
SENATE BILL 6223

State of Washington

64th Legislature

2016 Regular Session

By Senators Brown, Angel, Braun, and Hewitt

Read first time 01/13/16. Referred to Committee on Trade & Economic Development.

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; reenacting and amending RCW 34.05.328; and
6 adding a new section to chapter 43.42 RCW.

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

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

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

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

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

3 (2) The office of regulatory innovation and assistance is created
4 to work to continually improve the function of environmental and
5 business regulatory processes by identifying conflicts and overlap in
6 the state's rules, statutes, and operational practices; to ensure
7 ongoing coordination among regulatory agencies, reducing costs for
8 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 of
23 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 of
27 regulatory innovation and assistance shall have authority to provide
28 services but shall not have any authority to make decisions on
29 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 of regulatory innovation and assistance is created
33 in the office of financial management and must be administered by the
34 office of the governor to help improve the regulatory system and
35 assist citizens, businesses, and project proponents.

36 (2) The governor must appoint a director. The director may employ
37 a deputy director and a confidential secretary and such staff as are
38 necessary, or contract with another state agency pursuant to chapter
39 39.34 RCW for support in carrying out the purposes of this chapter.

1 (3) The office must offer to:
2 (a) Act as the central point of contact for the project proponent
3 in communicating about defined issues;
4 (b) Conduct project scoping as provided in RCW 43.42.050;
5 (c) Verify that the project proponent has all the information
6 needed to correctly apply for all necessary permits;
7 (d) Provide general coordination services;
8 (e) Coordinate the efficient completion among participating
9 agencies of administrative procedures, such as collecting fees or
10 providing public notice;
11 (f) Maintain contact with the project proponent and the permit
12 agencies to promote adherence to agreed schedules;
13 (g) Assist in resolving any conflict or inconsistency among
14 permit requirements and conditions;
15 (h) Coordinate, to the extent practicable, with relevant federal
16 permit agencies and tribal governments;
17 (i) Facilitate meetings;
18 (j) Manage a fully coordinated permit process, as provided in RCW
19 43.42.060; and
20 (k) Help local jurisdictions comply with the requirements of
21 chapter 36.70B RCW.
22 (4) The office must also:
23 (a) Provide information to local jurisdictions about best
24 permitting practices, methods to improve communication with, and
25 solicit early involvement of, state agencies when needed, and
26 effective means of assessing and communicating expected project
27 timelines and costs;
28 (b) Maintain and furnish information as provided in RCW
29 43.42.040; and
30 (c) Provide the following by September 1, 2009, and biennially
31 thereafter, to the governor and the appropriate committees of the
32 legislature:
33 (i) A performance report including:
34 (A) Information regarding use of the office's voluntary cost-
35 reimbursement services as provided in RCW 43.42.070;
36 (B) The number and type of projects or initiatives where the
37 office provided services including the key agencies with which the
38 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 as provided in section
14 3 of this act.

15 NEW SECTION. Sec. 3. A new section is added to chapter 43.42
16 RCW to read as follows:

17 (1) The long-term strategy for identifying and prioritizing
18 multiagency regulatory processes that can be streamlined through
19 better coordination, provided for in RCW 43.42.010(5), must be based
20 on industry needs determined by working in collaboration with
21 businesses, importance to the state, and potential savings to
22 businesses and agencies.

23 (a) The office must:

24 (i) Develop a timetable by January 1, 2017, for prioritized
25 regulatory processes to be streamlined through coordination;

26 (ii) Identify agencies involved in each regulatory process to be
27 streamlined through coordination; and

28 (iii) Convene agencies involved in those regulatory processes and
29 facilitate ongoing coordination.

30 (b) The office must work with identified agencies on prioritized
31 processes to:

32 (i) Scope and understand the problem;

33 (ii) Establish written policies and protocols for coordinating;

34 (iii) Identify structured communication channels between
35 agencies;

36 (iv) Develop methods for sharing applicant information between
37 agencies to reduce duplication;

38 (v) Promote concurrent reviews of applicant materials or comment
39 periods;

1 (vi) Ensure compatible regulatory requirements; and
2 (vii) Develop and track performance measures to monitor the
3 results of coordination activities and help agencies identify
4 successes and where improvements are necessary.

5 (2) The office must report to the governor and the economic
6 development committees of the legislature annually on the progress of
7 prioritized regulatory processes being streamlined through
8 coordination, including the performance measures required in
9 subsection (1)(b)(vii) of this section.

10 **Sec. 4.** RCW 34.05.320 and 2012 c 210 s 2 are each amended to
11 read as follows:

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

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

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

22 (c) A short explanation of the rule, its purpose, and anticipated
23 effects, including in the case of a proposal that would modify
24 existing rules, a short description of the changes the proposal would
25 make, and a statement of the reasons supporting the proposed action;

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

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

31 (f) Agency comments or recommendations, if any, regarding
32 statutory language, implementation, enforcement, and fiscal matters
33 pertaining to the rule;

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

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

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

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

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

8 (l) If RCW 34.05.328 does apply, a statement indicating that a
9 copy of the preliminary cost-benefit analysis described in RCW
10 34.05.328(1)(c) is available.

