Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Community Development & Housing Committee

SSB 5676

Brief Description: Concerning projects of statewide significance for economic development.

Sponsors: Senate Committee on Economic Development, Trade & Innovation (originally sponsored by Senators Kastama, Holmquist Newbry and Shin).

Brief Summary of Substitute Bill

- Modifies requirements related to designating a project of statewide significance, including reducing requirements for the projected number of jobs to be created.
- Allows private industrial development projects to include basic commodity transportation, energy development, conservation, or efficiency.

Hearing Date: 3/16/11

Staff: Chris Cordes (786-7103).

Background:

Since 1997 a statutory process has existed to expedite completion of projects of statewide significance. These projects include: (1) border crossings that involve private and public investments in conjunction with adjacent states or provinces; (2) development projects with net environmental benefit; (3) development projects furthering commercialization of innovations; and (4) private industrial development with investment in manufacturing or research and development.

To be designated by the Department of Commerce (Department) as a project of statewide significance, the project must meet certain criteria, including requirements related to capital investment, job creation, or merit because of impacts on the economic circumstances of a county or on innovation activities or the environment. In rural counties, the projected number of full-

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time jobs to be created must be 50 or more. In non-rural counties, the projected number of full-time jobs must be 100 or more.

To apply for designation, a project proponent's application must be accompanied by a letter of approval from the local jurisdiction. The letter of approval must state that the local jurisdiction joins in the request and has or will hire the staff required to expedite the process. Local officials must enter to an agreement with the Office of Regulatory Assistance (ORA) that includes provisions for expedited permit processing, expedited environmental review, and local participation on the team assembled by the ORA.

Summary of Bill:

A project of statewide significance involving private industrial development may include, in addition to investment in manufacturing or research and development, investment in basic commodity transportation, energy development, conservation, or efficiency.

For certain projects to be designated as projects of statewide significance, the projected number of full-time jobs to be created in rural counties must be 30 or more (rather than 50 or more) and in non-rural or mixed counties, the projected number of full-time jobs must be 70 or more (rather than 100 or more for non-rural counties).

An agreement that a county or city must enter into with the ORA when a project of statewide significance is within its jurisdiction must include provisions addressing a coordinated and comprehensive review of the project. Requirements under the agreement are not to alter any permitting authority or other existing statutory requirements.

After a project proponent has applied to the Department requesting a project designation, a local jurisdiction must provide a letter stating whether the jurisdiction joins in the request and has, or will hire, the staff necessary to expedite the process. If a local jurisdiction does not join in the request by the project proponents, the Department may not consider the request further.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.