# Washington State House of Representatives Office of Program Research

### BILL ANALYSIS

## **General Government Appropriations Committee**

### **HB 2935**

**Brief Description**: Regarding environmental and land use hearings boards and making more uniform the timelines for filing appeals with those boards.

**Sponsors**: Representatives Van De Wege, Sells, Blake, Takko, Darneille, Walsh, Hinkle and Kessler; by request of Governor Gregoire.

#### **Brief Summary of Bill**

- The Environmental and Land Use Hearings Office is created by consolidating the powers, duties, and functions of the Environmental Hearings Office and the Growth Management Hearings Boards.
- The numbers of state boards that conduct administrative review of environmental and land use decisions are reduced.
- Current environmental and land use appeals and petition deadlines are standardized to 30 days.

Hearing Date: 1/28/10

**Staff**: Owen Rowe (786-7391).

Background:

#### Environmental Hearings Office.

The state Environmental Hearings Office (EHO) contains five boards that hear appeals from decisions made by state and local regulatory agencies. Each board has powers and procedures typical of an adjudicative tribunal, such as the power to administer oaths, take depositions, issue subpoenas, and conduct investigations. The EHO boards conduct administrative hearings and issue written decisions that outline the facts and relevant law for each case. The EHO includes the Pollution Control Hearings Board, the Shorelines Hearings Board, the Environmental and

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Land Use Board, the Forest Practices Appeals Board, and the Hydraulic Appeals Board. The EHO is independent of state and local regulatory agencies.

The Pollution Control Hearings Board (PCHB) hears appeals from orders and decisions made by the Department of Ecology (Ecology), local conservation districts, local air pollution control boards, and local health departments. There are three members on the PCHB, and the chair of the PCHB must also be the chair of the Shorelines Hearings Board.

The Shorelines Hearings Board (SHB) hears appeals of permit decisions and shoreline penalties issued by local governments and Ecology. The Shoreline Management Act provides for the regulation and management of development along the state shorelines. Local governments initiate the planning and administer a regulatory program consistent with the Shoreline Management Act, which includes administering and issuing shoreline substantial development, conditional use, and variance permits. Shoreline conditional use and variance permits granted by local governments must be reviewed by Ecology, which then issues the final decision. Local governments and Ecology may also issue fines under the Shoreline Management Act. The SHB hears appeals of shoreline-related permits and penalties. There are six members on the SHB, three of which must be the three members of the PCHB. The chair of the SHB must also be the chair of the PCHB.

The Environmental and Land Use Hearings Board (ELUHB) is composed of six members, three of which are the SHB members serving as members of the PCHB. At least one member is an attorney. The three other members of the ELUHB, who serve part-time, are: the State Land Commissioner or designee, one representative from the Washington State Association of Counties, and one representative from the Association of Washington Cities. The chairperson of the PCHB is the chairperson of the ELUHB. The ELUHB hears petitions from certain permit decisions of state agencies, air agencies or local governments, involving an economic development project located within a county that qualifies as a distressed area and a natural resources impact area.

The Forest Practices Appeals Board (FPAB) hears appeals of decisions made by the Department of Natural Resources (DNR), including the approval or denial of forest practices applications, civil penalties, stop work orders, and notices to comply.

The Hydraulic Appeals Board (HAB) has exclusive jurisdiction to hear appeals arising from the approval, denial, conditioning, or modification of a hydraulic permit issued by the Department of Fish and Wildlife for the diversion of water for agricultural irrigation or stock watering purposes, for stream bank stabilization to protect farm and agricultural lands, or for off-site mitigation plans. The HAB also has jurisdiction to hear appeals of the approval, denial, conditioning, or modification of a hydraulic permit for the construction, replacement, or repair of a marine beach front bulkhead or rock wall.

#### Growth Management Act/Growth Management Hearings Boards.

The Growth Management Act (GMA) is the comprehensive land use planning framework for county and city governments in Washington. Enacted in 1990 and 1991, the GMA establishes numerous requirements for local governments obligated by mandate or choice to fully plan under the GMA and a reduced number of directives for all other counties and cities.