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

16 (b) A pilot of at least ten agencies, including the departments
17 of labor and industries, fish and wildlife, revenue, ecology,
18 retirement systems, and health, shall file the copies required under
19 this subsection, as well as under RCW 34.05.350 and 34.05.353, with
20 the rules review committee electronically for a period of four years
21 from June 10, 2004. The office of regulatory innovation and
22 assistance shall negotiate the details of the pilot among the
23 agencies, the legislature, and the code reviser.

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

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

35 **Sec. 5.** RCW 34.05.328 and 2011 c 298 s 21 and 2011 c 149 s 1 are
36 each reenacted and amended to read as follows:

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

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

3 (b) Determine that the rule is needed to achieve the general
4 goals and specific objectives stated under (a) of this subsection,
5 and analyze alternatives to rule making and the consequences of not
6 adopting the rule;

7 (c) Provide notification in the notice of proposed rule making
8 under RCW 34.05.320 that a preliminary cost-benefit analysis is
9 available. The preliminary cost-benefit analysis must fulfill the
10 requirements of the cost-benefit analysis under (d) of this
11 subsection. If the agency files a supplemental notice under RCW
12 34.05.340, the supplemental notice must include notification that a
13 revised preliminary cost-benefit analysis is available. A final cost-
14 benefit analysis must be available when the rule is adopted under RCW
15 34.05.360;

16 (d) Determine that the probable benefits of the rule are greater
17 than its probable costs, taking into account both the qualitative and
18 quantitative benefits and costs and the specific directives of the
19 statute being implemented;

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

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

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

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

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

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

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

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

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

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

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

15 (c) Promote and assist voluntary compliance; and

16 (d) Evaluate whether the rule achieves the purpose for which it
17 was adopted, including, to the maximum extent practicable, the use of
18 interim milestones to assess progress and the use of objectively
19 measurable outcomes.

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

24 (a) Coordinate implementation and enforcement of the rule with
25 the other federal and state entities regulating the same activity or
26 subject matter by making every effort to do one or more of the
27 following:

28 (i) Deferring to the other entity;

29 (ii) Designating a lead agency; or

30 (iii) Entering into an agreement with the other entities
31 specifying how the agency and entities will coordinate implementation
32 and enforcement.

33 If the agency is unable to comply with this subsection (4)(a),
34 the agency must report to the legislature pursuant to (b) of this
35 subsection;

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

37 (i) The existence of any overlap or duplication of other federal
38 or state laws, any differences from federal law, and any known
39 overlap, duplication, or conflict with local laws; and

1 (ii) Make recommendations for any legislation that may be
2 necessary to eliminate or mitigate any adverse effects of such
3 overlap, duplication, or difference.

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

6 (i) Significant legislative rules of the departments of ecology,
7 labor and industries, health, revenue, social and health services,
8 and natural resources, the employment security department, the forest
9 practices board, the office of the insurance commissioner, and to the
10 legislative rules of the department of fish and wildlife implementing
11 chapter 77.55 RCW; and

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

17 (b) This section does not apply to:

18 (i) Emergency rules adopted under RCW 34.05.350;

19 (ii) Rules relating only to internal governmental operations that
20 are not subject to violation by a nongovernment party;

21 (iii) Rules adopting or incorporating by reference without
22 material change federal statutes or regulations, Washington state
23 statutes, rules of other Washington state agencies, shoreline master
24 programs other than those programs governing shorelines of statewide
25 significance, or, as referenced by Washington state law, national
26 consensus codes that generally establish industry standards, if the
27 material adopted or incorporated regulates the same subject matter
28 and conduct as the adopting or incorporating rule;

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

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

34 (vi) Rules that set or adjust fees under the authority of RCW
35 19.02.075 or that set or adjust fees or rates pursuant to legislative
36 standards, including fees set or adjusted under the authority of RCW
37 19.80.045;

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

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

4 (c) For purposes of this subsection:

5 (i) A "procedural rule" is a rule that adopts, amends, or repeals
6 (A) any procedure, practice, or requirement relating to any agency
7 hearings; (B) any filing or related process requirement for making
8 application to an agency for a license or permit; or (C) any policy
9 statement pertaining to the consistent internal operations of an
10 agency.

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

14 (iii) A "significant legislative rule" is a rule other than a
15 procedural or interpretive rule that (A) adopts substantive
16 provisions of law pursuant to delegated legislative authority, the
17 violation of which subjects a violator of such rule to a penalty or
18 sanction; (B) establishes, alters, or revokes any qualification or
19 standard for the issuance, suspension, or revocation of a license or
20 permit; or (C) adopts a new, or makes significant amendments to, a
21 policy or regulatory program.

