
SUBSTITUTE SENATE BILL 6223

State of Washington 64th Legislature 2016 Regular Session

By Senate Trade & Economic Development (originally sponsored by Senators Brown, Angel, Braun, and Hewitt)

READ FIRST TIME 01/28/16.

1 AN ACT Relating to enhancing regulatory agency coordination;
2 amending RCW 43.42.005, 43.42.010, 34.05.320, 43.30.550, 43.42.030,
3 43.42.090, 43.42.092, 43.42.095, 43.42.100, 43.42A.030, 43.88.585,
4 43.155.070, 43.157.020, 43.157.030, 43.160.060, 43.330.440,
5 47.80.090, and 77.55.181; and reenacting and amending RCW 34.05.328.

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

7 **Sec. 1.** RCW 43.42.005 and 2010 c 162 s 1 are each amended to
8 read as follows:

9 (1) The legislature finds that: The health and safety of its
10 citizens and environment are of vital interest to the state's long-
11 term quality of life; Washington state is a national leader in
12 protecting its environment; and Washington state has a vibrant and
13 diverse economy that is dependent on the state maintaining high
14 environmental standards. Further, the legislature finds that a
15 complex and confusing network of environmental and land use laws and
16 business regulations can create obstacles to sustainable growth.

17 It is the intent of the legislature to promote accountability,
18 timeliness, and predictability for citizens, business, and state,
19 federal, and local permitting agencies, and to provide collaboration
20 and coordination, information, and assistance on the regulatory

1 process through the creation of the office ((øf)) for regulatory
2 innovation and assistance in the governor's office.

3 (2) The office ((øf)) for regulatory innovation and assistance is
4 created to work to continually improve the function of environmental
5 and business regulatory processes by identifying conflicts and
6 overlap in the state's rules, statutes, and operational practices; to
7 ensure ongoing coordination among regulatory agencies, reducing costs
8 for both government and businesses; the office is to provide project
9 proponents and business owners with active assistance for all
10 permitting, licensing, and other regulatory procedures required for
11 completion of specific projects; and the office is to ensure that
12 citizens, businesses, and local governments have access to, and clear
13 information regarding, regulatory processes for permitting and
14 business regulation, including state rules, permit and license
15 requirements, and agency rule-making processes.

16 (3) The legislature declares that the purpose of this chapter is
17 to provide direction, practical resources, and a range of innovative
18 and optional service delivery options for improving the regulatory
19 process and for providing assistance through the regulatory process
20 on individual projects in furtherance of the state's goals of
21 governmental transparency and accountability.

22 (4) The legislature intends that establishing an office ((øf))
23 for regulatory innovation and assistance will provide these services
24 without abrogating or limiting the authority of any agency to make
25 decisions on permits, licenses, regulatory requirements, or agency
26 rule making. The legislature further intends that the office ((øf))
27 for regulatory innovation and assistance shall have authority to
28 provide services but shall not have any authority to make decisions
29 on permits.

30 **Sec. 2.** RCW 43.42.010 and 2012 c 196 s 1 are each amended to
31 read as follows:

32 (1) The office ((øf)) for regulatory innovation and assistance is
33 created in the office of financial management and must be
34 administered by the office of the governor to help improve the
35 regulatory system and assist citizens, businesses, and project
36 proponents.

37 (2) The governor must appoint a director. The director may employ
38 a deputy director and a confidential secretary and such staff as are

1 necessary, or contract with another state agency pursuant to chapter
2 39.34 RCW for support in carrying out the purposes of this chapter.

3 (3) The office must offer to:

4 (a) Act as the central point of contact for the project proponent
5 in communicating about defined issues;

6 (b) Conduct project scoping as provided in RCW 43.42.050;

7 (c) Verify that the project proponent has all the information
8 needed to correctly apply for all necessary permits;

9 (d) Provide general coordination services;

10 (e) Coordinate the efficient completion among participating
11 agencies of administrative procedures, such as collecting fees or
12 providing public notice;

13 (f) Maintain contact with the project proponent and the permit
14 agencies to promote adherence to agreed schedules;

15 (g) Assist in resolving any conflict or inconsistency among
16 permit requirements and conditions;

17 (h) Coordinate, to the extent practicable, with relevant federal
18 permit agencies and tribal governments;

19 (i) Facilitate meetings;

20 (j) Manage a fully coordinated permit process, as provided in RCW
21 43.42.060; and

22 (k) Help local jurisdictions comply with the requirements of
23 chapter 36.70B RCW.

24 (4) The office must also:

25 (a) Provide information to local jurisdictions about best
26 permitting practices, methods to improve communication with, and
27 solicit early involvement of, state agencies when needed, and
28 effective means of assessing and communicating expected project
29 timelines and costs;

30 (b) Maintain and furnish information as provided in RCW
31 43.42.040; and

32 (c) Provide the following by September 1, 2009, and biennially
33 thereafter, to the governor and the appropriate committees of the
34 legislature:

35 (i) A performance report including:

36 (A) Information regarding use of the office's voluntary cost-
37 reimbursement services as provided in RCW 43.42.070;

38 (B) The number and type of projects or initiatives where the
39 office provided services including the key agencies with which the
40 office partnered;

1 (C) Specific information on any difficulty encountered in
2 providing services or implementing programs, processes, or assistance
3 tools; and

4 (D) Trend reporting that allows comparisons between statements of
5 goals and performance targets and the achievement of those goals and
6 targets; and

7 (ii) Recommendations on system improvements including, but not
8 limited to, recommendations on improving environmental permitting by
9 making it more time efficient and cost-effective for all participants
10 in the process.

11 (5) The office must also develop a long-term strategy for
12 identifying and prioritizing multiagency regulatory processes that
13 can be streamlined through better coordination. The long-term
14 strategy for identifying and prioritizing multiagency regulatory
15 processes that can be streamlined through better coordination must be
16 based on the potential for mutual benefits for industry and the
17 public, as determined by a group made up of representatives from
18 businesses, state agencies, local governments, tribal governments,
19 and other relevant stakeholders consulting with the office. The group
20 must work collaboratively with the office to consider the importance
21 of these processes to the state, as well as consider the potential
22 costs and savings to affected entities. The office must report to the
23 governor and the economic development committees of the legislature
24 annually on the progress of prioritized regulatory processes being
25 streamlined through coordination.

26 **Sec. 3.** RCW 34.05.320 and 2012 c 210 s 2 are each amended to
27 read as follows:

28 (1) At least twenty days before the rule-making hearing at which
29 the agency receives public comment regarding adoption of a rule, the
30 agency shall cause notice of the hearing to be published in the state
31 register. The publication constitutes the proposal of a rule. The
32 notice shall include all of the following:

33 (a) A title, a description of the rule's purpose, and any other
34 information which may be of assistance in identifying the rule or its
35 purpose;

36 (b) Citations of the statutory authority for adopting the rule
37 and the specific statute the rule is intended to implement;

38 (c) A short explanation of the rule, its purpose, and anticipated
39 effects, including in the case of a proposal that would modify

1 existing rules, a short description of the changes the proposal would
2 make, and a statement of the reasons supporting the proposed action;

3 (d) The agency personnel, with their office location and
4 telephone number, who are responsible for the drafting,
5 implementation, and enforcement of the rule;

6 (e) The name of the person or organization, whether private,
7 public, or governmental, proposing the rule;

8 (f) Agency comments or recommendations, if any, regarding
9 statutory language, implementation, enforcement, and fiscal matters
10 pertaining to the rule;

11 (g) Whether the rule is necessary as the result of federal law or
12 federal or state court action, and if so, a citation to such law or
13 court decision;

14 (h) When, where, and how persons may present their views on the
15 proposed rule;

16 (i) The date on which the agency intends to adopt the rule;

17 (j) A copy of the small business economic impact statement
18 prepared under chapter 19.85 RCW, or a copy of the school district
19 fiscal impact statement under RCW 28A.305.135 in the case of the
20 state board of education, or an explanation for why the agency did
21 not prepare the statement;

22 (k) A statement indicating whether RCW 34.05.328 applies to the
23 rule adoption; and

24 (l) If RCW 34.05.328 does apply, a statement indicating that a
25 copy of the preliminary cost-benefit analysis described in RCW
26 34.05.328(1)(c) is available.

