HOUSE BILL 1588

State of Washington 62nd Legislature 2011 Regular Session

By Representatives Dunshee, Chandler, Van De Wege, and Tharinger; by request of Department of Fish and Wildlife

Read first time 01/26/11. Referred to Committee on Agriculture & Natural Resources.

AN ACT Relating to hydraulic project approval; amending RCW 77.55.011, 77.55.021, 77.55.031, and 77.55.141; adding new sections to chapter 77.55 RCW; creating new sections; repealing RCW 77.15.300 and 77.55.291; prescribing penalties; and providing expiration dates.

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

6 <u>NEW SECTION.</u> Sec. 1. (1) The legislature finds that the 7 department of fish and wildlife issues thousands of hydraulic project 8 approval permits each year at a substantial commitment of government 9 resources. The legislature recognizes the importance of the hydraulic 10 project approval process to ensure that hydraulic projects provide for 11 the proper protection of fish life.

12 (2) The legislature further finds that targeted permit streamlining 13 measures, such as creating a category of hydraulic projects that may be 14 conducted upon notification to the department, will benefit both the 15 applicant and the department, while providing for the protection of 16 fish life due to the lower risk these projects pose to fish life.

(3) The legislature further finds that the department of fish and
wildlife and the applicant may realize staffing and fiscal efficiencies
by using these permit streamlining measures. The department shall use

the savings from these efficiencies to monitor hydraulic projects to ensure hydraulic projects are achieving the protection of fish life required by chapter 77.55 RCW, and to emphasize application review and permitting of hydraulic projects that pose the greatest risk to fish life.

6 (4) The legislature further finds that the establishment of a fee 7 schedule for hydraulic project approval permits will relieve state 8 taxpayers from a portion of the cost of the hydraulic project approval 9 permit program. The legislature does not intend the fee schedule to 10 fully fund the program.

(5) The legislature further finds that educating permittees about how the requirements of the hydraulic code protect fish life will increase compliance with permit requirements.

14 **Sec. 2.** RCW 77.55.011 and 2010 c 210 s 26 are each amended to read 15 as follows:

16 The definitions in this section apply throughout this chapter 17 unless the context clearly requires otherwise.

18 (1) "Bed" means the land below the ordinary high water ((lines)) 19 <u>marks</u> of state waters. This definition does not include irrigation 20 ditches, canals, storm water runoff devices, or other artificial 21 watercourses except where they exist in a natural watercourse that has 22 been altered artificially.

(2) "Board" means the pollution control hearings board created inchapter 43.21B RCW.

(3) <u>"Class I hydraulic project" means a hydraulic project for the</u> removal or control of aquatic noxious weeds conducted under the aquatic plants and fish pamphlet authorized by RCW 77.55.081, or for mineral prospecting and mining conducted under the gold and fish pamphlet authorized by RCW 77.55.091.

30 (4) "Class II hydraulic project" means a hydraulic project that is 31 routine in nature and therefore can be conducted without site-specific 32 conditions or compensatory mitigation requirements to avoid impacts to 33 fish life when conducted in accordance with the rules established by 34 the department regulating the conduct and timing of the project.

35 (5) "Class III hydraulic project" means any hydraulic project that
 36 is not a class I hydraulic project or a class II hydraulic project.

37 (6) "Commission" means the state fish and wildlife commission.

(((4))) (7) "Date of receipt" has the same meaning as defined in
 RCW 43.21B.001.

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(((5))) (8) "Department" means the department of fish and wildlife.

4 ((((6)))) <u>(9)</u> "Director" means the director of the department of fish
5 and wildlife.

6 (((7))) (10) "Emergency" means an immediate threat to life, the
7 public, property, or of environmental degradation.

8 (((8))) <u>(11) "Emergency permit" means a verbal hydraulic project</u> 9 <u>approval or the written follow-up to the verbal approval issued to a</u> 10 <u>person under RCW 77.55.021(14).</u>

11 (12) "Expedited permit" means a hydraulic project approval issued 12 to a person under RCW 77.55.021 (16) and (18).

13 (13) "General permit" means a hydraulic project approval issued to 14 a person under RCW 77.55.021 for multiple hydraulic projects occurring 15 over a defined geographic area but for which specific project sites 16 have not been designated, and for which impacts are well-understood and 17 proven mitigation measures exist.

18 (14) "Hydraulic project" means the construction or performance of 19 work that will use, divert, obstruct, or change the natural flow or bed 20 of any of the salt or freshwaters of the state.

21 (((9))) (15) "Imminent danger" means a threat by weather, water 22 flow, or other natural conditions that is likely to occur within sixty 23 days of a request for a permit application.