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

26 (6) By January 31, 1996, and by January 31st of each even-
27 numbered year thereafter, the office of regulatory innovation and
28 assistance, after consulting with state agencies, counties, and
29 cities, and business, labor, and environmental organizations, must
30 report to the governor and the legislature regarding the effects of
31 this section on the regulatory system in this state. The report must
32 document:

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

36 (b) The costs incurred by state agencies in complying with this
37 section;

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

1 (d) The extent to which this section has adversely affected the
2 capacity of agencies to fulfill their legislatively prescribed
3 mission;

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

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

8 **Sec. 6.** RCW 43.30.550 and 2012 1st sp.s. c 1 s 208 are each
9 amended to read as follows:

10 (1) By December 31, 2013, the department must make examples of
11 complete, high quality forest practices applications and the
12 resulting approvals readily available to the public on its internet
13 site, as well as the internet site of the office of regulatory
14 innovation and assistance established in RCW 43.42.010. The
15 department must maximize assistance to the public and interested
16 parties by seeking to make readily available examples from forest
17 practices that generate significant permitting activity or frequent
18 questions.

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

22 (3) The department must obtain the written permission of an
23 applicant before making publicly available that applicant's
24 application or approval under this section and must work
25 cooperatively with the applicant to ensure that no personal or
26 proprietary information is made available.

27 **Sec. 7.** RCW 43.42.030 and 2009 c 97 s 3 are each amended to read
28 as follows:

29 The definitions in this section apply throughout this chapter
30 unless the context clearly requires otherwise.

31 (1) "Director" means the director of the office of regulatory
32 innovation and assistance.

33 (2) "Fully coordinated permit process" means a comprehensive
34 coordinated permitting assistance approach supported by a written
35 agreement between the project proponent, the office of regulatory
36 innovation and assistance, and the agencies participating in the
37 fully coordinated permit process.

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

7 (4) "Office" means the office of regulatory innovation and
8 assistance established in RCW 43.42.010.

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

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

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

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

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

24 **Sec. 8.** RCW 43.42.090 and 2010 c 162 s 2 are each amended to
25 read as follows:

26 (1) The legislature finds that the state of Washington has
27 implemented a number of successful measures to streamline,
28 coordinate, and consolidate the multiparty, multijurisdictional
29 permitting and regulatory decision-making process. The office of
30 regulatory innovation and assistance was developed and implemented at
31 a time when the state faced a crisis in its economic competitiveness.
32 The multiagency permitting team for transportation was developed and
33 implemented at a time when the state's transportation system faced a
34 crisis in public confidence concerning transportation project
35 delivery. The legislature further finds that the state of Washington
36 is now facing an economic and financial crisis that requires
37 immediate action to spur economic development and the creation of
38 jobs without sacrificing the quality of the state's environment.

39 (2) The legislature intends to:

1 (a) Draw from and extend the benefits of proven permit
2 streamlining solutions to future project proponents and aid the
3 state's recovery by authorizing optional multiagency permitting teams
4 modeled after the multiagency permitting team developed and
5 implemented for state transportation projects. It is the purpose of
6 chapter 162, Laws of 2010 to provide willing permit applicants and
7 project proponents with permit coordination and integrated regulatory
8 decision-making services on a cost-reimbursed basis; and

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

12 **Sec. 9.** RCW 43.42.092 and 2010 c 162 s 3 are each amended to
13 read as follows:

14 (1)(a) The office of regulatory innovation and assistance is
15 authorized to develop and advertise the availability of optional
16 multiagency permitting teams to provide coordinated permitting and
17 integrated regulatory decision making starting in the Puget Sound
18 basin.

19 (b) New expenses associated with operating the optional
20 multiagency permitting teams must be recovered by the office of
21 regulatory innovation and assistance using existing state cost-
22 reimbursement and interagency cost-sharing authorities as applicable.
23 The cost-reimbursement process is subject to the requirements and
24 limitations set forth in RCW 43.42.070. Initial administrative costs
25 and other costs that may not be recoverable through cost-
26 reimbursement or cost-sharing mechanisms may be covered by funds from
27 the multiagency permitting team account created in RCW 43.42.095.

28 (c) The director of the office of regulatory innovation and
29 assistance must solicit donations and such other funds as the
30 director deems appropriate from public and private sources for the
31 purposes of covering the initial administrative costs and other costs
32 associated with operation of optional multiagency permitting teams
33 which are not recoverable through cost-reimbursement or cost-sharing
34 mechanisms. All such solicited funds must be placed in the
35 multiagency permitting team account created in RCW 43.42.095.

36 (2) Optional multiagency permitting teams must be:

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

39 (b) Located initially in central Puget Sound;

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

5 (d) Managed by the office of regulatory innovation and assistance
6 through a team leader responsible for:

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

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

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

16 (iv) Developing and executing funding agreements with applicants,
17 project proponents, regulatory agencies, and others as necessary to
18 ensure the financial viability of the optional multiagency permitting
19 teams;

20 (v) Measuring and regularly reporting on team performance,
21 results and outcomes achieved, including improved: Permitting
22 predictability, interagency early project coordination, interagency
23 accessibility, interagency relationships, project delivery, and
24 environmental results, including the avoidance or prevention of
25 environmental harm and the effectiveness of mitigation;

26 (vi) Conducting outreach, marketing, and advertising of team
27 services and team availability, focusing initially on projects such
28 as large-scale public, private, and port development projects with
29 complex aquatics, wetland, or other environmental impacts;
30 environmental cleanup, restoration, and enhancement projects;
31 aquaculture projects; and energy, power generation, and utility
32 projects;

33 (vii) Implementing issue and dispute resolution protocols;

34 (viii) Incorporating and using virtual tools for online
35 collaboration to support permitting and regulatory coordination and
36 expedited decision making; and

37 (ix) Extending and subsequently implementing the optional
38 multiagency permitting team approach to other significant geographic
39 regions of the state.

