SENATE BILL REPORT SB 5782

As Passed Senate, February 11, 2022

Title: An act relating to the defense community compatibility account.

Brief Description: Concerning the defense community compatibility account.

Sponsors: Senators Conway, Hunt and Randall.

Brief History:

Committee Activity: State Government & Elections: 1/26/22, 2/02/22 [DP-WM].

Ways & Means: 2/05/22, 2/07/22 [DP].

Floor Activity: Passed Senate: 2/11/22, 49-0.

Brief Summary of Bill

- Moves the deadline for the Department of Commerce (Commerce) to submit the defense community compatibility account (DCCA) report to November 1, 2022, and every two years thereafter.
- Authorizes Commerce to provide grants using DCCA funds to federally recognized Indian tribes.
- Requires only a showing of federal funds that grantees will apply for to qualify for DCCA grants.

SENATE COMMITTEE ON STATE GOVERNMENT & ELECTIONS

Majority Report: Do pass and be referred to Committee on Ways & Means.

Signed by Senators Hunt, Chair; Kuderer, Vice Chair; Wilson, J., Ranking Member; Hasegawa and Hawkins.

Staff: Samuel Brown (786-7470)

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: Do pass.

Signed by Senators Rolfes, Chair; Frockt, Vice Chair, Capital; Robinson, Vice Chair, Operating & Revenue; Wilson, L., Ranking Member; Brown, Assistant Ranking Member, Operating; Schoesler, Assistant Ranking Member, Capital; Honeyford, Ranking Minority Member, Capital; Billig, Braun, Carlyle, Conway, Dhingra, Gildon, Hasegawa, Hunt, Keiser, Mullet, Muzzall, Pedersen, Rivers, Van De Wege, Wagoner, Warnick and Wellman.

Staff: Wendy Brown (786-7359)

Background: Base Realignment and Closure. Base realignment and closure (BRAC) is a process the U.S. Department of Defense (DOD) has used to reorganize its base structure to more efficiently and effectively support its forces, increase operational readiness, and facilitate new ways of accomplishing its mission. More than 350 installations have been closed in five BRAC rounds: 1988, 1991, 1993, 1995, and 2005. No BRAC commission process is ongoing or authorized.

<u>Defense Community Compatibility Account.</u> In 2019, the Legislature created the defense community compatibility occount (DCCA). Subject to the availability of funding, the Department of Commerce (Commerce) may award grants to local governments for projects to address incompatible development connected to Washington State military installations, including:

- acquiring real property or real property interests to eliminate an existing incompatible use;
- projects to jointly assist in recovering or protecting endangered species dependent on military installation property for habitat;
- local infrastructure or facilities necessary to help a community accommodate an expanded military presence in their community;
- projects or programs to increase the availability of affordable housing to enlisted military personnel; and
- projects to retrofit existing uses to increase their compatibility with existing military operations.

Grant applicants must demonstrate that both federal funds and funds from the applicant are committed to the same project for which state grant funding is sought.

Commerce must produce a report with a prioritized list of projects to address incompatible developments near military installations by January 1, 2020, and every two years thereafter.

Projects must be prioritized with consideration for:

- recommendations of the DOD, BRAC, joint land use studies, or other federally initiated land use processes; and
- whether a branch of the U.S. Armed Forces has identified the project as increasing the

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viability of military installations.

Summary of Bill: The deadline for submitting the DCCA report is moved to November 1st of each even-numbered year. Federally recognized Indian tribes are eligible for grants from the DCCA. Grant recipients must demonstrate the federal funding source for which the applicant intends to apply, rather than that federal funds have already been committed to the project.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony (State Government & Elections): PRO: Moving the report deadline will align its release with when the biennial capital budget is developed, rather than the smaller supplemental capital budget. Joint Base Lewis-McChord has nearly 100,000 full-time equivalent positions, generating \$14 billion in gross economic output and \$2.5 billion in tax revenue. These small but critical changes will improve our ability to support our defense communities. Tribes can be valuable partners in these efforts. Programs like this allow investments so that military installations remain viable. Eligible projects provide shared benefits to military installations and their surrounding communities. This will improve flexibility in putting together projects, as they require a variety of funding sources.

Persons Testifying (State Government & Elections): PRO: Senator Steve Conway, Prime Sponsor; Bill Adamson, South Sound Military & Communities Partnership; Dave Andersen, Washington Department of Commerce; Kevin Twohig, Forward Fairchild; Misha Lujan, Economic Alliance Snohomish County; Eric Baker, Kitsap County.

Persons Signed In To Testify But Not Testifying (State Government & Elections): No one.

Staff Summary of Public Testimony (Ways & Means): PRO: The military and defense sector is a major employer in Washington State. The Defense Community Compatibility Act was created to identify, prioritize and provide funding to projects that support military communities. The bill improves administration of the program.

Persons Testifying (Ways & Means): PRO: Shelly Helder, South Sound Military & Communities Partnership.

Persons Signed In To Testify But Not Testifying (Ways & Means): No one.