(((10))) <u>(16)</u> "Marina" means a public or private facility providing boat moorage space, fuel, or commercial services. Commercial services include but are not limited to overnight or live-aboard boating accommodations.

28 (((11))) <u>(17)</u> "Marine terminal" means a public or private 29 commercial wharf located in the navigable water of the state and used, 30 or intended to be used, as a port or facility for the storing, 31 handling, transferring, or transporting of goods to and from vessels.

32 (((12))) <u>(18) "Multiple-site permit" means a hydraulic project</u> 33 approval issued to a person under RCW 77.55.021 for hydraulic projects 34 occurring at more than one specific location and which includes site-35 specific requirements.

36 <u>(19)</u> "Ordinary high water ((line)) <u>mark</u>" means ((the mark on the 37 shores of all water that will be found by examining the bed and banks 38 and ascertaining where the presence and action of waters are so common

and usual, and so long continued in ordinary years as to mark upon the 1 2 soil or vegetation a character distinct from the abutting upland. Provided, that in any area where the ordinary high water line cannot be 3 4 found, the ordinary high water line adjoining saltwater is the line of 5 mean higher high water and the ordinary high water line adjoining fresh б water is the elevation of the mean annual flood)) that mark on the shores of all lakes, streams, and tidal water that will be found by 7 examining the bed and banks and ascertaining where the presence and 8 action of waters are so common and usual, and so long continued in all 9 ordinary years, as to mark upon the soil a character distinct from that 10 of the abutting upland, in respect to vegetation as that condition 11 exists on June 1, 1971, as it may naturally change thereafter, or as it 12 13 may change thereafter in accordance with permits issued by a local government or the department. However, in any area where the ordinary 14 high water mark cannot be found, the ordinary high water mark adjoining 15 saltwater is the line of mean higher high tide and the ordinary high 16 17 water mark adjoining fresh water is the line of mean high water.

18 (((13))) <u>(20)</u> "Permit" means a hydraulic project approval 19 ((permit)) <u>for a class I, II, or III hydraulic project</u> issued under 20 this chapter.

(((14) "Sandbars" includes, but is not limited to, sand, gravel, rock, silt, and sediments)) (21) "Permit modification" means a hydraulic project approval issued to a person under RCW 77.55.021 that extends, renews, or changes the conditions of a previously issued hydraulic project approval.

26 (22) "Person" means an individual or a public or private entity or 27 organization. The term "person" includes local, state, and federal 28 government agencies and all business organizations.

29 <u>(23) "Sandbar" means a ridge of sediment built up by water</u> 30 <u>currents.</u>

31 (((15))) (24) "Small scale prospecting and mining" means the use of 32 only the following methods: Pans; nonmotorized sluice boxes; 33 concentrators; and minirocker boxes for the discovery and recovery of 34 minerals.

35 (((16))) <u>(25)</u> "Spartina," "purple loosestrife," and "aquatic 36 noxious weeds" have the same meanings as defined in RCW 17.26.020.

37 (((17))) <u>(26)</u> "Streambank stabilization" means those projects that 38 prevent or limit erosion, slippage, and mass wasting. These projects include, but are not limited to, bank resloping, log and debris relocation or removal, planting of woody vegetation, bank protection using rock or woody material or placement of jetties or groins, gravel removal, or erosion control.

5 (((18))) (27) "Tide gate" means a one-way check valve that prevents
6 the backflow of tidal water.

7 (((19))) (28) "Waters of the state" and "state waters" means all 8 salt and fresh waters waterward of the ordinary high water ((line)) 9 mark and within the territorial boundary of the state.

10 **Sec. 3.** RCW 77.55.021 and 2010 c 210 s 27 are each amended to read 11 as follows:

(1)(a) Except as provided in RCW 77.55.031, <u>77.55.041</u>, and 77.55.051, ((and <u>77.55.041</u>,)) in the event that any person ((or government agency)) desires to undertake a hydraulic project, the person ((or government agency)) shall((, before commencing work thereon,)) secure the approval of the department ((in the form of a permit as to the adequacy of the means proposed for the protection of fish life)) <u>before conducting work on that project</u>.

19 (b) When issuing approval for hydraulic projects, the department 20 shall provide for the protection of fish life.

21 (2)(a) A class I hydraulic project may be conducted without
22 submitting an application or notification.

23 (b) If a project does not meet the requirements of a class I
24 hydraulic project, a person may apply for a permit for a class III
25 hydraulic project under subsection (4) of this section.