27 (2)(a) Upon filing notice of the proposed rule with the code
28 reviser, the adopting agency shall have copies of the notice on file
29 and available for public inspection. Except as provided in (b) of
30 this subsection, the agency shall forward three copies of the notice
31 to the rules review committee.

32 (b) A pilot of at least ten agencies, including the departments
33 of labor and industries, fish and wildlife, revenue, ecology,
34 retirement systems, and health, shall file the copies required under
35 this subsection, as well as under RCW 34.05.350 and 34.05.353, with
36 the rules review committee electronically for a period of four years
37 from June 10, 2004. The office ((ef)) for regulatory innovation and
38 assistance shall negotiate the details of the pilot among the
39 agencies, the legislature, and the code reviser.

1 (3) No later than three days after its publication in the state
2 register, the agency shall cause either a copy of the notice of
3 proposed rule adoption, or a summary of the information contained on
4 the notice, to be mailed to each person, city, and county that has
5 made a request to the agency for a mailed copy of such notices. An
6 agency may charge for the actual cost of providing a requesting party
7 mailed copies of these notices.

8 (4) In addition to the notice required by subsections (1) and (2)
9 of this section, an institution of higher education shall cause the
10 notice to be published in the campus or standard newspaper of the
11 institution at least seven days before the rule-making hearing.

12 **Sec. 4.** RCW 34.05.328 and 2011 c 298 s 21 and 2011 c 149 s 1 are
13 each reenacted and amended to read as follows:

14 (1) Before adopting a rule described in subsection (5) of this
15 section, an agency must:

16 (a) Clearly state in detail the general goals and specific
17 objectives of the statute that the rule implements;

18 (b) Determine that the rule is needed to achieve the general
19 goals and specific objectives stated under (a) of this subsection,
20 and analyze alternatives to rule making and the consequences of not
21 adopting the rule;

22 (c) Provide notification in the notice of proposed rule making
23 under RCW 34.05.320 that a preliminary cost-benefit analysis is
24 available. The preliminary cost-benefit analysis must fulfill the
25 requirements of the cost-benefit analysis under (d) of this
26 subsection. If the agency files a supplemental notice under RCW
27 34.05.340, the supplemental notice must include notification that a
28 revised preliminary cost-benefit analysis is available. A final cost-
29 benefit analysis must be available when the rule is adopted under RCW
30 34.05.360;

31 (d) Determine that the probable benefits of the rule are greater
32 than its probable costs, taking into account both the qualitative and
33 quantitative benefits and costs and the specific directives of the
34 statute being implemented;

35 (e) Determine, after considering alternative versions of the rule
36 and the analysis required under (b), (c), and (d) of this subsection,
37 that the rule being adopted is the least burdensome alternative for
38 those required to comply with it that will achieve the general goals
39 and specific objectives stated under (a) of this subsection;

1 (f) Determine that the rule does not require those to whom it
2 applies to take an action that violates requirements of another
3 federal or state law;

4 (g) Determine that the rule does not impose more stringent
5 performance requirements on private entities than on public entities
6 unless required to do so by federal or state law;

7 (h) Determine if the rule differs from any federal regulation or
8 statute applicable to the same activity or subject matter and, if so,
9 determine that the difference is justified by the following:

10 (i) A state statute that explicitly allows the agency to differ
11 from federal standards; or

12 (ii) Substantial evidence that the difference is necessary to
13 achieve the general goals and specific objectives stated under (a) of
14 this subsection; and

15 (i) Coordinate the rule, to the maximum extent practicable, with
16 other federal, state, and local laws applicable to the same activity
17 or subject matter.

18 (2) In making its determinations pursuant to subsection (1)(b)
19 through (h) of this section, the agency must place in the rule-making
20 file documentation of sufficient quantity and quality so as to
21 persuade a reasonable person that the determinations are justified.

22 (3) Before adopting rules described in subsection (5) of this
23 section, an agency must place in the rule-making file a rule
24 implementation plan for rules filed under each adopting order. The
25 plan must describe how the agency intends to:

26 (a) Implement and enforce the rule, including a description of
27 the resources the agency intends to use;

28 (b) Inform and educate affected persons about the rule;

29 (c) Promote and assist voluntary compliance; and

30 (d) Evaluate whether the rule achieves the purpose for which it
31 was adopted, including, to the maximum extent practicable, the use of
32 interim milestones to assess progress and the use of objectively
33 measurable outcomes.

34 (4) After adopting a rule described in subsection (5) of this
35 section regulating the same activity or subject matter as another
36 provision of federal or state law, an agency must do all of the
37 following:

38 (a) Coordinate implementation and enforcement of the rule with
39 the other federal and state entities regulating the same activity or

1 subject matter by making every effort to do one or more of the
2 following:

- 3 (i) Deferring to the other entity;
- 4 (ii) Designating a lead agency; or
- 5 (iii) Entering into an agreement with the other entities
6 specifying how the agency and entities will coordinate implementation
7 and enforcement.

8 If the agency is unable to comply with this subsection (4)(a),
9 the agency must report to the legislature pursuant to (b) of this
10 subsection;

11 (b) Report to the joint administrative rules review committee:

- 12 (i) The existence of any overlap or duplication of other federal
13 or state laws, any differences from federal law, and any known
14 overlap, duplication, or conflict with local laws; and
- 15 (ii) Make recommendations for any legislation that may be
16 necessary to eliminate or mitigate any adverse effects of such
17 overlap, duplication, or difference.

18 (5)(a) Except as provided in (b) of this subsection, this section
19 applies to:

20 (i) Significant legislative rules of the departments of ecology,
21 labor and industries, health, revenue, social and health services,
22 and natural resources, the employment security department, the forest
23 practices board, the office of the insurance commissioner, and to the
24 legislative rules of the department of fish and wildlife implementing
25 chapter 77.55 RCW; and

26 (ii) Any rule of any agency, if this section is voluntarily made
27 applicable to the rule by the agency, or is made applicable to the
28 rule by a majority vote of the joint administrative rules review
29 committee within forty-five days of receiving the notice of proposed
30 rule making under RCW 34.05.320.

31 (b) This section does not apply to:

- 32 (i) Emergency rules adopted under RCW 34.05.350;
- 33 (ii) Rules relating only to internal governmental operations that
34 are not subject to violation by a nongovernment party;
- 35 (iii) Rules adopting or incorporating by reference without
36 material change federal statutes or regulations, Washington state
37 statutes, rules of other Washington state agencies, shoreline master
38 programs other than those programs governing shorelines of statewide
39 significance, or, as referenced by Washington state law, national
40 consensus codes that generally establish industry standards, if the

1 material adopted or incorporated regulates the same subject matter
2 and conduct as the adopting or incorporating rule;

3 (iv) Rules that only correct typographical errors, make address
4 or name changes, or clarify language of a rule without changing its
5 effect;

6 (v) Rules the content of which is explicitly and specifically
7 dictated by statute;

8 (vi) Rules that set or adjust fees under the authority of RCW
9 19.02.075 or that set or adjust fees or rates pursuant to legislative
10 standards, including fees set or adjusted under the authority of RCW
11 19.80.045;

12 (vii) Rules of the department of social and health services
13 relating only to client medical or financial eligibility and rules
14 concerning liability for care of dependents; or

15 (viii) Rules of the department of revenue that adopt a uniform
16 expiration date for reseller permits as authorized in RCW 82.32.780
17 and 82.32.783.