The GMA establishes three regional Growth Management Hearings Boards (GMHBs): an Eastern Washington board, a Central Puget Sound board, and a Western Washington board. Each GMHB consists of three full-time members qualified by experience or training who also meet residency requirements. Compositional provisions for GMHBs require at least one member to be an attorney in Washington and at least one member to have been a city or county elected official. Additionally, no more than two members of a GMHB may be from the same political party. The GMHB members are appointed by the Governor to six-year terms. The 2009 enacted operating budget Chapter 564, Laws of 2009 assumed a reduction of Board Members from 9 to 8.

The GMHBs have limited jurisdiction and may only hear and determine petitions alleging:

- that a state agency or planning jurisdiction is noncompliant with the GMA, specific provisions of the Shoreline Management Act, or certain mandates of the State Environmental Policy Act relating to qualifying plans, regulations, or amendments; or
- that the 20-year planning population projections adopted by the Office of Financial Management should be adjusted.

The GMHBs must make findings of fact and prepare a written decision in each decided case. Findings of fact and decisions become effective upon being signed by two or more members and upon being filed at the applicable GMHB office. Decisions of a GMHB may be appealed to the applicable Board within 60 days. Final decisions of the GMHBS may be appealed to the superior court.

The GMHBs are governed by statutory requirements for conduct and procedure. For example, a majority of a GMHB constitutes a quorum for making decisions, adopting rules, and conducting other official business.

#### **Summary of Bill:**

The Environmental and Land Use Hearing Office, a single quasi-judicial land use and adjudicatory agency is created by consolidating the powers, duties, and functions of the Environmental Hearings Office and the Growth Management Hearings Boards.

On July 1, 2010, the EHO consists of the Pollution Control Hearings Board, the Shorelines Hearings Board, and the Environmental and Land Use Hearings Board. The Forest Practices Appeals Board and the Hydraulic Appeals Board functions are transferred to the PCHB.

On July 1, 2011, the Environmental and Land Use Hearings Office is created and will consist of the PCHB, the SHB, the ELUHB, and the GMHB. Not later than July 1, 2012, the GMHB must consist of seven members qualified by experience or training in matters pertaining to land use law or land use planning. The Governor may reduce the GMHB to six members if warranted by the GMHB's caseload. The Governor must designate one member of either the PCHB or the GMHB to be the Director of the ELUHO during the term of the Governor. The Director may appoint one or more administrative appeals judges in the cases before the environmental boards, and with the consent of the chair of the GMHB, one or more hearing examiners in cases before the GMHB. The administrative appeals judges possess the powers and duties conferred by the Administrative Procedures Act.

The PCHB has jurisdiction to hear and decide appeals from the Department of Natural Resources (DNR), the Department of Fish and Wildlife (DFW), and the Parks and Recreation Commission. This includes decisions of DNR and DFW that are reviewable under the Forest Practices Act, and DNR appeals of county, city, or town objections under the Forest Practices Act. Additionally, the PCHB has jurisdiction over forest health hazard orders, decisions by DFW relating to a hydraulic project approval permit, and decisions by DNR relating to surface mining. The PCHB also has jurisdiction over decisions of a state agency to take temporary possession of a derelict vessel.

The PCHB, SHB, and ELUHB may schedule a conference for the purposes of attempting to mediate a case upon the request of one or more parties and with the consent of all the parties. Mediation must be conducted by an administrative appeals judge or other duly authorized agent of the board who has received training in dispute resolution techniques or has a demonstrated history of successfully resolving disputes.