26 (3) Until the department implements the pilot project for class II 27 hydraulic projects under section 4 of this act, and after the pilot 28 project ends, all class II hydraulic projects must be considered, and 29 applications for permits processed as, class III hydraulic projects.

30 (4)(a) A class III hydraulic project may be conducted following 31 receipt of the department's written approval of a complete application 32 described in this subsection.

33 (b) A complete written application for a permit ((may)) for a class
34 III hydraulic project must be submitted ((in person or by registered
35 mail)) to the department and must contain the following:

36 (((a))) <u>(i)</u> General plans for the overall project;

1 (((b))) (<u>ii</u>) Complete plans and specifications of the proposed 2 construction or work within the mean higher high water line in 3 saltwater or within the ordinary high water line in freshwater;

4 (((c))) <u>(iii)</u> Complete plans and specifications for the proper 5 protection of fish life; ((and

6 (d))) (iv) Notice of compliance with any applicable requirements of
7 the state environmental policy act, unless otherwise provided for in
8 this chapter; and

9 (v) Payment of all applicable application submittal and permit 10 processing fees charged by the department under section 8 of this act.

11 (5) The department may establish direct billing accounts or other 12 funds transfer methods with permit applicants to satisfy the fee 13 payment requirements of this section and section 5 of this act.

14 (6) The department may accept complete, written applications as
 15 provided in this section for multiple-site permits and general permits.
 16 For multiple-site permits, each specific location must be identified.

(7) With the exception of emergency permits as provided in 17 subsection (14) of this section, applications for permits must be 18 submitted to the department's headquarter office in Olympia. Requests 19 20 for emergency permits as provided in subsection (14) of this section 21 may be made to the permitting biologist assigned to the location in which the emergency occurs, to the department's regional office in 22 which the emergency occurs, or to the department's headquarters office. 23 24 (8) Except as provided for emergency permits in subsection (14) of

25 <u>this section, the department may not proceed with permit review until</u> 26 <u>fees are paid in full</u>.

27 (((3))) (9)(a) Protection of fish life is the only ground upon which approval of a permit may be denied or conditioned. Approval of 28 a permit may not be unreasonably withheld or unreasonably conditioned. 29 30 Except as provided in this subsection and subsections $\left(\left(\frac{8}{6}, \frac{10}{6}\right), \frac{10}{6}\right)$ (12))) (14), (15), (16), and (18) of this section, the department has 31 forty-five calendar days upon receipt of a complete application for a 32 permit for a class III hydraulic project to grant or deny approval of 33 a permit. The forty-five day requirement is suspended if: 34

35 (i) After ten working days of receipt of the application <u>for a</u> 36 <u>permit for a class III hydraulic project</u>, the applicant remains 37 unavailable or unable to arrange for a timely field evaluation of the 38 proposed project;

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(ii) The site is physically inaccessible for inspection;

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(iii) The applicant requests a delay; or

3 (iv) The department is issuing a permit for a storm water discharge4 and is complying with the requirements of RCW 77.55.161(3)(b).

5 (b) Immediately upon determination that the forty-five day period 6 is suspended, the department shall notify the applicant in writing of 7 the reasons for the delay.

8 (c) The period of forty-five calendar days may be extended if the 9 permit is part of a multiagency permit streamlining effort and all 10 participating permitting agencies and the permit applicant agree to an 11 extended timeline longer than forty-five calendar days.

12 (((4))) (10) If the department denies approval of a permit, the 13 department shall provide the applicant a written statement of the 14 specific reasons why and how the proposed project would adversely 15 affect fish life.

16 (a) Except as provided in (b) of this subsection, issuance, denial, 17 conditioning, or modification of a permit shall be appealable to the 18 board within thirty days from the date of receipt of the decision as 19 provided in RCW 43.21B.230.

(b) Issuance, denial, conditioning, or modification of a permit may be informally appealed to the department within thirty days from the date of receipt of the decision. Requests for informal appeals must be filed in the form and manner prescribed by the department by rule. A permit decision that has been informally appealed to the department is appealable to the board within thirty days from the date of receipt of the department's decision on the informal appeal.

27 (((5))) <u>(11)</u>(a) ((The permittee must demonstrate substantial 28 progress on construction of that portion of the project relating to the 29 permit within two years of the date of issuance.

30 (b)) Approval of a permit <u>for a class III hydraulic project and a</u> 31 <u>general permit</u> is valid for ((a period of)) up to five years from the 32 date of issuance, except as provided in (((c))) <u>(b)</u> of this subsection 33 and in RCW 77.55.151.