1 (3) The optional multiagency permitting teams must at a minimum
2 work with the office of regulatory innovation and assistance to
3 provide the following core services:

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

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

12 (c) Fully coordinated project review as set forth in RCW
13 43.42.060 to set schedules and agreed-upon time frames for the
14 applicant and regulatory decision makers consistent with statutory
15 requirements and with regard to available agency resources and to
16 track, monitor, and report progress made in meeting those schedules
17 and time frames;

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

22 (4) Local and federal permitting and regulatory personnel should
23 be incorporated into the optional multiagency permitting teams
24 whenever possible and at least on a project-by-project basis. Moneys
25 recouped through state cost-reimbursement and interagency cost-
26 sharing authorities, or as otherwise solicited for deposit into the
27 multiagency permitting team account created in RCW 43.42.095, may
28 also be used to cover local and federal participation.

29 (5) The optional multiagency permitting teams will provide
30 services for complex projects requiring multiple permits and
31 regulatory approvals and having multiple points of regulatory
32 jurisdiction. The optional multiagency permitting teams are not
33 intended to support state transportation projects capable of being
34 serviced by multiagency permitting teams specifically established for
35 state transportation projects. Use of the optional multiagency
36 permitting teams for a fully coordinated permit process must be
37 allowed unless the office of regulatory innovation and assistance
38 notifies a project proponent in writing of other means of effective
39 and efficient project review that are available and are recommended.

1 **Sec. 10.** RCW 43.42.095 and 2012 c 196 s 5 are each amended to
2 read as follows:

3 The multiagency permitting team account is created in the custody
4 of the state treasurer. All receipts from cost-reimbursement
5 agreements authorized in RCW 43.42.070 and solicitations authorized
6 in RCW 43.42.092 must be deposited into the account. Expenditures
7 from the account may be used only for covering staffing, consultant,
8 technology, and other administrative costs of multiagency permitting
9 teams and other costs associated with multiagency project review and
10 management that may arise. Only the director of the office of
11 regulatory innovation and assistance or the director's designee may
12 authorize expenditures from the account. The account is subject to
13 allotment procedures under chapter 43.88 RCW, but an appropriation is
14 not required for expenditures.

15 **Sec. 11.** RCW 43.42.100 and 2012 c 196 s 8 are each amended to
16 read as follows:

17 Within available funds, the office of regulatory innovation and
18 assistance may certify permit processes at the local level as
19 streamlined processes. In developing the certification program, the
20 director must work with local jurisdictions to establish the criteria
21 and the process for certification. Jurisdictions with permit
22 processes certified as streamlined may receive priority in receipt of
23 state funds for infrastructure projects.

24 **Sec. 12.** RCW 43.42A.030 and 2014 c 68 s 4 are each amended to
25 read as follows:

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

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

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

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

37 (i) Examples of model completed applications;

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

3 (iii) Checklists for ensuring a complete application.

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

6 (3)(a) Agencies must post the information required under
7 subsection (1) of this section for all permits as soon as
8 practicable, and no later than the deadlines established in this
9 section.

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

13 (c) The agency shall post the estimates of application completion
14 and permit decision times required under subsection (1)(b) of this
15 section based on actual data for calendar year 2015 by March 1, 2016,
16 and update this information for the previous calendar year, by March
17 1st of each year thereafter.

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

21 (4) To ensure agencies can post the required information online
22 with minimal expenditure of agency resources, the office of the chief
23 information officer shall, in consultation with the office of
24 regulatory innovation and assistance, establish a central repository
25 of this information, hosted on the office of regulatory innovation
26 and assistance's web site. Each agency shall include at least one
27 link to the central repository from the agency's web site. Agencies
28 shall place the link or links in such locations as the agency deems
29 will be most customer-friendly and maximize accessibility of the
30 information to users of the web site.

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

36 **Sec. 13.** RCW 43.88.585 and 2013 c 63 s 1 are each amended to
37 read as follows:

38 (1) By January 1, 2014, the office of financial management shall
39 compile, maintain, and periodically update an inventory of all fees

1 imposed by state agencies and institutions of higher education
2 pursuant to statute or administrative rule. At a minimum, the
3 inventory shall identify the agency or institution collecting the
4 fee, the purpose of the fee, the current amount of the fee, the
5 amount of the fee over the previous five years, and the statutory
6 authority for the fee. The office of financial management may
7 aggregate or consolidate fee information when there is commonality
8 among the fee payers or the purposes for which the fee is paid.

9 (2) To facilitate the fee inventory under this section, each
10 state agency and institution of higher education shall report the
11 information required under subsection (1) of this section to the
12 office of financial management and shall update the information at
13 least every two years.

