6

7

8

9

10

11

12

13

14

15

16

17

18

HOUSE BILL 1438

State of Washington 69th Legislature 2025 Regular Session

By Representatives Connors, Klicker, Schmidt, Rude, Caldier, Jacobsen, Reed, Barkis, Eslick, Manjarrez, Engell, and Dufault

Read first time 01/21/25. Referred to Committee on Local Government.

- AN ACT Relating to ensuring efficient approval of certain housing permit applications; and amending RCW 36.70B.080.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 36.70B.080 and 2023 c 338 s 7 are each amended to 5 read as follows:
 - (1) (a) Development regulations adopted pursuant to RCW 36.70A.040 must establish and implement time periods for local government actions for each type of project permit application and provide timely and predictable procedures to determine whether a completed project permit application meets the requirements of those development regulations. The time periods for local government actions for each type of complete project permit application or project type should not exceed those specified in this section.
 - (b) For project permits submitted after January 1, 2025, the development regulations must, for each type of permit application, specify the contents of a completed project permit application necessary for the complete compliance with the time periods and procedures.
- 19 (c) A jurisdiction may exclude certain permit types and timelines 20 for processing project permit applications as provided for in RCW 21 36.70B.140.

p. 1 HB 1438

(d) The time periods for local government action to issue a final decision for each type of complete project permit application or project type subject to this chapter should not exceed the following time periods unless modified by the local government pursuant to this section or RCW 36.70B.140:

- (i) For project permits which do not require public notice under RCW 36.70B.110, a local government must issue a final decision within 65 days of the determination of completeness under RCW 36.70B.070;
- (ii) For project permits which require public notice under RCW 36.70B.110, a local government must issue a final decision within 100 days of the determination of completeness under RCW 36.70B.070; and
- (iii) For project permits which require public notice under RCW 36.70B.110 and a public hearing, a local government must issue a final decision within 170 days of the determination of completeness under RCW 36.70B.070.
- (e) A jurisdiction may modify the provisions in (d) of this subsection to add permit types not identified, change the permit names or types in each category, address how consolidated review time periods may be different than permits submitted individually, and provide for how projects of a certain size or type may be differentiated, including by differentiating between residential and nonresidential permits. Unless otherwise provided for the consolidated review of more than one permit, the time period for a final decision shall be the longest of the permit time periods identified in (d) of this subsection or as amended by a local government.
- (f) If a local government does not adopt an ordinance or resolution modifying the provisions in (d) of this subsection, the time periods in (d) of this subsection apply.
- (g) The number of days an application is in review with the county or city shall be calculated from the day completeness is determined under RCW 36.70B.070 to the date a final decision is issued on the project permit application. The number of days shall be calculated by counting every calendar day and excluding the following time periods:
- (i) Any period between the day that the county or city has notified the applicant, in writing, that additional information is required to further process the application and the day when responsive information is resubmitted by the applicant;

p. 2 HB 1438

(ii) Any period after an applicant informs the local government, in writing, that they would like to temporarily suspend review of the project permit application until the time that the applicant notifies the local government, in writing, that they would like to resume the application. A local government may set conditions for the temporary suspension of a permit application; and

1

2

3

4

5

7

8

9

10

1112

13

14

1516

17

18

19

20

21

22

23

24

25

26

2728

29

30 31

32

33

34

35

36

37

3839

40

- (iii) Any period after an administrative appeal is filed until the administrative appeal is resolved and any additional time period provided by the administrative appeal has expired.
- (h) The time periods for a local government to process a permit shall start over if an applicant proposes a change in use that adds or removes commercial or residential elements from the original application that would make the application fail to meet the determination of procedural completeness for the new use, as required by the local government under RCW 36.70B.070.
- (i) If, at any time, an applicant informs the local government, in writing, that the applicant would like to temporarily suspend the review of the project for more than 60 days, or if an applicant is not responsive for more than 60 consecutive days after the county or city has notified the applicant, in writing, that additional information is required to further process the application, additional 30 days may be added to the time periods for local government action to issue a final decision for each type of project permit that is subject to this chapter. Any written notice from the local government to the applicant that additional information is required to further process the application must include a notice that nonresponsiveness for 60 consecutive days may result in 30 days being added to the time for review. For the purposes of this subsection, "nonresponsiveness" means that an applicant is not making demonstrable progress on providing additional requested information to the local government, or that there is no ongoing communication from the applicant to the local government on the applicant's ability or willingness to provide the additional information.
- $\,$ (j) Annual amendments to the comprehensive plan are not subject to the requirements of this section.
- (k) A county's or city's adoption of a resolution or ordinance to implement this subsection shall not be subject to appeal under chapter 36.70A RCW unless the resolution or ordinance modifies the time periods provided in (d) of this subsection by providing for a review period of more than 170 days for any project permit.