34 (((c))) <u>(b)</u> A permit remains in effect without need for periodic 35 renewal for hydraulic projects that divert water for agricultural 36 irrigation or stock watering purposes and that involve seasonal 37 construction or other work. A permit for streambank stabilization 38 projects to protect farm and agricultural land as defined in RCW 1 84.34.020 remains in effect without need for periodic renewal if the 2 problem causing the need for the streambank stabilization occurs on an 3 annual or more frequent basis. The permittee must notify the 4 appropriate agency before commencing the construction or other work 5 within the area covered by the permit.

6 (((6))) <u>(12)</u> The department may, after consultation with the 7 permittee, modify a permit due to changed conditions. The modification 8 is appealable as provided in subsection $\left(\left(\frac{4}{4}\right)\right)$ (10) of this section. 9 For <u>a</u> hydraulic project((s)) that divert<u>s</u> water for agricultural irrigation or stock watering purposes, ((or)) when the hydraulic 10 project or other work is associated with streambank stabilization to 11 12 protect farm and agricultural land as defined in RCW 84.34.020, the 13 burden is on the department to show that changed conditions warrant the 14 modification in order to protect fish life.

(((7))) (13) A permittee may request modification of a permit due 15 to changed conditions. The request must be processed within forty-five 16 17 calendar days of receipt of the written request and payment of applicable fees under section 8 of this act. A decision by the 18 19 department is appealable as provided in subsection $\left(\frac{4}{4}\right)$ (10) of this For <u>a</u> hydraulic project((s)) that divert<u>s</u> water for 20 section. 21 agricultural irrigation or stock watering purposes, ((or)) when the 22 hydraulic project or other work is associated with streambank 23 stabilization to protect farm and agricultural land as defined in RCW 24 84.34.020, the burden is on the permittee to show that changed conditions warrant the requested modification and that 25 such a 26 modification will not impair fish life.

(((8))) <u>(14)</u>(a) The department, the county legislative authority, or the governor may declare and continue an emergency. If the county legislative authority declares an emergency under this subsection, it shall immediately notify the department. A declared state of emergency by the governor under RCW 43.06.010 shall constitute a declaration under this subsection.

(b) The department, through its authorized representatives, shall issue immediately, upon request, ((oral)) verbal approval for a stream crossing, or work to remove any obstructions, repair existing structures, restore streambanks, protect fish life, or protect property threatened by the stream or a change in the stream flow without the necessity of obtaining a written permit prior to commencing work.

Conditions of the emergency ((oral)) verbal permit must be
 ((established by the department and)) reduced to writing within thirty
 days and complied with as provided for in this chapter.

4 (c) The department may not require the provisions of the state 5 environmental policy act, chapter 43.21C RCW, to be met as a condition 6 of issuing a permit under this subsection.

7 (d) The department may not charge a person requesting an emergency
8 permit any of the fees authorized by section 8 of this act until after
9 the emergency permit is issued and reduced to writing.

(((9))) (15) All state and local agencies with authority under this 10 11 chapter to issue permits or other authorizations in connection with 12 emergency water withdrawals and facilities authorized under RCW 13 43.83B.410 shall expedite the processing of such permits or authorizations in keeping with the emergency nature of such requests 14 15 and shall provide a decision to the applicant within fifteen calendar days of the date of application. 16

17 (((10))) (16) The department or the county legislative authority 18 may determine an imminent danger exists. The county legislative 19 authority shall notify the department, in writing, if it determines 20 that an imminent danger exists. In cases of imminent danger, the 21 department shall issue an expedited written permit, upon request, for 22 work to remove any obstructions, repair existing structures, restore 23 banks, protect fish resources, or protect property. Expedited permit 24 requests require a complete written application as provided in subsection $\left(\left(\frac{1}{2}\right)\right)$ (4) of this section and must be issued within 25 26 fifteen calendar days of the receipt of a complete written application. 27 Approval of an expedited permit is valid for up to sixty days from the 28 date of issuance. The department may not require the provisions of the state environmental policy act, chapter 43.21C RCW, to be met as a 29 30 condition of issuing a permit under this subsection.

31 (((11))) (17)(a) For any property, except for property located on 32 a marine shoreline, that has experienced at least two consecutive years of flooding or erosion that has damaged or has threatened to damage a 33 major structure, water supply system, septic system, or access to any 34 35 road or highway, the county legislative authority may determine that a 36 chronic danger exists. The county legislative authority shall notify 37 the department, in writing, when it determines that a chronic danger In cases of chronic danger, the department shall issue a 38 exists.

1 permit, upon request, for work necessary to abate the chronic danger by 2 removing any obstructions, repairing existing structures, restoring 3 banks, restoring road or highway access, protecting fish resources, or 4 protecting property. Permit requests must be made and processed in 5 accordance with subsections (((2))) (4) and (((3))) (9) of this 6 section.

