

# SENATE BILL REPORT

## SB 5324

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As Amended by House, April 6, 2023

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

**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 History:**

**Committee Activity:** State Government & Elections: 1/27/23, 2/03/23 [DP-WM].  
Ways & Means: 2/16/23, 2/24/23 [DP].

**Floor Activity:** Passed Senate: 3/2/23, 49-0.  
Passed House: 4/6/23, 97-0.

### 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, 2024, and every two years thereafter.
- Authorizes Commerce to provide grants using DCCA funds to federally recognized Indian tribes.
- Allows the use of local funds to meet matching fund requirements for DCCA grants.

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## SENATE COMMITTEE ON STATE GOVERNMENT & ELECTIONS

**Majority Report:** Do pass and be referred to Committee on Ways & Means.

Signed by Senators Hunt, Chair; Valdez, Vice Chair; Wilson, J., Ranking Member; Dozier, Fortunato, Hasegawa and Kuderer.

**Staff:** Samuel Brown (786-7470)

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*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.*

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## SENATE COMMITTEE ON WAYS & MEANS

**Majority Report:** Do pass.

Signed by Senators Rolfes, Chair; Robinson, Vice Chair, Operating & Revenue; Wilson, L., Ranking Member, Operating; Gildon, Assistant Ranking Member, Operating; Schoesler, Ranking Member, Capital; Rivers, Assistant Ranking Member, Capital; Warnick, Assistant Ranking Member, Capital; Billig, Boehnke, Braun, Conway, Dhingra, Hasegawa, Hunt, Keiser, Muzzall, Nguyen, Pedersen, Saldaña, Torres, Van De Wege, Wagoner and Wellman.

**Staff:** Michael Bezanson (786-7449)

**Background:** Base Realignment and Closure. Base realignment and closure (BRAC) is a process the U.S. Department of Defense (DOD) has used to reorganize its base structure to more efficiently and effectively support its forces, increase operational readiness, and facilitate new ways of accomplishing its mission. More than 350 installations have been closed in five BRAC rounds: 1988, 1991, 1993, 1995, and 2005. No BRAC commission process is ongoing or authorized.

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 State military installations, including:

- 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;
- local infrastructure or facilities necessary to help a community accommodate an expanded military presence in their community;
- projects or programs to increase the availability of affordable housing to enlisted military personnel; and
- projects to retrofit existing uses to increase their compatibility with existing military operations.

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 must be prioritized with consideration for:

- recommendations of the DOD, BRAC, 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 submitting the DCCA report is moved to November 1st of each even-numbered year. Federally recognized Indian tribes are eligible for grants from the DCCA. Grant recipients must have a nonfederal funding source, rather than that federal funds have already been committed to the project. DCCA grants may only be awarded to capital projects.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony (State Government & Elections):** PRO: This bill contains technical corrections that are needed changes for the DCCA program. This will improve the effectiveness of the DCCA. Projects under the DCCA are vetted and can leverage federal funding, bringing additional money into Washington. The clarification that funds can be matched by any nonstate source will improve our city's competitiveness in the next grant cycle.

**Persons Testifying (State Government & Elections):** PRO: Senator Steve Conway, Prime Sponsor; Dave Andersen, Washington Department of Commerce; Shelly Helder, SSMCP & City of Lakewood; Holly Cocci, City of Airway Heights.

**Persons Signed In To Testify But Not Testifying (State Government & Elections):** No one.

**Staff Summary of Public Testimony (Ways & Means):** PRO: This bill contains technical corrections that are needed changes for the DCCA program. This will improve the effectiveness of the DCCA. Projects under the DCCA are vetted and can leverage federal funding, bringing additional money into Washington. The clarification that funds can be matched by any nonstate source will improve our city's competitiveness in the next grant cycle.

**Persons Testifying (Ways & Means):** PRO: Senator Steve Conway, Prime Sponsor; Bill Adamson, South Sound Military & Communities Partnership; Dave Andersen, Washington Department of Commerce; Holly Cocci, City of Airway Heights .

**Persons Signed In To Testify But Not Testifying (Ways & Means):** No one.

**EFFECT OF HOUSE AMENDMENT(S):**

Priority must be given to grant applications that:

- have secured nonstate funding for the project;
- leverage a higher proportion of nonstate funding; or
- where a federal grant requires timely state matching funds.