18 (c) For purposes of this subsection:

19 (i) A "procedural rule" is a rule that adopts, amends, or repeals
20 (A) any procedure, practice, or requirement relating to any agency
21 hearings; (B) any filing or related process requirement for making
22 application to an agency for a license or permit; or (C) any policy
23 statement pertaining to the consistent internal operations of an
24 agency.

25 (ii) An "interpretive rule" is a rule, the violation of which
26 does not subject a person to a penalty or sanction, that sets forth
27 the agency's interpretation of statutory provisions it administers.

28 (iii) A "significant legislative rule" is a rule other than a
29 procedural or interpretive rule that (A) adopts substantive
30 provisions of law pursuant to delegated legislative authority, the
31 violation of which subjects a violator of such rule to a penalty or
32 sanction; (B) establishes, alters, or revokes any qualification or
33 standard for the issuance, suspension, or revocation of a license or
34 permit; or (C) adopts a new, or makes significant amendments to, a
35 policy or regulatory program.

36 (d) In the notice of proposed rule making under RCW 34.05.320, an
37 agency must state whether this section applies to the proposed rule
38 pursuant to (a)(i) of this subsection, or if the agency will apply
39 this section voluntarily.

1 (6) By January 31, 1996, and by January 31st of each even-
2 numbered year thereafter, the office ((øf)) for regulatory innovation
3 and assistance, after consulting with state agencies, counties, and
4 cities, and business, labor, and environmental organizations, must
5 report to the governor and the legislature regarding the effects of
6 this section on the regulatory system in this state. The report must
7 document:

8 (a) The rules proposed to which this section applied and to the
9 extent possible, how compliance with this section affected the
10 substance of the rule, if any, that the agency ultimately adopted;

11 (b) The costs incurred by state agencies in complying with this
12 section;

13 (c) Any legal action maintained based upon the alleged failure of
14 any agency to comply with this section, the costs to the state of
15 such action, and the result;

16 (d) The extent to which this section has adversely affected the
17 capacity of agencies to fulfill their legislatively prescribed
18 mission;

19 (e) The extent to which this section has improved the
20 acceptability of state rules to those regulated; and

21 (f) Any other information considered by the office of financial
22 management to be useful in evaluating the effect of this section.

23 **Sec. 5.** RCW 43.30.550 and 2012 1st sp.s. c 1 s 208 are each
24 amended to read as follows:

25 (1) By December 31, 2013, the department must make examples of
26 complete, high quality forest practices applications and the
27 resulting approvals readily available to the public on its internet
28 site, as well as the internet site of the office ((øf)) for
29 regulatory innovation and assistance established in RCW 43.42.010.
30 The department must maximize assistance to the public and interested
31 parties by seeking to make readily available examples from forest
32 practices that generate significant permitting activity or frequent
33 questions.

34 (2) The department must regularly review and update the examples
35 required to be made available on the internet under subsection (1) of
36 this section.

37 (3) The department must obtain the written permission of an
38 applicant before making publicly available that applicant's
39 application or approval under this section and must work

1 cooperatively with the applicant to ensure that no personal or
2 proprietary information is made available.

3 **Sec. 6.** RCW 43.42.030 and 2009 c 97 s 3 are each amended to read
4 as follows:

5 The definitions in this section apply throughout this chapter
6 unless the context clearly requires otherwise.

7 (1) "Director" means the director of the office ((øf)) for
8 regulatory innovation and assistance.

9 (2) "Fully coordinated permit process" means a comprehensive
10 coordinated permitting assistance approach supported by a written
11 agreement between the project proponent, the office ((øf)) for
12 regulatory innovation and assistance, and the agencies participating
13 in the fully coordinated permit process.

14 (3) "General coordination services" means services that bring
15 interested parties together to explore opportunities for cooperation
16 and to resolve conflicts. General coordination services may be
17 provided as a stand-alone event or as an element of broader project
18 assistance, nonproject-related interagency coordination, or policy
19 and planning teamwork.

20 (4) "Office" means the office ((øf)) for regulatory innovation
21 and assistance established in RCW 43.42.010.

22 (5) "Permit" means any permit, license, certificate, use
23 authorization, or other form of governmental review or approval
24 required in order to construct, expand, or operate a project in the
25 state of Washington.

26 (6) "Permit agency" means any state, local, or federal agency
27 authorized by law to issue permits.

28 (7) "Project" means any activity, the conduct of which requires a
29 permit or permits from one or more permit agencies.

30 (8) "Project proponent" means a citizen, business, or any entity
31 applying for or seeking a permit or permits in the state of
32 Washington.

33 (9) "Project scoping" means the identification of relevant issues
34 and information needs of a project proponent and the permitting
35 agencies, and reaching a common understanding regarding the process,
36 timing, and sequencing for obtaining applicable permits.

37 **Sec. 7.** RCW 43.42.090 and 2010 c 162 s 2 are each amended to
38 read as follows:

1 (1) The legislature finds that the state of Washington has
2 implemented a number of successful measures to streamline,
3 coordinate, and consolidate the multiparty, multijurisdictional
4 permitting and regulatory decision-making process. The office ((øf))
5 for regulatory innovation and assistance was developed and
6 implemented at a time when the state faced a crisis in its economic
7 competitiveness. The multiagency permitting team for transportation
8 was developed and implemented at a time when the state's
9 transportation system faced a crisis in public confidence concerning
10 transportation project delivery. The legislature further finds that
11 the state of Washington is now facing an economic and financial
12 crisis that requires immediate action to spur economic development
13 and the creation of jobs without sacrificing the quality of the
14 state's environment.

15 (2) The legislature intends to:

16 (a) Draw from and extend the benefits of proven permit
17 streamlining solutions to future project proponents and aid the
18 state's recovery by authorizing optional multiagency permitting teams
19 modeled after the multiagency permitting team developed and
20 implemented for state transportation projects. It is the purpose of
21 chapter 162, Laws of 2010 to provide willing permit applicants and
22 project proponents with permit coordination and integrated regulatory
23 decision-making services on a cost-reimbursed basis; and

24 (b) Phase-in a revenue-neutral permit streamlining approach to
25 expedite permit and regulatory decision making while ensuring a high
26 level of environmental protection.

27 **Sec. 8.** RCW 43.42.092 and 2010 c 162 s 3 are each amended to
28 read as follows:

29 (1)(a) The office ((øf)) for regulatory innovation and assistance
30 is authorized to develop and advertise the availability of optional
31 multiagency permitting teams to provide coordinated permitting and
32 integrated regulatory decision making starting in the Puget Sound
33 basin.

34 (b) New expenses associated with operating the optional
35 multiagency permitting teams must be recovered by the office ((øf))
36 for regulatory innovation and assistance using existing state cost-
37 reimbursement and interagency cost-sharing authorities as applicable.
38 The cost-reimbursement process is subject to the requirements and
39 limitations set forth in RCW 43.42.070. Initial administrative costs

1 and other costs that may not be recoverable through cost-
2 reimbursement or cost-sharing mechanisms may be covered by funds from
3 the multiagency permitting team account created in RCW 43.42.095.

4 (c) The director of the office ((øf)) for regulatory innovation
5 and assistance must solicit donations and such other funds as the
6 director deems appropriate from public and private sources for the
7 purposes of covering the initial administrative costs and other costs
8 associated with operation of optional multiagency permitting teams
9 which are not recoverable through cost-reimbursement or cost-sharing
10 mechanisms. All such solicited funds must be placed in the
11 multiagency permitting team account created in RCW 43.42.095.