7 (b) Any projects proposed to address a chronic danger identified 8 under (a) of this subsection that satisfies the project description 9 identified in RCW 77.55.181(1)(a)(ii) are not subject to the provisions 10 of the state environmental policy act, chapter 43.21C RCW. However, 11 the project is subject to the review process established in RCW 12 77.55.181(3) as if it were a fish habitat improvement project.

13 ((((12))) (18) The department may issue an expedited written permit in those instances where normal permit processing would result in 14 significant hardship for the applicant or unacceptable damage to the 15 Expedited permit requests require a complete written 16 environment. 17 application as provided in subsection $\left(\left(\frac{4}{2}\right)\right)$ (4) of this section and must be issued within fifteen calendar days of the receipt of a 18 19 complete written application. Approval of an expedited permit is valid for up to sixty days from the date of issuance. The department may not 20 21 require the provisions of the state environmental policy act, chapter 22 43.21C RCW, to be met as a condition of issuing a permit under this 23 subsection.

24 <u>NEW SECTION.</u> Sec. 4. The department shall conduct a pilot project 25 to evaluate the effectiveness of streamlined permitting for class II 26 hydraulic projects.

(1) The department shall develop pilot rules with interested parties that identify class II hydraulic projects eligible for streamlined permit processing and the conditions under which qualifying projects may be conducted. The department shall adopt those rules by January 1, 2012.

32 (2) The pilot project must be conducted from the date the rules
 33 become effective until the end of the 2014 regular legislative session.

34 (3) The definitions in RCW 77.55.011 apply throughout this section.
35 (4) This section expires June 30, 2014.

<u>NEW SECTION.</u> Sec. 5. (1) A person applying for approval to conduct a class II hydraulic project under the pilot project established in section 4 of this act must submit written notification of the class II hydraulic project to the department in the manner, content, and form prescribed by the department, and payment of all fees required under section 8 of this act.

7 (2) Within fifteen calendar days of receipt of notification and 8 payment of fees for a class II hydraulic project, the department shall 9 provide written notification to the applicant of the department's 10 determination whether the proposed project qualifies as a class II 11 hydraulic project. If the proposed project does not qualify as a class 12 II hydraulic project, the department shall include in the written 13 notification the specific reasons why.

14 (3) A class II hydraulic project may be conducted following receipt 15 of the department's written notification that the proposed project 16 qualifies as a class II hydraulic project and that the applicant has 17 complied with the notification requirements and paid all applicable 18 fees charged by the department under section 8 of this act.

19 (4) If a project does not meet the requirements of a class II 20 hydraulic project, a person may apply for a class III hydraulic project 21 under RCW 77.55.021.

(5) The definitions in RCW 77.55.011 apply throughout this section.(6) This section expires June 30, 2014.

24 **Sec. 6.** RCW 77.55.031 and 2005 c 146 s 301 are each amended to 25 read as follows:

The act of driving across an established ford is exempt from a permit. Driving across streams or on wetted streambeds at areas other than established fords requires a permit. Work within the ordinary high water ((line)) <u>mark</u> of state waters to construct or repair a ford or crossing requires a permit.

31 Sec. 7. RCW 77.55.141 and 2010 c 210 s 28 are each amended to read 32 as follows:

(1) In order to protect the property of marine waterfront shoreline
 owners it is necessary to facilitate issuance of permits for bulkheads
 or rockwalls under certain conditions.

1 (2) The department shall issue a permit with or without conditions 2 within forty-five days of receipt of a complete and accurate 3 application which authorizes commencement of construction, replacement, 4 or repair of a marine beach front protective bulkhead or rockwall for 5 single-family type residences or property under the following 6 conditions:

7 (a) The waterward face of a new bulkhead or rockwall shall be 8 located only as far waterward as is necessary to excavate for footings 9 or place base rock for the structure and under no conditions shall be 10 located more than six feet waterward of the ordinary high water 11 ((line)) mark;

12 (b) Any bulkhead or rockwall to replace or repair an existing 13 bulkhead or rockwall shall be placed along the same alignment as the 14 bulkhead or rockwall it is replacing. However, the replaced or repaired bulkhead or rockwall may be placed waterward of and directly 15 abutting the existing structure only in cases where removal of the 16 17 existing bulkhead or rockwall would result in environmental degradation 18 or removal problems related to geological, engineering, or safety 19 considerations; ((and))

(c) Construction of a new bulkhead or rockwall, or replacement or repair of an existing bulkhead or rockwall waterward of the existing structure shall not result in the permanent loss of critical food fish or shellfish habitats; and

(d) Timing constraints shall be applied on a case-by-case basis for
the protection of critical habitats, including but not limited to
migration corridors, rearing and feeding areas, and spawning habitats,
for the proper protection of fish life.

