

HOUSE BILL REPORT

SB 5782

As Reported by House Committee On:
Capital Budget

Title: An act relating to the defense community compatibility account.

Brief Description: Concerning the defense community compatibility account.

Sponsors: Senators Conway, Hunt and Randall.

Brief History:

Committee Activity:

Capital Budget: 2/24/22, 2/25/22 [DP].

Brief Summary of Bill

- Changes the deadline for submission of the Defense Community Compatibility Account (DCCA) report to November 1 of each even-numbered year.
- Authorizes the Department of Commerce to provide grants using DCCA funds to federally recognized Indian tribes.
- Limits eligible uses of DCCA funds to capital projects only.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: Do pass. Signed by 20 members: Representatives Tharinger, Chair; Callan, Vice Chair; Hackney, Vice Chair; Steele, Ranking Minority Member; Abbarno, Assistant Ranking Minority Member; McEntire, Assistant Ranking Minority Member; Bateman, Dye, Eslick, Gilday, Kloba, Leavitt, MacEwen, Mosbrucker, Riccelli, Rule, Santos, Sells, Shewmake and Volz.

Minority Report: Without recommendation. Signed by 1 member: Representative Kraft.

Staff: Richelle Geiger (786-7139).

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Background:

Defense Community Compatibility Account.

In 2019 the Legislature created the Defense Community Compatibility Account (DCCA). Subject to the availability of funding, the Department of Commerce (Commerce) may award grants to local governments for projects to address incompatible development connected to Washington military installations. To qualify for a grant, the applicant must have federal matching funds to fund a portion of the project. Eligible projects include:

- acquisition of real property or real property interests to eliminate an existing incompatible use;
- projects to jointly assist in the recovery or protection of endangered species dependent on military installation property for habitat;
- projects or programs to increase the availability of housing affordable to enlisted military personnel and nonmilitary residents in the local community;
- projects to retrofit existing uses to increase their compatibility with existing or future military operations;
- projects to enable local communities heavily dependent on a nearby military installation to diversify the local economy so as to reduce the economic dependence on the military base;
- projects that aid communities in replacing jobs lost in the event of a reduction of the military presence; and
- projects that improve or enhance aspects of the local economy, environment, or quality of life impacted by the presence of military activities.

Commerce must produce a report with a prioritized list of projects to address incompatible developments near military installations (DCCA report) by January 1, 2020, and every two years thereafter. Projects must be prioritized with consideration for:

- recommendations of the Department of Defense and federally initiated land use processes; and
- whether a branch of the United States Armed Forces has identified the project as increasing the viability of military installations.

Summary of Bill:

The deadline for submitting the DCCA report is moved to November 1 of each even-numbered year. Federally recognized Indian tribes are eligible for grants from the DCCA. Grant recipients must demonstrate the federal funding source for which the applicant intends to apply, replacing the requirement that federal matching funds must be committed to the project. Only capital projects are eligible for DCCA funding.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) The DCCA was established in 2019 to leverage federal funds for capital projects to support military installations across the state. This is a technical cleanup bill, aligning project recommendations with the capital budget cycle and clarifying the account is intended for capital use only. In addition, it allows tribes adjacent to military land to access the grant program and improves language related to federal matching requirements.

Military installations have a positive economic impact on local communities by supporting direct and indirect jobs and generating tax revenue. However, they also have a significant impact on local infrastructure and the surrounding land, requiring improvements to support them. For example, wastewater infrastructure needs to be rightsized to support the population drawn in by military installations. This account addresses these needs.

(Opposed) None.

Persons Testifying: Senator Steve Conway, prime sponsor; Bill Adamson, South Sound Military and Communities Partnership; Tom McBride, Kitsap County; Misha Lujan, Economic Alliance Snohomish County; and Kevin Twohig, Forward Fairchild.

Persons Signed In To Testify But Not Testifying: None.