14 (3) The fee inventory under this section shall be incorporated
15 into the state expenditure information web site maintained by the
16 legislative evaluation and accountability program committee under RCW
17 44.48.150.

18 (4) The office of financial management shall convene a work group
19 consisting of representatives from the legislative evaluation and
20 accountability program committee, the office of regulatory innovation
21 and assistance, the department of licensing, the department of labor
22 and industries, the department of transportation, and the department
23 of health to develop a process to facilitate more frequent updates to
24 the inventory and to recommend changes to increase public
25 accessibility.

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

34 **Sec. 14.** RCW 43.155.070 and 2015 3rd sp.s. c 3 s 7033 are each
35 amended to read as follows:

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

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

3 (b) The local government must have developed a capital facility
4 plan; and

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

8 (2) Except where necessary to address a public health need or
9 substantial environmental degradation, a county, city, or town
10 planning under RCW 36.70A.040 may not receive financial assistance
11 under this chapter unless it has adopted a comprehensive plan,
12 including a capital facilities plan element, and development
13 regulations as required by RCW 36.70A.040. This subsection does not
14 require any county, city, or town planning under RCW 36.70A.040 to
15 adopt a comprehensive plan or development regulations before
16 requesting or receiving financial assistance under this chapter if
17 such request is made before the expiration of the time periods
18 specified in RCW 36.70A.040. A county, city, or town planning under
19 RCW 36.70A.040 that has not adopted a comprehensive plan and
20 development regulations within the time periods specified in RCW
21 36.70A.040 may apply for and receive financial assistance under this
22 chapter if the comprehensive plan and development regulations are
23 adopted as required by RCW 36.70A.040 before executing a contractual
24 agreement for financial assistance with the board.

25 (3) In considering awarding financial assistance for public
26 facilities to special districts requesting funding for a proposed
27 facility located in a county, city, or town planning under RCW
28 36.70A.040, the board must consider whether the county, city, or town
29 planning under RCW 36.70A.040 in whose planning jurisdiction the
30 proposed facility is located has adopted a comprehensive plan and
31 development regulations as required by RCW 36.70A.040.

32 (4) The board must develop a priority process for public works
33 projects as provided in this section. The intent of the priority
34 process is to maximize the value of public works projects
35 accomplished with assistance under this chapter. The board must
36 attempt to assure a geographical balance in assigning priorities to
37 projects. The board must consider at least the following factors in
38 assigning a priority to a project:

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

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

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

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

11 (e) Whether the applicant's permitting process has been certified
12 as streamlined by the office of regulatory innovation and assistance;

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

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

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

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

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

25 (k) Except as otherwise conditioned by RCW 43.155.120, and
26 effective one calendar year following the development of model
27 evergreen community management plans and ordinances under RCW
28 35.105.050, whether the entity receiving assistance has been
29 recognized, and what gradation of recognition was received, in the
30 evergreen community recognition program created in RCW 35.105.030;

31 (l) The relative benefit of the project to the community,
32 considering the present level of economic activity in the community
33 and the existing local capacity to increase local economic activity
34 in communities that have low economic growth; and

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

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

39 (a) The board must develop a process for numerically ranking
40 applications for construction loans submitted by local governments.

1 The board must consider, at a minimum and in any order, the following
2 factors in assigning a numerical ranking to a project:

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

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

6 (iii) The extent to which the project is ready to proceed to
7 construction;

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

10 (v) Whether the project promotes the sustainable use of resources
11 and environmental quality;

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

13 (vii) Whether the project encourages economic development through
14 mixed-use and mixed income development consistent with chapter 36.70A
15 RCW;

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

18 (ix) Achieving equitable distribution of funds by geography and
19 population;

20 (x) The extent to which the project meets the following state
21 policy objectives:

22 (A) Efficient use of state resources;

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

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

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

27 (E) Fostering economic development consistent with chapter 36.70A
28 RCW;

29 (F) Efficiency in delivery of goods and services, public transit,
30 and transportation;

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

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

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

36 (b) Before November 1, 2016, the board must develop and submit to
37 the appropriate fiscal committees of the senate and house of
38 representatives a ranked list of qualified public works projects
39 which have been evaluated by the board and are recommended for
40 funding by the legislature. The maximum amount of funding that the

1 board may recommend for any jurisdiction is ten million dollars per
2 biennium. For each project on the ranked list, as well as for
3 eligible projects not recommended for funding, the board must
4 document the numerical ranking that was assigned.

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

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

27 (8) The board may not sign contracts or otherwise financially
28 obligate funds from the public works assistance account before the
29 legislature has appropriated funds for a specific list of public
30 works projects. The legislature may remove projects from the list
31 recommended by the board. The legislature may not change the order of
32 the priorities recommended for funding by the board.

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

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

38 (11) To qualify for loans or pledges for solid waste or recycling
39 facilities under this chapter, a city or county must demonstrate that
40 the solid waste or recycling facility is consistent with and

1 necessary to implement the comprehensive solid waste management plan
2 adopted by the city or county under chapter 70.95 RCW.