(3) Any bulkhead or rockwall construction, replacement, or repair
 not meeting the conditions in this section shall be processed under
 this chapter in the same manner as any other application.

31 (4) Any person aggrieved by the approval, denial, conditioning, or 32 modification of a permit under this section may appeal the decision as 33 provided in RCW 77.55.021(((4))) (10).

34 <u>NEW SECTION.</u> **Sec. 8.** A new section is added to chapter 77.55 RCW 35 to read as follows:

(1) Except as provided in this section, the department shall charge
 fees for hydraulic project permits issued under RCW 77.55.021 to

recover a portion of the costs for processing and issuing decisions on permit notifications and applications, administering fee collections, and compliance and effectiveness monitoring and enforcement of projects requiring a permit. The fees must be based on the scale and complexity of the project and the relative effort required for department staff to review the application, conduct site visits, and consult with applicants as necessary.

8 (2) A permit for a class I hydraulic project is exempt from fees 9 under this section.

10 (3) The fee for a permit for a class II hydraulic project is one 11 hundred fifty dollars for notification/application submittal.

(4) The fee for a permit for a class III hydraulic project is one
hundred fifty dollars for notification/application submittal, and eight
hundred fifty dollars for permit processing.

15 (5) The fee for a general permit for class II or class III 16 hydraulic projects is one hundred fifty dollars for 17 notification/application submittal, and four thousand eight hundred 18 fifty dollars for permit processing.

19 (6) The fee for a multiple-site permit for class III hydraulic 20 projects is one hundred fifty dollars for notification/application 21 submittal, the applicable permit processing fee assessed under 22 subsection (3) or (4) of this section for one of the hydraulic project 23 sites identified in the permit application, and twenty percent of the 24 applicable permit processing fee assessed under subsection (4) of this 25 section for each additional site.

(7) The fee for permit modifications of class III hydraulic projects, multiple-site permits, and general permits is one hundred dollars for permit processing. Permit modifications of class III hydraulic project permits, multiple-site permits, or general permits issued under RCW 77.55.021(12) are exempt from fees under this section.

(8) The department may not charge fees for permits issued prior to the effective date of this section. When a person requests modification of a permit issued prior to the effective date of this section, the department shall charge all applicable fees under this section.

36 (9) The following hydraulic projects are exempt from all fees 37 listed under this section: (a) Projects approved under the cost-sharing program for fish
 passage barriers authorized in RCW 76.13.150;

3 (b) Projects conducted under the pamphlets developed under RCW
4 77.55.081 or 77.55.091;

5 (c) Fish passage barrier correction projects associated with an 6 approved forest practices permit granted under chapter 76.09 RCW;

7 (d) Approved fish habitat enhancement projects authorized under RCW
8 77.55.181; and

9 (e) Hydraulic projects approved under applicant-funded contracts 10 with the department that pay for the costs of processing those 11 projects.

(10) At its discretion, the department may reduce the fees charged to a person under this section when the work required by the department to receive and process that person's application or modify a permit is substantially less than typically required. Decisions made by the department under this subsection are not subject to appeal under RCW 77.55.021(10).

18 (11) The department shall refund fifty percent of the permit 19 processing fee to any person that properly applies for any permit or 20 permit modification under RCW 77.55.021 if the department:

(a) Fails to process the application or request within thetimelines required by RCW 77.55.021; or

(b) Denies the permit because the proposed project would adverselyaffect fish life.

25 (12) The department shall refund one hundred percent of all fees 26 if:

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(a) No permit is required for the proposed work; or

(b) A person has applied for approval of a class II hydraulic
 project, but the department rejects the proposed project as not
 qualifying as a class II hydraulic project.

(13) On September 30th of each year, the department shall calculate adjusted fees by the rate of inflation. The adjusted fees must be calculated to the nearest dollar using the consumer price index for the twelve months prior to each September 1st as calculated by the United States department of labor. Each adjusted fee calculated under this section takes effect on the following January 1st.

(14) All fees collected under this section must be deposited in thehydraulic project approval account created in section 11 of this act.