12 (2) Optional multiagency permitting teams must be:

13 (a) Mobile, capable of traveling or working together as teams,
14 initially throughout the Puget Sound basin;

15 (b) Located initially in central Puget Sound;

16 (c) Staffed by appropriate senior-level permitting and regulatory
17 decision-making personnel representing the Washington state
18 departments of ecology, fish and wildlife, and natural resources and
19 having expertise in regulatory issues relating to the project; and

20 (d) Managed by the office ((øf)) for regulatory innovation and
21 assistance through a team leader responsible for:

22 (i) Managing or monitoring team activities to ensure the
23 cost-reimbursement schedule and agreement is followed;

24 (ii) Developing and maintaining partnerships and working
25 relationships with local, state, tribal, and federal organizations
26 not core to the optional multiagency permitting teams that can be
27 called upon to join the team on a project-by-project basis;

28 (iii) Developing, defining, and providing a set of coordinated
29 permitting and integrated decision-making services consistent with
30 those set forth in subsection (3) of this section;

31 (iv) Developing and executing funding agreements with applicants,
32 project proponents, regulatory agencies, and others as necessary to
33 ensure the financial viability of the optional multiagency permitting
34 teams;

35 (v) Measuring and regularly reporting on team performance,
36 results and outcomes achieved, including improved: Permitting
37 predictability, interagency early project coordination, interagency
38 accessibility, interagency relationships, project delivery, and
39 environmental results, including the avoidance or prevention of
40 environmental harm and the effectiveness of mitigation;

1 (vi) Conducting outreach, marketing, and advertising of team
2 services and team availability, focusing initially on projects such
3 as large-scale public, private, and port development projects with
4 complex aquatics, wetland, or other environmental impacts;
5 environmental cleanup, restoration, and enhancement projects;
6 aquaculture projects; and energy, power generation, and utility
7 projects;

8 (vii) Implementing issue and dispute resolution protocols;

9 (viii) Incorporating and using virtual tools for online
10 collaboration to support permitting and regulatory coordination and
11 expedited decision making; and

12 (ix) Extending and subsequently implementing the optional
13 multiagency permitting team approach to other significant geographic
14 regions of the state.

15 (3) The optional multiagency permitting teams must at a minimum
16 work with the office ((e)) for regulatory innovation and assistance
17 to provide the following core services:

18 (a) Project scoping, as set forth in RCW 43.42.050 (1) through
19 (4), to help applicants identify applicable permits and regulatory
20 approvals;

21 (b) A preapplication coordination service, which may be combined
22 with project scoping, to help applicants understand applicable
23 requirements and plan out with the assistance of the regulatory
24 agencies an optimally sequenced permitting and regulatory decision-
25 making strategy and approach for the overall project;

26 (c) Fully coordinated project review as set forth in RCW
27 43.42.060 to set schedules and agreed-upon time frames for the
28 applicant and regulatory decision makers consistent with statutory
29 requirements and with regard to available agency resources and to
30 track, monitor, and report progress made in meeting those schedules
31 and time frames;

32 (d) Mitigation coordination to help applicants and regulatory
33 agencies collaborate on and implement mitigation obligations within a
34 watershed context so superior environmental results can be achieved
35 when impacts cannot be avoided or further minimized.

36 (4) Local and federal permitting and regulatory personnel should
37 be incorporated into the optional multiagency permitting teams
38 whenever possible and at least on a project-by-project basis. Moneys
39 recouped through state cost-reimbursement and interagency cost-
40 sharing authorities, or as otherwise solicited for deposit into the

1 multiagency permitting team account created in RCW 43.42.095, may
2 also be used to cover local and federal participation.

3 (5) The optional multiagency permitting teams will provide
4 services for complex projects requiring multiple permits and
5 regulatory approvals and having multiple points of regulatory
6 jurisdiction. The optional multiagency permitting teams are not
7 intended to support state transportation projects capable of being
8 serviced by multiagency permitting teams specifically established for
9 state transportation projects. Use of the optional multiagency
10 permitting teams for a fully coordinated permit process must be
11 allowed unless the office ((øf)) for regulatory innovation and
12 assistance notifies a project proponent in writing of other means of
13 effective and efficient project review that are available and are
14 recommended.

15 **Sec. 9.** RCW 43.42.095 and 2012 c 196 s 5 are each amended to
16 read as follows:

17 The multiagency permitting team account is created in the custody
18 of the state treasurer. All receipts from cost-reimbursement
19 agreements authorized in RCW 43.42.070 and solicitations authorized
20 in RCW 43.42.092 must be deposited into the account. Expenditures
21 from the account may be used only for covering staffing, consultant,
22 technology, and other administrative costs of multiagency permitting
23 teams and other costs associated with multiagency project review and
24 management that may arise. Only the director of the office ((øf)) for
25 regulatory innovation and assistance or the director's designee may
26 authorize expenditures from the account. The account is subject to
27 allotment procedures under chapter 43.88 RCW, but an appropriation is
28 not required for expenditures.

29 **Sec. 10.** RCW 43.42.100 and 2012 c 196 s 8 are each amended to
30 read as follows:

31 Within available funds, the office ((øf)) for regulatory
32 innovation and assistance may certify permit processes at the local
33 level as streamlined processes. In developing the certification
34 program, the director must work with local jurisdictions to establish
35 the criteria and the process for certification. Jurisdictions with
36 permit processes certified as streamlined may receive priority in
37 receipt of state funds for infrastructure projects.

1 **Sec. 11.** RCW 43.42A.030 and 2014 c 68 s 4 are each amended to
2 read as follows:

3 (1) To provide meaningful customer service that informs project
4 planning and decision making by the citizens and businesses served,
5 each agency must make available to permit applicants the following
6 information through a link from the agency's web site to the office's
7 web site, as provided in subsection (4) of this section:

8 (a) A list of the types of permit assistance available and how
9 such assistance may be accessed;

10 (b) An estimate of the time required by the agency to process a
11 permit application and issue a decision;

12 (c) Other tools to help applicants successfully complete a
13 thorough application, such as:

14 (i) Examples of model completed applications;

15 (ii) Examples of approved applications, appropriately redacted to
16 remove sensitive information; and

17 (iii) Checklists for ensuring a complete application.

18 (2) Each agency shall update at reasonable intervals the
19 information it posts pursuant to this section.

20 (3)(a) Agencies must post the information required under
21 subsection (1) of this section for all permits as soon as
22 practicable, and no later than the deadlines established in this
23 section.

24 (b) The agency shall post the permit inventory for that agency
25 and the information required under subsection (1)(a) and (c) of this
26 section no later than June 30, 2014.

27 (c) The agency shall post the estimates of application completion
28 and permit decision times required under subsection (1)(b) of this
29 section based on actual data for calendar year 2015 by March 1, 2016,
30 and update this information for the previous calendar year, by March
31 1st of each year thereafter.

32 (d) Agencies must consider the customer experience in ensuring
33 all permit assistance information is simple to use, easy to access,
34 and designed in a customer-friendly manner.

35 (4) To ensure agencies can post the required information online
36 with minimal expenditure of agency resources, the office of the chief
37 information officer shall, in consultation with the office ((~~of~~)) for
38 regulatory innovation and assistance, establish a central repository
39 of this information, hosted on the office ((~~of~~)) for regulatory
40 innovation and assistance's web site. Each agency shall include at

1 least one link to the central repository from the agency's web site.
2 Agencies shall place the link or links in such locations as the
3 agency deems will be most customer-friendly and maximize
4 accessibility of the information to users of the web site.

5 (5) The office shall ensure the searchability of the information
6 posted on the central repository, applying industry best practices
7 such as search engine optimization, to ensure that the permit
8 performance and assistance information is readily findable and
9 accessible by members of the public.

10 **Sec. 12.** RCW 43.88.585 and 2013 c 63 s 1 are each amended to
11 read as follows:

12 (1) By January 1, 2014, the office of financial management shall
13 compile, maintain, and periodically update an inventory of all fees
14 imposed by state agencies and institutions of higher education
15 pursuant to statute or administrative rule. At a minimum, the
16 inventory shall identify the agency or institution collecting the
17 fee, the purpose of the fee, the current amount of the fee, the
18 amount of the fee over the previous five years, and the statutory
19 authority for the fee. The office of financial management may
20 aggregate or consolidate fee information when there is commonality
21 among the fee payers or the purposes for which the fee is paid.