3 (12) After January 1, 2010, any project designed to address the
4 effects of storm water or wastewater on Puget Sound may be funded
5 under this section only if the project is not in conflict with the
6 action agenda developed by the Puget Sound partnership under RCW
7 90.71.310.

8 (13) During the 2015-2017 fiscal biennium, for projects involving
9 repair, replacement, or improvement of a wastewater treatment plant
10 or other public works facility for which an investment grade
11 efficiency audit is obtainable, the public works board must require
12 as a contract condition that the project sponsor undertake an
13 investment grade efficiency audit. The project sponsor may finance
14 the costs of the audit as part of its public works assistance account
15 program loan.

16 (14)(a) For public works assistance account application rounds
17 conducted during the 2015-2017 fiscal biennium, the board must
18 implement policies and procedures designed to maximize local
19 government use of federal funds to finance local infrastructure
20 including, but not limited to, drinking water and clean water state
21 revolving funds operated by the state departments of health and
22 ecology. Projects that are eligible for the drinking water and clean
23 water state revolving funds may receive public works board
24 preconstruction loans. Projects that are eligible for the drinking
25 water and clean water state revolving funds are not eligible for
26 public works board construction loans. For purposes of this
27 subsection "eligible for drinking water and clean water state
28 revolving funds" means:

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

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

33 (iii) Projects that have not applied, but would likely be
34 eligible if the project applied and met the project readiness
35 requirements.

36 (b) For all construction loan projects proposed to the
37 legislature for funding during the 2015-2017 fiscal biennium, the
38 board must base interest rates on the average daily market interest
39 rate for tax-exempt municipal bonds as published in the bond buyer's
40 index for the period from sixty to thirty days before the start of

1 the application cycle. For projects with a repayment period between
2 five and twenty years, the rate must be sixty percent of the market
3 rate. For projects with a repayment period under five years, the rate
4 must be thirty percent of the market rate. The board must also
5 provide reduced interest rates, extended repayment periods, or
6 forgivable principal loans for projects that meet financial hardship
7 criteria as measured by the affordability index or similar standard
8 measure of financial hardship.

9 **Sec. 15.** RCW 43.157.020 and 2009 c 421 s 3 are each amended to
10 read as follows:

11 Counties and cities with development projects designated as
12 projects of statewide significance within their jurisdictions shall
13 enter into an agreement with the office of regulatory innovation and
14 assistance and the project managers of projects of statewide
15 significance for expediting the completion of projects of statewide
16 significance. The agreement shall require:

17 (1) Expedited permit processing for the design and construction
18 of the project;

19 (2) Expedited environmental review processing;

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

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

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

27 **Sec. 16.** RCW 43.157.030 and 2009 c 421 s 4 are each amended to
28 read as follows:

29 (1) The department of (~~community, trade, and economic~~
30 ~~development~~) commerce shall:

31 (a) Develop an application for designation of development
32 projects as projects of statewide significance. The application must
33 be accompanied by a letter of approval from the legislative authority
34 of any jurisdiction that will have the proposed project of statewide
35 significance within its boundaries. No designation of a project as a
36 project of statewide significance shall be made without such letter
37 of approval. The letter of approval must state that the jurisdiction
38 joins in the request for the designation of the project as one of

1 statewide significance and has or will hire the professional staff
2 that will be required to expedite the processes necessary to the
3 completion of a project of statewide significance. The development
4 project proponents may provide the funding necessary for the
5 jurisdiction to hire the professional staff that will be required to
6 so expedite. The application shall contain information regarding the
7 location of the project, the applicant's average employment in the
8 state for the prior year, estimated new employment related to the
9 project, estimated wages of employees related to the project,
10 estimated time schedules for completion and operation, and other
11 information required by the department; and

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

14 (i) After review of the application under criteria adopted by
15 rule, the development project will provide significant economic
16 benefit to the local or state economy, or both, the project is
17 aligned with the state's comprehensive plan for economic development
18 under RCW 43.162.020, and, by its designation, the project will not
19 prevent equal consideration of all categories of proposals under RCW
20 43.157.010; and

21 (ii) The development project meets or will meet the requirements
22 of RCW 43.157.010 regarding designation as a project of statewide
23 significance.

24 (2) The office of regulatory innovation and assistance shall
25 assign a project facilitator or coordinator to each project of
26 statewide significance to:

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

29 (b) Assemble a team of state and local government and private
30 officials to help meet the planning, permitting, and development
31 needs of each project, which team shall include those responsible for
32 planning, permitting and licensing, infrastructure development,
33 workforce development services including higher education,
34 transportation services, and the provision of utilities; and

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

37 **Sec. 17.** RCW 43.160.060 and 2014 c 112 s 108 are each amended to
38 read as follows:

1 (1) The board is authorized to make direct loans to political
2 subdivisions of the state and to federally recognized Indian tribes
3 for the purposes of assisting the political subdivisions and
4 federally recognized Indian tribes in financing the cost of public
5 facilities, including development of land and improvements for public
6 facilities, project-specific environmental, capital facilities, land
7 use, permitting, feasibility, and marketing studies and plans;
8 project design, site planning, and analysis; project debt and revenue
9 impact analysis; as well as the construction, rehabilitation,
10 alteration, expansion, or improvement of the facilities. A grant may
11 also be authorized for purposes designated in this chapter, but only
12 when, and to the extent that, a loan is not reasonably possible,
13 given the limited resources of the political subdivision or the
14 federally recognized Indian tribe and the finding by the board that
15 financial circumstances require grant assistance to enable the
16 project to move forward. However, no more than twenty-five percent of
17 all financial assistance approved by the board in any biennium may
18 consist of grants to political subdivisions and federally recognized
19 Indian tribes.