p. 3 HB 1438

(1) (i) When permit time periods provided for in (d) of this subsection, as may be amended by a local government, and as may be extended as provided for in (i) of this subsection, are not met, a portion of the permit fee must be refunded to the applicant as provided in this subsection. A local government may provide for the collection of only 80 percent of a permit fee initially, and for the collection of the remaining balance if the permitting time periods are met. The portion of the fee refunded for missing time periods shall be:

- (A) 10 percent if the final decision of the project permit application was made after the applicable deadline but the period from the passage of the deadline to the time of issuance of the final decision did not exceed 20 percent of the original time period; or
- (B) 20 percent if the period from the passage of the deadline to the time of the issuance of the final decision exceeded 20 percent of the original time period.
- (ii) Except as provided in RCW 36.70B.160, the provisions in (i) of this subsection (((1)) of this section)) are not applicable to cities and counties which have implemented at least three of the options in RCW 36.70B.160(1) (a) through (j) at the time an application is deemed procedurally complete.
- (2) If the permit time periods provided for in this section are not met, a city or county must approve a project and issue the building permits on the next business day following expiration of the applicable permit time period if:
- (a) The project is located in an urban growth area as defined in RCW 36.70A.030;
 - (b) The project contains one or more residential dwelling units;
- (c) The application included plans, computations, or specifications that were prepared, stamped, and signed by a professional engineer or architect, licensed under the laws of the state of Washington, in the specific discipline as appropriate; and
- (d) The city or county does not identify, in writing, serious public health or safety issues that prevent approval of the project.
- (3) (a) Counties subject to the requirements of RCW 36.70A.215 and the cities within those counties that have populations of at least 20,000 must, for each type of permit application, identify the total number of project permit applications for which decisions are issued according to the provisions of this chapter. For each type of project permit application identified, these counties and cities must

p. 4 HB 1438

1 establish and implement a deadline for issuing a notice of final decision as required by subsection (1) of this section and minimum requirements for applications to be deemed complete under RCW 36.70B.070 as required by subsection (1) of this section.

2 3

4

5

6

7

8

9

10

11 12

13

14

15 16

17

18 19

20 21

22

23

24 25

26

27

28 29

30 31

32

33

34

35

36

37

38

39 40

- (b) Counties and cities subject to the requirements of this subsection also must prepare an annual performance report that includes information outlining time periods for certain permit types associated with housing. The report must provide:
- (i) Permit time periods for certain permit processes in the county or city in relation to those established under this section, including whether the county or city has established shorter time periods than those provided in this section;
- (ii) The total number of decisions issued during the year for the following permit types: Preliminary subdivisions, final subdivisions, binding site plans, permit processes associated with the approval of multifamily housing, and construction plan review for each of these permit types when submitted separately;
- (iii) The total number of decisions for each permit type which included consolidated project permit review, such as concurrent review of a rezone or construction plans;
- (iv) The average number of days from a submittal to a decision being issued for the project permit types listed in (b)(ii) of this subsection $((\frac{(2)(a)(ii)}{of})$ of this section)). This shall be calculated from the day completeness is determined under RCW 36.70B.070 to the date a decision is issued on the application. The number of days shall be calculated by counting every calendar day;
- (v) The total number of days each project permit application of a type listed in (b)(ii) of this subsection ($(\frac{(2)(a)(ii)}{(2)(a)})$ section)) was in review with the county or city. This shall be calculated from the day completeness is determined under RCW 36.70B.070 to the date a final decision is issued on the application. The number of days shall be calculated by counting every calendar day. The days the application is in review with the county or city does not include the time periods in subsection (1)(g)(i)($\frac{-(iii)}{-(iii)}$ $\frac{(1)(g)(i) \text{ through } (iii)}{(iii)}$)) through (iii) of this section;
- (vi) The total number of days that were excluded from the time period calculation under subsection (1)(g)(i)((-(iii))-[(1)(g)(i) through (iii))) through (iii) of this section for each project permit application of a type listed in (b)(ii) of this subsection $((\frac{(2)}{(a)}) (ii)$ of this section).

p. 5 HB 1438 1 (c) Counties and cities subject to the requirements of this 2 subsection must:

3

4

5

7

8

9

10 11

14

1516

17

1819

20

- (i) Post the annual performance report through the county's or city's website; and
- (ii) Submit the annual performance report to the department of commerce by March 1st each year.
- (d) No later than July 1st each year, the department of commerce shall publish a report which includes the annual performance report data for each county and city subject to the requirements of this subsection and a list of those counties and cities whose time periods are shorter than those provided for in this section.

The annual report must also include key metrics and findings from the information collected.

- (e) The initial annual report required under this subsection must be submitted to the department of commerce by March 1, 2025, and must include information from permitting in 2024.
- $((\frac{3}{3}))$ $\underline{(4)}$ Nothing in this section prohibits a county or city from extending a deadline for issuing a decision for a specific project permit application for any reasonable period of time mutually agreed upon by the applicant and the local government.

--- END ---

p. 6 HB 1438