22 (2) To facilitate the fee inventory under this section, each
23 state agency and institution of higher education shall report the
24 information required under subsection (1) of this section to the
25 office of financial management and shall update the information at
26 least every two years.

27 (3) The fee inventory under this section shall be incorporated
28 into the state expenditure information web site maintained by the
29 legislative evaluation and accountability program committee under RCW
30 44.48.150.

31 (4) The office of financial management shall convene a work group
32 consisting of representatives from the legislative evaluation and
33 accountability program committee, the office ((of)) for regulatory
34 innovation and assistance, the department of licensing, the
35 department of labor and industries, the department of transportation,
36 and the department of health to develop a process to facilitate more
37 frequent updates to the inventory and to recommend changes to
38 increase public accessibility.

1 (5) For purposes of this section, "fee" means any charge, fixed
2 by law or administrative rule, for the benefit of a service or to
3 cover the cost of a regulatory program or the costs of administering
4 a program for which the fee payer benefits. "Fee" does not include
5 taxes; penalties or fines; intergovernmental charges; commercial
6 charges; pension or health care contributions or rates; industrial,
7 unemployment, or other state-operated insurance programs; or
8 individualized cost recoveries.

9 **Sec. 13.** RCW 43.155.070 and 2015 3rd sp.s. c 3 s 7033 are each
10 amended to read as follows:

11 (1) To qualify for financial assistance under this chapter the
12 board must determine that a local government meets all of the
13 following conditions:

14 (a) The city or county must be imposing a tax under chapter 82.46
15 RCW at a rate of at least one-quarter of one percent;

16 (b) The local government must have developed a capital facility
17 plan; and

18 (c) The local government must be using all local revenue sources
19 which are reasonably available for funding public works, taking into
20 consideration local employment and economic factors.

21 (2) Except where necessary to address a public health need or
22 substantial environmental degradation, a county, city, or town
23 planning under RCW 36.70A.040 may not receive financial assistance
24 under this chapter unless it has adopted a comprehensive plan,
25 including a capital facilities plan element, and development
26 regulations as required by RCW 36.70A.040. This subsection does not
27 require any county, city, or town planning under RCW 36.70A.040 to
28 adopt a comprehensive plan or development regulations before
29 requesting or receiving financial assistance under this chapter if
30 such request is made before the expiration of the time periods
31 specified in RCW 36.70A.040. A county, city, or town planning under
32 RCW 36.70A.040 that has not adopted a comprehensive plan and
33 development regulations within the time periods specified in RCW
34 36.70A.040 may apply for and receive financial assistance under this
35 chapter if the comprehensive plan and development regulations are
36 adopted as required by RCW 36.70A.040 before executing a contractual
37 agreement for financial assistance with the board.

38 (3) In considering awarding financial assistance for public
39 facilities to special districts requesting funding for a proposed

1 facility located in a county, city, or town planning under RCW
2 36.70A.040, the board must consider whether the county, city, or town
3 planning under RCW 36.70A.040 in whose planning jurisdiction the
4 proposed facility is located has adopted a comprehensive plan and
5 development regulations as required by RCW 36.70A.040.

6 (4) The board must develop a priority process for public works
7 projects as provided in this section. The intent of the priority
8 process is to maximize the value of public works projects
9 accomplished with assistance under this chapter. The board must
10 attempt to assure a geographical balance in assigning priorities to
11 projects. The board must consider at least the following factors in
12 assigning a priority to a project:

13 (a) Whether the local government receiving assistance has
14 experienced severe fiscal distress resulting from natural disaster or
15 emergency public works needs;

16 (b) Except as otherwise conditioned by RCW 43.155.110, whether
17 the entity receiving assistance is a Puget Sound partner, as defined
18 in RCW 90.71.010;

19 (c) Whether the project is referenced in the action agenda
20 developed by the Puget Sound partnership under RCW 90.71.310;

21 (d) Whether the project is critical in nature and would affect
22 the health and safety of a great number of citizens;

23 (e) Whether the applicant's permitting process has been certified
24 as streamlined by the office ((of)) for regulatory innovation and
25 assistance;

26 (f) Whether the applicant has developed and adhered to guidelines
27 regarding its permitting process for those applying for development
28 permits consistent with section 1(2), chapter 231, Laws of 2007;

29 (g) The cost of the project compared to the size of the local
30 government and amount of loan money available;

31 (h) The number of communities served by or funding the project;

32 (i) Whether the project is located in an area of high
33 unemployment, compared to the average state unemployment;

34 (j) Whether the project is the acquisition, expansion,
35 improvement, or renovation by a local government of a public water
36 system that is in violation of health and safety standards, including
37 the cost of extending existing service to such a system;

38 (k) Except as otherwise conditioned by RCW 43.155.120, and
39 effective one calendar year following the development of model
40 evergreen community management plans and ordinances under RCW

1 35.105.050, whether the entity receiving assistance has been
2 recognized, and what gradation of recognition was received, in the
3 evergreen community recognition program created in RCW 35.105.030;

4 (l) The relative benefit of the project to the community,
5 considering the present level of economic activity in the community
6 and the existing local capacity to increase local economic activity
7 in communities that have low economic growth; and

8 (m) Other criteria that the board considers advisable.

9 (5) For the 2015-2017 fiscal biennium, in place of the criteria,
10 ranking, and submission processes for construction loan lists
11 provided in subsections (4) and (7) of this section:

12 (a) The board must develop a process for numerically ranking
13 applications for construction loans submitted by local governments.
14 The board must consider, at a minimum and in any order, the following
15 factors in assigning a numerical ranking to a project:

16 (i) Whether the project is critical in nature and would affect
17 the health and safety of many people;

18 (ii) The extent to which the project leverages nonstate funds;

19 (iii) The extent to which the project is ready to proceed to
20 construction;

21 (iv) Whether the project is located in an area of high
22 unemployment, compared to the average state unemployment;

23 (v) Whether the project promotes the sustainable use of resources
24 and environmental quality;

25 (vi) Whether the project consolidates or regionalizes systems;

26 (vii) Whether the project encourages economic development through
27 mixed-use and mixed income development consistent with chapter 36.70A
28 RCW;

29 (viii) Whether the system is being well-managed in the present
30 and for long-term sustainability;

31 (ix) Achieving equitable distribution of funds by geography and
32 population;

33 (x) The extent to which the project meets the following state
34 policy objectives:

35 (A) Efficient use of state resources;

36 (B) Preservation and enhancement of health and safety;

37 (C) Abatement of pollution and protection of the environment;

38 (D) Creation of new, family-wage jobs, and avoidance of shifting
39 existing jobs from one Washington state community to another;

1 (E) Fostering economic development consistent with chapter 36.70A
2 RCW;

3 (F) Efficiency in delivery of goods and services, public transit,
4 and transportation;

5 (G) Avoidance of additional costs to state and local governments
6 that adversely impact local residents and small businesses; and

7 (H) Reduction of the overall cost of public infrastructure; and

8 (xi) Other criteria that the board considers necessary to achieve
9 the purposes of this chapter.

10 (b) Before November 1, 2016, the board must develop and submit to
11 the appropriate fiscal committees of the senate and house of
12 representatives a ranked list of qualified public works projects
13 which have been evaluated by the board and are recommended for
14 funding by the legislature. The maximum amount of funding that the
15 board may recommend for any jurisdiction is ten million dollars per
16 biennium. For each project on the ranked list, as well as for
17 eligible projects not recommended for funding, the board must
18 document the numerical ranking that was assigned.

19 (6) Existing debt or financial obligations of local governments
20 may not be refinanced under this chapter. Each local government
21 applicant must provide documentation of attempts to secure additional
22 local or other sources of funding for each public works project for
23 which financial assistance is sought under this chapter.

