
**Innovation, Community & Economic
Development, & Veterans Committee**

SB 5324

Brief Description: Concerning the defense community compatibility account.

Sponsors: Senators Conway, Nobles, Lovick, Fortunato, Hunt, Wagoner, Randall and Wilson, C.; by request of Department of Commerce.

Brief Summary of Bill

- Moves the deadline for the Department of Commerce (Commerce) to submit the Defense Community Compatibility Account (DCCA) report to November 1 of each even-numbered year.
- Authorizes Commerce to provide grants using DCCA funds to federally recognized Indian tribes.
- Allows the use of nonstate funds, instead of federal funds, to meet matching fund requirements for DCCA grants.

Hearing Date: 3/10/23

Staff: Cassie Jones (786-7303).

Background:

In 2019, the Legislature created the Defense Community Compatibility Account (DCCA). The Department of Commerce (Commerce) may make expenditures from the DCAA only for grants to local governments or other entities in an agreement with a military installation under the United States Department of Defense (DOD) Readiness and Environmental Protection Integration Program. Grants may be made for projects to address incompatible development connected to military installations, including:

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- acquiring real property or real property interests to eliminate an existing incompatible use;
- projects to jointly assist in recovering or protecting endangered species dependent on military installation property for habitat;
- projects or programs to increase the availability of affordable housing to enlisted military personnel and nonmilitary residents;
- projects to retrofit existing uses to increase their compatibility with military operations;
- projects to enable communities heavily dependent on a military installation to diversify the local economy;
- projects that aid communities to replace jobs lost in the event of a reduction of the military presence; and
- local infrastructure or facilities necessary to help a community accommodate an expanded military presence in their community; and
- projects that improve or enhance aspects of the local economy, environment, or quality of life impacted by the presence military activities.

Grant applicants must demonstrate that both federal funds and funds from the applicant are committed to the same project for which state grant funding is sought.

Commerce must produce a report with a prioritized list of projects to address incompatible developments near military installations by January 1, 2020, and every two years thereafter.

Projects on the list must be prioritized with consideration for:

- recommendations of the DOD base realignment and closures processes, joint land use studies, or other federally initiated land use processes; and
- whether a branch of the U.S. Armed Forces has identified the project as increasing the viability of military installations.

Summary of Bill:

The deadline for Commerce to submit the DCCA report is moved to November 1 of each even-numbered year. Federally recognized Indian tribes are eligible for grants from the DCCA. Commerce may award DCAA funds to grantees with a nonstate, rather than federal, funding source. The DCCA grants may only be awarded to capital projects.

Appropriation: None.

Fiscal Note: Available.

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