<u>NEW SECTION.</u> Sec. 9. A new section is added to chapter 77.55 RCW
 to read as follows:

To ensure that hydraulic projects provide for the protection of 3 fish life, the department shall, by January 1, 2012, develop and 4 5 implement a program to monitor the compliance with and effectiveness of the approvals it grants under this chapter. The department shall 6 7 gather data through this program to ensure permits authorized under 8 this chapter protect fish life. If the department identifies approvals that do not provide for protection of fish life, the department shall 9 10 use adaptive management principles to ensure protection and compliance.

11 <u>NEW SECTION.</u> Sec. 10. By December 31, 2013, the department of 12 fish and wildlife shall report to the legislature consistent with RCW 13 43.01.036 on the impact of the classification system on permit numbers permit compliance and effectiveness, the outcome of 14 and and recommendations resulting from the class II pilot project under section 15 16 4 of this act, the impact of fees on applicants, actual versus expected 17 fees collected by the department, the impact of fee collection on the hydraulic 18 department's project approval permit program, and 19 recommendations for improving the department's permit streamlining 20 efforts and permit fee schedule.

21 <u>NEW SECTION.</u> Sec. 11. A new section is added to chapter 77.55 RCW 22 to read as follows:

(1) The hydraulic project approval account is created in the state
treasury. All receipts from notification/application submittal fees
and permit processing fees for hydraulic project approval applications
in section 8 of this act must be deposited into the account.

(2) Except for unanticipated receipts under RCW 43.79.260 through
 43.79.282, moneys in the hydraulic project approval account may be
 spent only after appropriation.

30 (3) Expenditures from the hydraulic project approval account may be used only to fund department activities relating to processing and 31 32 issuing hydraulic project approval decisions, compliance and effectiveness monitoring, enforcement activities related to this 33 34 chapter, conducting informal appeals or participating in administrative 35 or judicial appeals of hydraulic project approval decisions, providing 36 technical assistance by biologists and environmental engineers on

project design and implementation that provides for the protection of fish life, and for the associated management and administrative costs incurred to implement and operate the hydraulic project approval program.

5 <u>NEW SECTION.</u> Sec. 12. A new section is added to chapter 77.55 RCW 6 to read as follows:

7 (1) The following common forest practices do not require a 8 hydraulic project approval permit under this chapter when those 9 projects are conducted under an approved forest practices permit 10 granted under chapter 76.09 RCW that incorporates rules adopted under 11 subsection (2) of this section:

12 (a) Timber felling and yarding activities;

13 (b) Bridge repair, including painting, redecking, and curbing or 14 railing repair; and

15 (c) Removal of woody debris not embedded in the stream bed or 16 stream banks from upstream bridge openings.

(2) The forest practices board, in collaboration with interested 17 affected 18 and parties, and upon approval by the department representative on the forest practices board, shall adopt by rule the 19 20 requirements for the project types in subsection (1) of this section 21 necessary to protect fish life.

22 <u>NEW SECTION.</u> Sec. 13. A new section is added to chapter 77.55 RCW 23 to read as follows:

(1) A person is guilty of unlawfully undertaking hydraulic projectactivities if the person:

(a) Constructs any form of hydraulic project or performs other work
 on a hydraulic project and fails to have a hydraulic project approval
 required under this chapter for the construction or work;

(b) Violates any requirements or conditions of the hydraulicproject approval for the construction or other activities;

31 (c) Violates any notice to comply or stop work order issued under 32 subsection (5) of this section; or

33 (d) Violates any department rule that identifies the conditions34 under which a hydraulic project is approved.

35 (2) Violation of a notice to comply or a stop work order must be

1 punished as a separate offense from the underlying hydraulic code 2 violation.

3 (3) Unlawfully undertaking hydraulic project activities is a gross4 misdemeanor.

5 (4)(a) When the department determines that a violation has or is 6 about to occur, it shall first attempt to achieve voluntary compliance, 7 provided the violation is not causing irreparable harm to fish life or 8 fish habitat. As part of this first response, the department shall 9 offer information and technical assistance to the person, identifying 10 one or more means to accomplish the person's purposes within the 11 framework of the law.

12 (b) If the department determines that a violation is causing 13 irreparable harm to fish life or fish habitat, the department shall 14 take immediate action to end the violation.

(5) If a person violates this chapter, or any of the rules adopted by the department that implement this chapter, the department may issue a notice to comply or a stop work order. The notice to comply may require that the person take corrective action to prevent, correct, or compensate for adverse impacts to fish life. The stop work order may require that the person stop all work connected with the violation or stop work until corrective action is taken.

22 (a) The notice to comply must:

23 (i) Be served upon the person and any known agents and applicants;

24 (ii) Specify the nature, extent, date, and time of violation;

25 (iii) Specify any necessary corrective action; and

26 (iv) Specify the right of the person to an appeal.