24 (7) Before November 1st of each even-numbered year, the board
25 must develop and submit to the appropriate fiscal committees of the
26 senate and house of representatives a description of the loans made
27 under RCW 43.155.065, 43.155.068, and subsection (10) of this section
28 during the preceding fiscal year and a prioritized list of projects
29 which are recommended for funding by the legislature, including one
30 copy to the staff of each of the committees. The list must include,
31 but not be limited to, a description of each project and recommended
32 financing, the terms and conditions of the loan or financial
33 guarantee, the local government jurisdiction and unemployment rate,
34 demonstration of the jurisdiction's critical need for the project and
35 documentation of local funds being used to finance the public works
36 project. The list must also include measures of fiscal capacity for
37 each jurisdiction recommended for financial assistance, compared to
38 authorized limits and state averages, including local government
39 sales taxes; real estate excise taxes; property taxes; and charges
40 for or taxes on sewerage, water, garbage, and other utilities.

1 (8) The board may not sign contracts or otherwise financially
2 obligate funds from the public works assistance account before the
3 legislature has appropriated funds for a specific list of public
4 works projects. The legislature may remove projects from the list
5 recommended by the board. The legislature may not change the order of
6 the priorities recommended for funding by the board.

7 (9) Subsection (8) of this section does not apply to loans made
8 under RCW 43.155.065, 43.155.068, and subsection (10) of this
9 section.

10 (10) Loans made for the purpose of capital facilities plans are
11 exempted from subsection (8) of this section.

12 (11) To qualify for loans or pledges for solid waste or recycling
13 facilities under this chapter, a city or county must demonstrate that
14 the solid waste or recycling facility is consistent with and
15 necessary to implement the comprehensive solid waste management plan
16 adopted by the city or county under chapter 70.95 RCW.

17 (12) After January 1, 2010, any project designed to address the
18 effects of storm water or wastewater on Puget Sound may be funded
19 under this section only if the project is not in conflict with the
20 action agenda developed by the Puget Sound partnership under RCW
21 90.71.310.

22 (13) During the 2015-2017 fiscal biennium, for projects involving
23 repair, replacement, or improvement of a wastewater treatment plant
24 or other public works facility for which an investment grade
25 efficiency audit is obtainable, the public works board must require
26 as a contract condition that the project sponsor undertake an
27 investment grade efficiency audit. The project sponsor may finance
28 the costs of the audit as part of its public works assistance account
29 program loan.

30 (14)(a) For public works assistance account application rounds
31 conducted during the 2015-2017 fiscal biennium, the board must
32 implement policies and procedures designed to maximize local
33 government use of federal funds to finance local infrastructure
34 including, but not limited to, drinking water and clean water state
35 revolving funds operated by the state departments of health and
36 ecology. Projects that are eligible for the drinking water and clean
37 water state revolving funds may receive public works board
38 preconstruction loans. Projects that are eligible for the drinking
39 water and clean water state revolving funds are not eligible for
40 public works board construction loans. For purposes of this

1 subsection "eligible for drinking water and clean water state
2 revolving funds" means:

3 (i) Projects that have applied to the state revolving funds and
4 are awaiting a funding decision;

5 (ii) Projects that have been rejected for funding solely due to
6 not meeting readiness requirements; and

7 (iii) Projects that have not applied, but would likely be
8 eligible if the project applied and met the project readiness
9 requirements.

10 (b) For all construction loan projects proposed to the
11 legislature for funding during the 2015-2017 fiscal biennium, the
12 board must base interest rates on the average daily market interest
13 rate for tax-exempt municipal bonds as published in the bond buyer's
14 index for the period from sixty to thirty days before the start of
15 the application cycle. For projects with a repayment period between
16 five and twenty years, the rate must be sixty percent of the market
17 rate. For projects with a repayment period under five years, the rate
18 must be thirty percent of the market rate. The board must also
19 provide reduced interest rates, extended repayment periods, or
20 forgivable principal loans for projects that meet financial hardship
21 criteria as measured by the affordability index or similar standard
22 measure of financial hardship.

23 **Sec. 14.** RCW 43.157.020 and 2009 c 421 s 3 are each amended to
24 read as follows:

25 Counties and cities with development projects designated as
26 projects of statewide significance within their jurisdictions shall
27 enter into an agreement with the office ((of)) for regulatory
28 innovation and assistance and the project managers of projects of
29 statewide significance for expediting the completion of projects of
30 statewide significance. The agreement shall require:

31 (1) Expedited permit processing for the design and construction
32 of the project;

33 (2) Expedited environmental review processing;

34 (3) Expedited processing of requests for street, right-of-way, or
35 easement vacations necessary for the construction of the project;

36 (4) Participation of local officials on the team assembled under
37 the requirements of RCW 43.157.030(2)(b); and

1 (5) Such other actions or items as are deemed necessary by the
2 office ((of)) for regulatory innovation and assistance for the design
3 and construction of the project.

4 **Sec. 15.** RCW 43.157.030 and 2009 c 421 s 4 are each amended to
5 read as follows:

6 (1) The department of ((community, trade, and economic
7 development)) commerce shall:

8 (a) Develop an application for designation of development
9 projects as projects of statewide significance. The application must
10 be accompanied by a letter of approval from the legislative authority
11 of any jurisdiction that will have the proposed project of statewide
12 significance within its boundaries. No designation of a project as a
13 project of statewide significance shall be made without such letter
14 of approval. The letter of approval must state that the jurisdiction
15 joins in the request for the designation of the project as one of
16 statewide significance and has or will hire the professional staff
17 that will be required to expedite the processes necessary to the
18 completion of a project of statewide significance. The development
19 project proponents may provide the funding necessary for the
20 jurisdiction to hire the professional staff that will be required to
21 so expedite. The application shall contain information regarding the
22 location of the project, the applicant's average employment in the
23 state for the prior year, estimated new employment related to the
24 project, estimated wages of employees related to the project,
25 estimated time schedules for completion and operation, and other
26 information required by the department; and

27 (b) Designate a development project as a project of statewide
28 significance if the department determines:

29 (i) After review of the application under criteria adopted by
30 rule, the development project will provide significant economic
31 benefit to the local or state economy, or both, the project is
32 aligned with the state's comprehensive plan for economic development
33 under RCW 43.162.020, and, by its designation, the project will not
34 prevent equal consideration of all categories of proposals under RCW
35 43.157.010; and

36 (ii) The development project meets or will meet the requirements
37 of RCW 43.157.010 regarding designation as a project of statewide
38 significance.

1 (2) The office ((ef)) for regulatory innovation and assistance
2 shall assign a project facilitator or coordinator to each project of
3 statewide significance to:

4 (a) Assist in the scoping and coordinating functions provided for
5 in chapter 43.42 RCW;

6 (b) Assemble a team of state and local government and private
7 officials to help meet the planning, permitting, and development
8 needs of each project, which team shall include those responsible for
9 planning, permitting and licensing, infrastructure development,
10 workforce development services including higher education,
11 transportation services, and the provision of utilities; and

12 (c) Work with each team member to expedite their actions in
13 furtherance of the project.

14 **Sec. 16.** RCW 43.160.060 and 2014 c 112 s 108 are each amended to
15 read as follows:

16 (1) The board is authorized to make direct loans to political
17 subdivisions of the state and to federally recognized Indian tribes
18 for the purposes of assisting the political subdivisions and
19 federally recognized Indian tribes in financing the cost of public
20 facilities, including development of land and improvements for public
21 facilities, project-specific environmental, capital facilities, land
22 use, permitting, feasibility, and marketing studies and plans;
23 project design, site planning, and analysis; project debt and revenue
24 impact analysis; as well as the construction, rehabilitation,
25 alteration, expansion, or improvement of the facilities. A grant may
26 also be authorized for purposes designated in this chapter, but only
27 when, and to the extent that, a loan is not reasonably possible,
28 given the limited resources of the political subdivision or the
29 federally recognized Indian tribe and the finding by the board that
30 financial circumstances require grant assistance to enable the
31 project to move forward. However, no more than twenty-five percent of
32 all financial assistance approved by the board in any biennium may
33 consist of grants to political subdivisions and federally recognized
34 Indian tribes.