Any person with standing may commence an appeal to the PCHB by filing a notice of appeal within 30 days from the date of receipt of the decision being appealed. The appeal is timely if it is filed with the PCHB and served upon the state or local agency within the same 30-day period. The appeal must contain: (1) the appellant's name and address; (2) the date and docket number of the order, permit, license, or decision appealed; (3) a copy of the order, permit, license, or decision that is the subject of the appeal; (4) a clear, separate, and concise statement of every error alleged to have been committed; (5) a clear and concise statement of the facts upon which the requester relies to sustain his or her statement of error; and (7) a statement setting forth the relief sought. Any party aggrieved by a final decision and order of the PCHB may obtain judicial review of the final decision and order. The state or local agency that issued the decisions appealed to the PCHB can also obtain judicial review.

If Ecology disapproves a comprehensive solid waste management plan or plan amendments prepared by a county or a city, the county or city may appeal the decision to the PCHB.

Forest landowners who have been issued a forest health hazard order may appeal the order to the PCHB. For those forest practices regulated by the Forest Practices Board and DNR, appeals must be made to the PCHB. The time period for an operator, timber owner, or forest land owner to commence an appeal of a stop order issued by DNR is within 30 days from the date of receipt of the order by the operator. Any person incurring a penalty under the Forest Practices Act may appeal the penalty to the PCHB within 30 days after the date of receipt of the penalty. A person aggrieved by the approval or disapproval of an application to conduct a forest practice or the approval or disapproval of any landscape plan, permit, or watershed analysis may seek review from the PCHB by filing a request within 30 days from the date of receipt of the decision.

A Hydraulic Project Permit may be appealed to the PCHB within 30 days from the date of the receipt of the decision by DFW. Issuance, denial, conditioning, or modification of a Hydraulic Project Permit may be informally appealed to DFW within 30 days from the date of receipt of the decision. Requests for informal appeals must be filed in the form and manner prescribed by the DFW by rule. A permit decision that has been informally appealed to the DFW is appealable to the board within 30 days from the date of receipt of the DFW's decision on the informal appeal. Issuance of a penalty for a hydraulic project permit violation may be informally

appealed to DFW within 30 days from the date of receipt of the penalty. A penalty that has been informally appealed to DFW is appealable to the PCHB within 30 days from the date of receipt of DFW's decision on the informal appeal.

A person seeking to contest the temporary possession or custody of a derelict vessel by a state agency may appeal to the PCHB within 30 days of the date the state agency acquired custody of the vessel. The PCHB must hear and determine the validity of the decision to take the vessel. Within five days after the request for a hearing, the PCHB must notify the vessel owner and the state agency of the date, time, and location for the hearing. A proceeding brought regarding a derelict vessel may be heard by one member of the PCHB, whose decision is the final decision of the PCHB.

A petition for review of a decision for a shoreline development permit or a shoreline substantial development permit to the SHB must be commenced within 30 days from the date of receipt of the decision. Construction under a shoreline development permit or a shoreline substantial development permit must include provisions to assure that construction does not begin until after 30 days from the date of receipt or until all review proceedings are terminated, if the proceedings were initiated within 30 days from the date of receipt. Decisions on permits on shorelines of the state may be appealed to the SHB by filing a petition for review within 30 days of the date of receipt of the decision. Ecology's final decision on a proposed master program or master program amendment by a local government planning under GMA may be appealed to the GMHB by filing a petition within 60 days from the date of Ecology's final decisions to approve or reject a proposed master program or master program amendment. Ecology's written notice must conspicuously and plainly state that it is Ecology's final decision and there will be no further modifications. Any person incurring a penalty under the SMA may appeal the penalty to the SHB within 30 days after the date of receipt of the penalty.

This act applies only to appeals that are commenced on or after the effective date of this act. Various sections concerning the FPAB and the HAB are repealed. However, these repeals do not affect any existing right acquired or liability or obligation incurred under these statutes, nor do they affect any proceeding instituted under them. All pending cases before the FPAB and HAB must be continued and acted upon by those boards. All existing rules of the FPAB remain in effect to be used by the PCHB until the PCHB adopts superseding rules for forest practices appeals.

Appropriation: None.

Fiscal Note: Preliminary fiscal note available.

**Effective Date**: The bill contains multiple effective dates.