

HOUSE BILL REPORT

ESHB 2170

As Passed Legislature

Title: An act relating to investments of state-wide significance.

Brief Description: Expediting projects of state-wide significance.

Sponsors: By House Committee on Trade & Economic Development (originally sponsored by Representatives Pennington, Sheldon and Ogden).

Brief History:

Committee Activity:

Trade & Economic Development: 3/5/97 [DPS];
Appropriations: 3/8/97 [DPS(TED)].

Floor Activity:

Passed House: 3/17/97, 98-0.
Senate Amended.
House Concurred.
Passed Legislature.

HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Van Luven, Chairman; Dunn, Vice Chairman; Voloria, Ranking Minority Member; Sheldon, Assistant Ranking Minority Member; Alexander; Mason; McDonald and Morris.

Minority Report: Without recommendation. Signed by 1 member: Representative Ballasiotes.

Staff: Kenny Pittman (786-7392).

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Trade & Economic Development be substituted therefor and the substitute bill do pass. Signed by 28 members: Representatives Huff, Chairman; Alexander, Vice Chairman; Clements, Vice Chairman; H. Sommers, Ranking Minority Member; Doumit, Assistant Ranking

Minority Member; Gombosky, Assistant Ranking Minority Member; Benson; Carlson; Chopp; Cody; Cooke; Crouse; Dyer; Grant; Kenney; Kessler; Lambert; Linville; Lisk; Mastin; McMorris; Parlette; Regala; D. Schmidt; Sehlin; Sheahan; Talcott and Tokuda.

Minority Report: Without recommendation. Signed by 3 members: Representatives Wensman, Vice Chairman; Keiser and Poulsen.

Staff: Jim Lux (786-7152).

Background: Major industrial investments can have a significant impact on a city's or a county's regulatory process and economic well-being. State recognition of and assistance with major industrial investments or economic development projects can expedite their completion.

Summary of Bill: A process to expedite the development of industrial projects of statewide significance is created. Local governments (cities and counties) that have comprehensive plans may, at its option, develop a process to expedite the review, approval, permitting, and completion of projects of statewide significance.

An industrial project of statewide significance is defined as either a border crossing project that involves both private and public investments or a private capital investment in manufacturing or research and development. The capital investment requirements are based on the size of the county where the project is located. The capital investment requirements range from \$20 million for a project located in a county with a population of 20,000 or less, to \$1 billion for a project located in a county with a population greater than one million. The director of the Department of Community, Trade, and Economic Development (DCTED) may designate a project that does not meet the state requirements as an industrial project of statewide significance if: (1) the project is located in a distressed area and the economic circumstances of the county merit the additional assistance; or (2) the impact on the region, due to project size and complexity, merits such designation.

The DCTED must assign an ombudsman to each project of statewide significance to assemble a team of state, local government, and private officials to help meet the project's planning and development needs. Members of the team include those with responsibility over planning, permitting and licensing, infrastructure development, work force development services, transportation services, and the provision of utilities for the specific project of statewide significance.

The Work Force Training and Education Coordinating Board must revise its comprehensive plan for work force training and education to address how the state's work force development system will meet the employer hiring needs for industrial projects of statewide significance.

The Higher Education Coordinating Board must revise its comprehensive plan for higher education policy to include how the state's higher education system can meet employer hiring needs for industrial projects of statewide significance.

The Department of Ecology (DOE) must revise its various planning documents to address how the department will expedite the completion of industrial projects of statewide significance. The DOE and appropriate local government must also include in the master programs, adopted under the Shorelines Management Act, an economic development element for the location and design of industrial projects of statewide significance.

The Washington Department of Transportation, as part of its state transportation policy plan, must address how the department will meet the transportation needs and expedite the completion of industrial projects of statewide significance.

The state Board of Education may provide additional state assistance to school districts that face a special school housing burden because of the development of industrial projects of statewide significance in their boundaries.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: (Trade & Economic Development) There is a need to speed up the approval process for major industrial projects. This bill would have the government and private sector working together to expedite the approval and development of major projects. Government needs a way to help recover some of the costs of the ombudsman. The fee ability to charge fees for this important service is an important addition to the bill.

(Appropriations) None.

Testimony Against: (Trade & Economic Development) None.

(Appropriations) None.

Testified: (Trade & Economic Development) Diane Nelson, Couriers (pro); and Randy Lewis, city of Tacoma (pro with concerns).

(Appropriations) None.