35 (2) Application for funds must be made in the form and manner as
36 the board may prescribe. In making grants or loans the board must
37 conform to the following requirements:

38 (a) The board may not provide financial assistance:

1 (i) For a project the primary purpose of which is to facilitate
2 or promote a retail shopping development or expansion.

3 (ii) For any project that evidence exists would result in a
4 development or expansion that would displace existing jobs in any
5 other community in the state.

6 (iii) For a project the primary purpose of which is to facilitate
7 or promote gambling.

8 (iv) For a project located outside the jurisdiction of the
9 applicant political subdivision or federally recognized Indian tribe.

10 (b) The board may only provide financial assistance:

11 (i) For a project demonstrating convincing evidence that a
12 specific private development or expansion is ready to occur and will
13 occur only if the public facility improvement is made that:

14 (A) Results in the creation of significant private sector jobs or
15 significant private sector capital investment as determined by the
16 board; and

17 (B) Will improve the opportunities for the successful
18 maintenance, establishment, or expansion of industrial or commercial
19 plants or will otherwise assist in the creation or retention of long-
20 term economic opportunities;

21 (ii) For a project that cannot meet the requirement of (b)(i) of
22 this subsection but is a project that:

23 (A) Results in the creation of significant private sector jobs or
24 significant private sector capital investment as determined by the
25 board;

26 (B) Is part of a local economic development plan consistent with
27 applicable state planning requirements;

28 (C) Can demonstrate project feasibility using standard economic
29 principles; and

30 (D) Is located in a rural community as defined by the board, or a
31 rural county;

32 (iii) For site-specific plans, studies, and analyses that address
33 environmental impacts, capital facilities, land use, permitting,
34 feasibility, marketing, project engineering, design, site planning,
35 and project debt and revenue impacts, as grants not to exceed fifty
36 thousand dollars.

37 (c) The board must develop guidelines for local participation and
38 allowable match and activities.

39 (d) An application must demonstrate local match and local
40 participation, in accordance with guidelines developed by the board.

1 (e) An application must be approved by the political subdivision
2 and supported by the local associate development organization or
3 local workforce development council or approved by the governing body
4 of the federally recognized Indian tribe.

5 (f) The board may allow de minimis general system improvements to
6 be funded if they are critically linked to the viability of the
7 project.

8 (g) An application must demonstrate convincing evidence that the
9 median hourly wage of the private sector jobs created after the
10 project is completed will exceed the countywide median hourly wage.

11 (h) The board must prioritize each proposed project according to:

12 (i) The relative benefits provided to the community by the jobs
13 the project would create, not just the total number of jobs it would
14 create after the project is completed, but also giving consideration
15 to the unemployment rate in the area in which the jobs would be
16 located;

17 (ii) The rate of return of the state's investment, including, but
18 not limited to, the leveraging of private sector investment,
19 anticipated job creation and retention, and expected increases in
20 state and local tax revenues associated with the project;

21 (iii) Whether the proposed project offers a health insurance plan
22 for employees that includes an option for dependents of employees;

23 (iv) Whether the public facility investment will increase
24 existing capacity necessary to accommodate projected population and
25 employment growth in a manner that supports infill and redevelopment
26 of existing urban or industrial areas that are served by adequate
27 public facilities. Projects should maximize the use of existing
28 infrastructure and provide for adequate funding of necessary
29 transportation improvements;

30 (v) Whether the applicant's permitting process has been certified
31 as streamlined by the office ((ef)) for regulatory innovation and
32 assistance; and

33 (vi) Whether the applicant has developed and adhered to
34 guidelines regarding its permitting process for those applying for
35 development permits consistent with section 1(2), chapter 231, Laws
36 of 2007.

37 (i) A responsible official of the political subdivision or the
38 federally recognized Indian tribe must be present during board
39 deliberations and provide information that the board requests.

1 (3) Before any financial assistance application is approved, the
2 political subdivision or the federally recognized Indian tribe
3 seeking the assistance must demonstrate to the community economic
4 revitalization board that no other timely source of funding is
5 available to it at costs reasonably similar to financing available
6 from the community economic revitalization board.

7 **Sec. 17.** RCW 43.330.440 and 2013 c 324 s 2 are each amended to
8 read as follows:

9 (1) The department, in collaboration with the office ((of)) for
10 regulatory innovation and assistance and the office of accountability
11 and performance, must conduct multijurisdictional regulatory
12 streamlining projects that each impact a specific industry sector or
13 subsector within a specific geographical location. Planning for an
14 initial pilot project must begin by September 1, 2013, and the
15 initial pilot project must be underway by December 31, 2013. One or
16 more projects must be implemented in each subsequent calendar year
17 through 2019.

18 (2) The department must establish and implement a competitive
19 process and select a minimum of one applicant comprised of a public-
20 private partnership for participation in each project. The initial
21 pilot project must focus on the manufacturing sector. The department,
22 in consultation with the economic development commission, must
23 determine the sectors for subsequent projects. The criteria to be
24 used to select projects must include:

25 (a) Evidence of strong business commitment to the project;

26 (b) Evidence of strong commitment by the local government
27 jurisdictions where the project is located to allocate necessary
28 staff to the project and to streamline laws, rules, and
29 administrative process requirements both within their jurisdictions
30 and collaboratively across jurisdictions;

31 (c) Willingness to apply lean principles and tools to streamline
32 the business regulatory experience;

33 (d) Identification of a lead partner capable of providing project
34 management and coordination of partners;

35 (e) Support of the stakeholders necessary to implement the
36 project;

37 (f) A plan and capacity to complete the project within the time
38 frame; and

1 (g) A minimum of fifty percent match must be provided from
2 project partners. The match may be cash, in-kind, or a combination of
3 cash and in-kind.

4 (3) The department is encouraged to collaborate with nonprofit
5 industry organizations, the private sector, foundations, and other
6 interested entities to successfully complete each project.

7 (4) The department must pursue opportunities for nonstate funding
8 as the match to the fifty percent or more provided by project
9 partners. A maximum of fifty thousand dollars of state funds may be
10 used for a project.

11 (5) The department may contract with a third party for expertise
12 and facilitation.

13 (6) All state agencies with regulatory requirements that impact
14 the project's industry sector must participate.

15 (7) The state agencies, local jurisdictions, business partners,
16 and other participants must jointly:

17 (a) Develop a project plan to conduct a cross-jurisdictional
18 review process;

19 (b) Identify and review all laws, rules, and administrative
20 processes and requirements pertaining to the selected sector;

21 (c) Apply specific criteria to evaluate the extent to which the
22 laws, rules, and administrative processes and requirements provide
23 for consistent, clear, and efficient customer experiences while
24 continuing to maintain public health, safety, and environmental
25 standards;

26 (d) Develop an implementation plan and schedule that identifies
27 priority streamlining actions;

28 (e) Present their recommendations to the department for comment
29 and endorsement; and

30 (f) Present their recommendations to the Washington state
31 economic development commission for comment, endorsement, and
32 evaluation.

33 (8) The department must document and distribute the streamlined
34 laws, rules, processes, and other potentially replicable information,
35 derived from the projects to the association of Washington cities and
36 Washington state association of counties for distribution to their
37 membership.

38 (9) The department must brief the economic development committees
39 of the legislature by January 15, 2014, on the status of the initial
40 pilot project, and must submit a report on the outcomes of the

1 projects to the economic development committees of the legislature by
2 January 15th of each calendar year, from 2015 through 2020. The
3 department must include in the reports any streamlining
4 recommendations identified in the projects that require statutory
5 changes for implementation and any potentially replicable models,
6 approaches, and tools that could be applied to other sectors and
7 geographical areas.