27 (b) The stop work order must:

28 (i) Be served upon the person and any known agents;

29 (ii) Specify the nature, extent, date, and time of violation;

30 (iii) Include an order to stop all work connected with the 31 violation;

32

(iv) Specify any necessary action before work may resume; and

33 (v) Specify the right of the person to an appeal.

34 (c) Within thirty days from the date of receipt of a notice to
 35 comply or stop work order issued under this section, a person may file
 36 a written request appealing the notice or order to the board.

(6) Consistent with the penalty schedule described in subsection(10) of this section, the department may levy civil penalties of up to

ten thousand dollars for every violation of this chapter or the rules adopted to implement this chapter. Each and every violation is a separate and distinct civil offense. The penalty provided must be imposed by notice in writing by the department, either by certified mail or personal service to the person incurring the penalty, describing the violation. The civil penalty notice must specify the:

7

(a) Basis for the penalty and the amount levied; and

8

(b) Right of the person to an appeal.

9 (7)(a) Issuance of a civil penalty may be informally appealed to 10 the department within thirty days from the date of receipt of the 11 penalty. Requests for informal appeal must be filed in the form and 12 manner prescribed by the department by rule. A civil penalty that has 13 been informally appealed to the department is appealable to the board 14 within thirty days from the date of receipt of the department's 15 decision on the informal appeal.

(b) Except as provided in this subsection, any person incurring a
penalty under this chapter may appeal the penalty to the board.
Appeals must be filed within thirty days from the date of receipt of
the penalty in accordance with RCW 43.21B.230.

20 (8) The penalty imposed becomes due and payable thirty days after 21 receipt of a notice imposing the penalty unless an appeal is filed. 22 Whenever an appeal of any penalty incurred under this chapter is filed, 23 the penalty becomes due and payable only upon completion of all 24 administrative and judicial review proceedings and the issuance of a final decision confirming the penalty in whole or in part. When the 25 26 penalty becomes past due, it is also subject to interest at the rate 27 allowed by RCW 43.17.240 for debts owed to the state.

28 (9) If the amount of any penalty is not paid within thirty days 29 after it becomes due and payable, the attorney general, upon the 30 request of the director, shall bring an action in the name of the state of Washington in the superior court of Thurston county or of any county 31 32 in which the violator may do business, to recover the penalty. In all such actions, the procedure and rules of evidence are the same as an 33 ordinary civil action. All penalties received or recovered by state 34 35 agency action for violations as prescribed in subsection (1) of this 36 section must be deposited in the hydraulic project approval account as 37 described in section 11 of this act. The department is also entitled 1 to recover reasonable attorneys' fees and costs incurred in connection 2 with the penalty.

3 (10) The department shall establish by rule a penalty schedule to
4 be effective by January 1, 2012. The schedule must be developed in
5 consideration of the following:

6 (a) Previous violation history;

7

(b) Severity of the impact on fish and fish habitat;

8 (c) Whether the violation of this chapter or its rules was 9 intentional;

10

(d) Cooperation with the department;

11 (e) Reparability of the adverse effect from the violation; and

(f) The extent to which a penalty to be imposed on a person for a violation committed by another should be reduced if the person was unaware of the violation and has not received a substantial economic benefit from the violation.

16 (11) The department may apply for an administrative inspection 17 warrant in either Thurston county superior court or the superior court 18 in the county where the project is located. The court may issue an 19 administrative inspection warrant where:

(a) Department personnel need to inspect the project site to ensurecompliance with this chapter and rules adopted under this chapter; or

(b) Department personnel have reasonable cause to believe that a violation of this chapter or of the rules adopted under this chapter is occurring or has occurred.

25 <u>NEW SECTION.</u> Sec. 14. A new section is added to chapter 77.55 RCW 26 to read as follows:

The department shall prepare and distribute technical and educational information to the general public to assist the public in complying with the requirements of this chapter.

30 <u>NEW SECTION.</u> Sec. 15. A new section is added to chapter 77.55 RCW 31 to read as follows:

32 This chapter may be known and cited as the hydraulic code.

33 <u>NEW SECTION.</u> Sec. 16. The following acts or parts of acts are 34 each repealed: 1 (1) RCW 77.15.300 (Unlawful hydraulic project activities--Penalty) 2 and 2000 c 107 s 239 & 1998 c 190 s 52; and

3 (2) RCW 77.55.291 (Civil penalty) and 2010 c 210 s 31, 2005 c 146
4 s 701, 2000 c 107 s 19, 1993 sp.s. c 2 s 35, 1988 c 36 s 35, & 1986 c
5 173 s 6.

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