water quality.

(8) The legislature intends that cities and counties be given broad 28 deference and discretion consistent with RCW 36.70A.320 to prioritize 29 and balance the goals of this chapter and critical area requirements 30 under RCW 36.70A.060 and 36.70A.172, if the plan as a whole includes 31 32 best available science for the subarea under consideration and provides at least the equivalent protection of critical area function and value. 33 Growth management hearings boards and reviewing courts shall not find 34 an adopted plan to be out of compliance with this chapter if the 35 adopted plan as a whole satisfies the requirements of this section. 36

37 (9) A joint legislative oversight committee, consisting of two38 members from each caucus of the house of representatives and two

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members from each caucus of the senate, is created. The committee 1 2 shall appoint a nonvoting advisory counsel, composed of a broad and balanced range of stakeholders, to advise and consult with the 3 committee. Within one year after the effective date of this act, the 4 5 committee shall review progress of planning efforts initiated under this section and provide the department written comments, if any, on б 7 proposed or adopted plans. The department shall cooperate by providing information as requested by the committee. By December 1, 2009, the 8 9 committee shall provide a joint report to the appropriate committees of 10 the legislature, with recommendations for statutory changes that would provide better integration of voluntary incentives and regulatory 11 12 programs and promote more effective protection of both property rights 13 and values and critical area functions and values.

14 **Sec. 3.** RCW 36.70A.060 and 2005 c 423 s 3 are each amended to read 15 as follows:

16 (1)(a) ((Except as provided in RCW 36.70A.1701,)) Each county that 17 is required or chooses to plan under RCW 36.70A.040, and each city within such county, shall adopt development regulations on or before 18 September 1, 1991, to assure the conservation of agricultural, forest, 19 20 and mineral resource lands designated under RCW 36.70A.170. 21 Regulations adopted under this subsection may not prohibit uses legally existing on any parcel prior to their adoption and shall remain in 22 23 effect until the county or city adopts development regulations pursuant 24 to RCW 36.70A.040. Such regulations shall assure that the use of lands adjacent to agricultural, forest, or mineral resource lands shall not 25 26 interfere with the continued use, in the accustomed manner and in accordance with best management practices, of these designated lands 27 for the production of food, agricultural products, or timber, or for 28 the extraction of minerals. 29

(b) Counties and cities shall require that all plats, short plats, 30 development permits, and building permits issued for development 31 activities on, or within five hundred feet of, lands designated as 32 33 agricultural lands, forest lands, or mineral resource lands, contain a 34 notice that the subject property is within or near designated agricultural lands, forest lands, or mineral resource lands on which a 35 36 variety of commercial activities may occur that are not compatible with residential development for certain periods of limited duration. 37 The

notice for mineral resource lands shall also inform that an application might be made for mining-related activities, including mining, extraction, washing, crushing, stockpiling, blasting, transporting, and recycling of minerals.

5 (2) Each county and city shall adopt development regulations that 6 protect critical areas that are required to be designated under RCW 7 36.70A.170. For counties and cities that are required or choose to 8 plan under RCW 36.70A.040, such development regulations shall be 9 adopted on or before September 1, 1991. For the remainder of the 10 counties and cities, such development regulations shall be adopted on 11 or before March 1, 1992.

12 (3) Such counties and cities shall review these designations and 13 development regulations when adopting their comprehensive plans under 14 RCW 36.70A.040 and implementing development regulations under RCW 15 36.70A.120 and may alter such designations and development regulations 16 to insure consistency or to include provisions related to an 17 environmental management and incentive zone subarea plan adopted under 18 section 2 of this act.

19 (4) Forest land and agricultural land located within urban growth 20 areas shall not be designated by a county or city as forest land or 21 agricultural land of long-term commercial significance under RCW 22 36.70A.170 unless the city or county has enacted a program authorizing 23 transfer or purchase of development rights.

NEW SECTION. Sec. 4. The sum of five hundred thousand dollars, or as much thereof as may be necessary, is appropriated for the fiscal year ending June 30, 2008, from the general fund to the department of community, trade, and economic development for the purposes of environmental management incentive zone subarea planning under this act.

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