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

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

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

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

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

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

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

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

37 (A) Results in the creation of significant private sector jobs or
38 significant private sector capital investment as determined by the
39 board; and

1 (B) Will improve the opportunities for the successful
2 maintenance, establishment, or expansion of industrial or commercial
3 plants or will otherwise assist in the creation or retention of long-
4 term economic opportunities;

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

7 (A) Results in the creation of significant private sector jobs or
8 significant private sector capital investment as determined by the
9 board;

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

12 (C) Can demonstrate project feasibility using standard economic
13 principles; and

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

16 (iii) For site-specific plans, studies, and analyses that address
17 environmental impacts, capital facilities, land use, permitting,
18 feasibility, marketing, project engineering, design, site planning,
19 and project debt and revenue impacts, as grants not to exceed fifty
20 thousand dollars.

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

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

25 (e) An application must be approved by the political subdivision
26 and supported by the local associate development organization or
27 local workforce development council or approved by the governing body
28 of the federally recognized Indian tribe.

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

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

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

36 (i) The relative benefits provided to the community by the jobs
37 the project would create, not just the total number of jobs it would
38 create after the project is completed, but also giving consideration
39 to the unemployment rate in the area in which the jobs would be
40 located;

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

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

7 (iv) Whether the public facility investment will increase
8 existing capacity necessary to accommodate projected population and
9 employment growth in a manner that supports infill and redevelopment
10 of existing urban or industrial areas that are served by adequate
11 public facilities. Projects should maximize the use of existing
12 infrastructure and provide for adequate funding of necessary
13 transportation improvements;

14 (v) Whether the applicant's permitting process has been certified
15 as streamlined by the office of regulatory innovation and assistance;
16 and

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

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

24 (3) Before any financial assistance application is approved, the
25 political subdivision or the federally recognized Indian tribe
26 seeking the assistance must demonstrate to the community economic
27 revitalization board that no other timely source of funding is
28 available to it at costs reasonably similar to financing available
29 from the community economic revitalization board.

30 **Sec. 18.** RCW 43.330.440 and 2013 c 324 s 2 are each amended to
31 read as follows:

32 (1) The department, in collaboration with the office of
33 regulatory innovation and assistance and the office of accountability
34 and performance, must conduct multijurisdictional regulatory
35 streamlining projects that each impact a specific industry sector or
36 subsector within a specific geographical location. Planning for an
37 initial pilot project must begin by September 1, 2013, and the
38 initial pilot project must be underway by December 31, 2013. One or

1 more projects must be implemented in each subsequent calendar year
2 through 2019.

3 (2) The department must establish and implement a competitive
4 process and select a minimum of one applicant comprised of a public-
5 private partnership for participation in each project. The initial
6 pilot project must focus on the manufacturing sector. The department,
7 in consultation with the economic development commission, must
8 determine the sectors for subsequent projects. The criteria to be
9 used to select projects must include:

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

11 (b) Evidence of strong commitment by the local government
12 jurisdictions where the project is located to allocate necessary
13 staff to the project and to streamline laws, rules, and
14 administrative process requirements both within their jurisdictions
15 and collaboratively across jurisdictions;

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

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

20 (e) Support of the stakeholders necessary to implement the
21 project;

22 (f) A plan and capacity to complete the project within the time
23 frame; and

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

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

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

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

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

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

- 1 (a) Develop a project plan to conduct a cross-jurisdictional
2 review process;
- 3 (b) Identify and review all laws, rules, and administrative
4 processes and requirements pertaining to the selected sector;
- 5 (c) Apply specific criteria to evaluate the extent to which the
6 laws, rules, and administrative processes and requirements provide
7 for consistent, clear, and efficient customer experiences while
8 continuing to maintain public health, safety, and environmental
9 standards;
- 10 (d) Develop an implementation plan and schedule that identifies
11 priority streamlining actions;
- 12 (e) Present their recommendations to the department for comment
13 and endorsement; and
- 14 (f) Present their recommendations to the Washington state
15 economic development commission for comment, endorsement, and
16 evaluation.
- 17 (8) The department must document and distribute the streamlined
18 laws, rules, processes, and other potentially replicable information,
19 derived from the projects to the association of Washington cities and
20 Washington state association of counties for distribution to their
21 membership.
- 22 (9) The department must brief the economic development committees
23 of the legislature by January 15, 2014, on the status of the initial
24 pilot project, and must submit a report on the outcomes of the
25 projects to the economic development committees of the legislature by
26 January 15th of each calendar year, from 2015 through 2020. The
27 department must include in the reports any streamlining
28 recommendations identified in the projects that require statutory
29 changes for implementation and any potentially replicable models,
30 approaches, and tools that could be applied to other sectors and
31 geographical areas.