8 **Sec. 18.** RCW 47.80.090 and 2012 c 229 s 592 are each amended to
9 read as follows:

10 (1) A regional transportation planning organization containing
11 any county with a population in excess of one million in
12 collaboration with representatives from the department of ecology,
13 the department of commerce, local governments, and the office ((øf))
14 for regulatory innovation and assistance must seek federal or private
15 funding for the planning for, deployment of, or regulations
16 concerning electric vehicle infrastructure. These efforts should
17 include:

18 (a) Development of short-term and long-term plans outlining how
19 state, regional, and local government construction may include
20 electric vehicle infrastructure in publicly available off-street
21 parking and government fleet vehicle parking, including what ratios
22 of charge spots to parking may be appropriate based on location or
23 type of facility or building;

24 (b) Consultations with the state building code council and the
25 department of labor and industries to coordinate the plans with state
26 standards for new residential, commercial, and industrial buildings
27 to ensure that the appropriate electric circuitry is installed to
28 support electric vehicle infrastructure;

29 (c) Consultation with the workforce development council and the
30 student achievement council to ensure the development of appropriate
31 educational and training opportunities for citizens of the state in
32 support of the transition of some portion of vehicular transportation
33 from combustion to electric vehicles;

34 (d) Development of an implementation plan for counties with a
35 population greater than five hundred thousand with the goal of having
36 public and private parking spaces, in the aggregate, be ten percent
37 electric vehicle ready by December 31, 2018; and

38 (e) Development of model ordinances and guidance for local
39 governments for siting and installing electric vehicle

1 infrastructure, in particular battery charging stations, and
2 appropriate handling, recycling, and storage of electric vehicle
3 batteries and equipment.

4 (2) These plans and any recommendations developed as a result of
5 the consultations required by this section must be submitted to the
6 legislature by December 31, 2010, or as soon as reasonably
7 practicable after the securing of any federal or private funding.
8 Priority will be given to the activities in subsection (1)(e) of this
9 section and any ordinances or guidance that is developed will be
10 submitted to the legislature, the department of commerce, and
11 affected local governments prior to December 31, 2010, if completed.

12 (3) The definitions in this subsection apply throughout this
13 section unless the context clearly requires otherwise.

14 (a) "Battery charging station" means an electrical component
15 assembly or cluster of component assemblies designed specifically to
16 charge batteries within electric vehicles, which meet or exceed any
17 standards, codes, and regulations set forth by chapter 19.28 RCW and
18 consistent with rules adopted under RCW 19.27.540.

19 (b) "Battery exchange station" means a fully automated facility
20 that will enable an electric vehicle with a swappable battery to
21 enter a drive lane and exchange the depleted battery with a fully
22 charged battery through a fully automated process, which meets or
23 exceeds any standards, codes, and regulations set forth by chapter
24 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

25 (c) "Electric vehicle infrastructure" means structures,
26 machinery, and equipment necessary and integral to support an
27 electric vehicle, including battery charging stations, rapid charging
28 stations, and battery exchange stations.

29 (d) "Rapid charging station" means an industrial grade electrical
30 outlet that allows for faster recharging of electric vehicle
31 batteries through higher power levels, which meets or exceeds any
32 standards, codes, and regulations set forth by chapter 19.28 RCW and
33 consistent with rules adopted under RCW 19.27.540.

34 **Sec. 19.** RCW 77.55.181 and 2014 c 120 s 1 are each amended to
35 read as follows:

36 (1)(a) In order to receive the permit review and approval process
37 created in this section, a fish habitat enhancement project must meet
38 the criteria under this section and must be a project to accomplish
39 one or more of the following tasks:

1 (i) Elimination of human-made or caused fish passage barriers,
2 including culvert repair and replacement;

3 (ii) Restoration of an eroded or unstable stream bank employing
4 the principle of bioengineering, including limited use of rock as a
5 stabilization only at the toe of the bank, and with primary emphasis
6 on using native vegetation to control the erosive forces of flowing
7 water; or

8 (iii) Placement of woody debris or other instream structures that
9 benefit naturally reproducing fish stocks.

10 (b) The department shall develop size or scale threshold tests to
11 determine if projects accomplishing any of these tasks should be
12 evaluated under the process created in this section or under other
13 project review and approval processes. A project proposal shall not
14 be reviewed under the process created in this section if the
15 department determines that the scale of the project raises concerns
16 regarding public health and safety.

17 (c) A fish habitat enhancement project must be approved in one of
18 the following ways in order to receive the permit review and approval
19 process created in this section:

20 (i) By the department pursuant to chapter 77.95 or 77.100 RCW;

21 (ii) By the sponsor of a watershed restoration plan as provided
22 in chapter 89.08 RCW;

23 (iii) By the department as a department-sponsored fish habitat
24 enhancement or restoration project;

25 (iv) Through the review and approval process for the jobs for the
26 environment program;

27 (v) Through the review and approval process for conservation
28 district-sponsored projects, where the project complies with design
29 standards established by the conservation commission through
30 interagency agreement with the United States fish and wildlife
31 service and the natural resource conservation service;

32 (vi) Through a formal grant program established by the
33 legislature or the department for fish habitat enhancement or
34 restoration;

35 (vii) Through the department of transportation's environmental
36 retrofit program as a stand-alone fish passage barrier correction
37 project;

38 (viii) Through a local, state, or federally approved fish barrier
39 removal grant program designed to assist local governments in
40 implementing stand-alone fish passage barrier corrections;

1 (ix) By a city or county for a stand-alone fish passage barrier
2 correction project funded by the city or county; and

3 (x) Through other formal review and approval processes
4 established by the legislature.

5 (2) Fish habitat enhancement projects meeting the criteria of
6 subsection (1) of this section are expected to result in beneficial
7 impacts to the environment. Decisions pertaining to fish habitat
8 enhancement projects meeting the criteria of subsection (1) of this
9 section and being reviewed and approved according to the provisions
10 of this section are not subject to the requirements of RCW
11 43.21C.030(2)(c).

12 (3)(a) A permit is required for projects that meet the criteria
13 of subsection (1) of this section and are being reviewed and approved
14 under this section. An applicant shall use a joint aquatic resource
15 permit application form developed by the office ((of)) for regulatory
16 innovation and assistance to apply for approval under this chapter.
17 On the same day, the applicant shall provide copies of the completed
18 application form to the department and to each appropriate local
19 government.

20 (b) Local governments shall accept the application as notice of
21 the proposed project. The department shall provide a fifteen-day
22 comment period during which it will receive comments regarding
23 environmental impacts.

24 (c) Within forty-five days, the department shall either issue a
25 permit, with or without conditions, deny approval, or make a
26 determination that the review and approval process created by this
27 section is not appropriate for the proposed project. The department
28 shall base this determination on identification during the comment
29 period of adverse impacts that cannot be mitigated by the
30 conditioning of a permit.

31 (d) If the department determines that the review and approval
32 process created by this section is not appropriate for the proposed
33 project, the department shall notify the applicant and the
34 appropriate local governments of its determination. The applicant may
35 reapply for approval of the project under other review and approval
36 processes.

37 (e) Any person aggrieved by the approval, denial, conditioning,
38 or modification of a permit under this section may appeal the
39 decision as provided in RCW 77.55.021(8).

1 (4) No local government may require permits or charge fees for
2 fish habitat enhancement projects that meet the criteria of
3 subsection (1) of this section and that are reviewed and approved
4 according to the provisions of this section.

5 (5) No civil liability may be imposed by any court on the state
6 or its officers and employees for any adverse impacts resulting from
7 a fish enhancement project permitted by the department under the
8 criteria of this section except upon proof of gross negligence or
9 willful or wanton misconduct.

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