32 **Sec. 19.** RCW 47.80.090 and 2012 c 229 s 592 are each amended to
33 read as follows:

- 34 (1) A regional transportation planning organization containing
35 any county with a population in excess of one million in
36 collaboration with representatives from the department of ecology,
37 the department of commerce, local governments, and the office of
38 regulatory innovation and assistance must seek federal or private
39 funding for the planning for, deployment of, or regulations

1 concerning electric vehicle infrastructure. These efforts should
2 include:

3 (a) Development of short-term and long-term plans outlining how
4 state, regional, and local government construction may include
5 electric vehicle infrastructure in publicly available off-street
6 parking and government fleet vehicle parking, including what ratios
7 of charge spots to parking may be appropriate based on location or
8 type of facility or building;

9 (b) Consultations with the state building code council and the
10 department of labor and industries to coordinate the plans with state
11 standards for new residential, commercial, and industrial buildings
12 to ensure that the appropriate electric circuitry is installed to
13 support electric vehicle infrastructure;

14 (c) Consultation with the workforce development council and the
15 student achievement council to ensure the development of appropriate
16 educational and training opportunities for citizens of the state in
17 support of the transition of some portion of vehicular transportation
18 from combustion to electric vehicles;

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

23 (e) Development of model ordinances and guidance for local
24 governments for siting and installing electric vehicle
25 infrastructure, in particular battery charging stations, and
26 appropriate handling, recycling, and storage of electric vehicle
27 batteries and equipment.

28 (2) These plans and any recommendations developed as a result of
29 the consultations required by this section must be submitted to the
30 legislature by December 31, 2010, or as soon as reasonably
31 practicable after the securing of any federal or private funding.
32 Priority will be given to the activities in subsection (1)(e) of this
33 section and any ordinances or guidance that is developed will be
34 submitted to the legislature, the department of commerce, and
35 affected local governments prior to December 31, 2010, if completed.

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

38 (a) "Battery charging station" means an electrical component
39 assembly or cluster of component assemblies designed specifically to
40 charge batteries within electric vehicles, which meet or exceed any

1 standards, codes, and regulations set forth by chapter 19.28 RCW and
2 consistent with rules adopted under RCW 19.27.540.

3 (b) "Battery exchange station" means a fully automated facility
4 that will enable an electric vehicle with a swappable battery to
5 enter a drive lane and exchange the depleted battery with a fully
6 charged battery through a fully automated process, which meets or
7 exceeds any standards, codes, and regulations set forth by chapter
8 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

9 (c) "Electric vehicle infrastructure" means structures,
10 machinery, and equipment necessary and integral to support an
11 electric vehicle, including battery charging stations, rapid charging
12 stations, and battery exchange stations.

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

18 **Sec. 20.** RCW 77.55.181 and 2014 c 120 s 1 are each amended to
19 read as follows:

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

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

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

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

33 (b) The department shall develop size or scale threshold tests to
34 determine if projects accomplishing any of these tasks should be
35 evaluated under the process created in this section or under other
36 project review and approval processes. A project proposal shall not
37 be reviewed under the process created in this section if the
38 department determines that the scale of the project raises concerns
39 regarding public health and safety.

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

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

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

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

9 (iv) Through the review and approval process for the jobs for the
10 environment program;

11 (v) Through the review and approval process for conservation
12 district-sponsored projects, where the project complies with design
13 standards established by the conservation commission through
14 interagency agreement with the United States fish and wildlife
15 service and the natural resource conservation service;

16 (vi) Through a formal grant program established by the
17 legislature or the department for fish habitat enhancement or
18 restoration;

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

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

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

27 (x) Through other formal review and approval processes
28 established by the legislature.

29 (2) Fish habitat enhancement projects meeting the criteria of
30 subsection (1) of this section are expected to result in beneficial
31 impacts to the environment. Decisions pertaining to fish habitat
32 enhancement projects meeting the criteria of subsection (1) of this
33 section and being reviewed and approved according to the provisions
34 of this section are not subject to the requirements of RCW
35 43.21C.030(2)(c).

36 (3)(a) A permit is required for projects that meet the criteria
37 of subsection (1) of this section and are being reviewed and approved
38 under this section. An applicant shall use a joint aquatic resource
39 permit application form developed by the office of regulatory
40 innovation and assistance to apply for approval under this chapter.

1 On the same day, the applicant shall provide copies of the completed
2 application form to the department and to each appropriate local
3 government.

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

8 (c) Within forty-five days, the department shall either issue a
9 permit, with or without conditions, deny approval, or make a
10 determination that the review and approval process created by this
11 section is not appropriate for the proposed project. The department
12 shall base this determination on identification during the comment
13 period of adverse impacts that cannot be mitigated by the
14 conditioning of a permit.

15 (d) If the department determines that the review and approval
16 process created by this section is not appropriate for the proposed
17 project, the department shall notify the applicant and the
18 appropriate local governments of its determination. The applicant may
19 reapply for approval of the project under other review and approval
20 processes.

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

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

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

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