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## SUBSTITUTE HOUSE BILL 2152

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State of Washington 53rd Legislature 1994 Regular Session

By House Committee on Environmental Affairs (originally sponsored by Representatives Rust, Horn, Sommers, Karahalios, Linville, L. Johnson, J. Kohl and Patterson)

Read first time 01/24/94.

- 1 AN ACT Relating to appeals involving boards within the
- 2 environmental hearings office; amending RCW 90.58.170, 90.58.180,
- 3 43.21C.075, 43.21B.180, 43.21B.190, 43.21B.230, and 76.09.230; adding
- 4 a new section to chapter 90.58 RCW; and adding a new section to chapter
- 5 43.21B RCW.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 7 **Sec. 1.** RCW 90.58.170 and 1988 c 128 s 76 are each amended to read
- 8 as follows:
- 9 A shorelines hearings board sitting as a quasi judicial body is
- 10 hereby established within the environmental hearings office under RCW
- 11 43.21B.005. The shorelines hearings board shall be made up of six
- 12 members: Three members shall be members of the pollution control
- 13 hearings board; two members, one appointed by the association of
- 14 Washington cities and one appointed by the association of county
- 15 commissioners, both to serve at the pleasure of the associations; and
- 16 the commissioner of public lands or his or her designee. The chairman
- 17 of the pollution control hearings board shall be the chairman of the
- 18 shorelines hearings board. Except as provided in section 2 of this
- 19 <u>act, a</u> decision must be agreed to by at least four members of the board

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- to be final. The members of the shorelines ((appeals)) hearings board
- 2 shall receive the compensation, travel, and subsistence expenses as
- provided in RCW 43.03.050 and 43.03.060. 3
- 4 NEW SECTION. Sec. 2. A new section is added to chapter 90.58 RCW to read as follows: 5
- (1) In the case of an appeal involving a single family residence or 6 7 appurtenance to a single family residence, including a dock or pier
- designed to serve a single family residence, the request for review may 8
- 9 be heard by a panel of three board members, at least one and not more
- 10 than two of whom shall be members of the pollution control hearings
- 11 board. Two members of the three must agree to issue a final decision
- 12 of the board.
- (2) The board shall define by rule alternative processes to 13
- 14 expedite appeals. These alternatives may include: Mediation, upon
- agreement of all parties; submission of testimony by affidavit; or 15
- other forms that may lead to less formal and faster resolution of 16
- 17 appeals.
- 18 **Sec. 3.** RCW 90.58.180 and 1989 c 175 s 183 are each amended to read as follows: 19
- 20 (1) Any person aggrieved by the granting, denying, or rescinding of
- a permit on shorelines of the state pursuant to RCW 90.58.140 may seek 21
- 22 review from the shorelines hearings board by filing a request for the
- 23 same within thirty days of the date of filing as defined in RCW
- 24 90.58.140(6).

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- Concurrently with the filing of any request for review with the 25
- board as provided in this section pertaining to a final order of a 26
- local government, the requestor shall file a copy of his or her request 27
- 28 with the department and the attorney general. If it appears to the
- department or the attorney general that the requestor has valid reasons 29
- to seek review, either the department or the attorney general may 30
- 31 certify the request within thirty days after its receipt to the
- shorelines hearings board following which the board shall then, but not 32
- otherwise, review the matter covered by the requestor((: PROVIDED,
- That)). The failure to obtain such certification shall not preclude 34
- 35 the requestor from obtaining a review in the superior court under any
- right to review otherwise available to the requestor. The department 36
- 37 and the attorney general may intervene to protect the public interest

and insure that the provisions of this chapter are complied with at any 2 time within fifteen days from the date of the receipt by the department or the attorney general of a copy of the request for review filed 3 pursuant to this section. The shorelines hearings board shall 4 initially schedule review proceedings on such requests for review 5 without regard as to whether such requests have or have not been 6 certified or as to whether the period for the department or the 7 attorney general to intervene has or has not expired, unless such 8 review is to begin within thirty days of such scheduling. If at the 9 10 end of the thirty day period for certification neither the department nor the attorney general has certified a request for review, the 11 12 hearings board shall remove the request from its review schedule.

- (2) The department or the attorney general may obtain review of any final order granting a permit, or granting or denying an application for a permit issued by a local government by filing a written request with the shorelines hearings board and the appropriate local government within thirty days from the date the final order was filed as provided in RCW 90.58.140(6).
- (3) The review proceedings authorized in subsections (1) and (2) of this section are subject to the provisions of chapter 34.05 RCW pertaining to procedures in adjudicative proceedings. Judicial review of such proceedings of the shorelines hearings board ((may be had as provided in)) is governed by chapter 34.05 RCW, except that the appeal of a final decision of the shorelines hearings board shall be to the division of the court of appeals for the county in which the case arose.
- (4) <u>A l</u>ocal government may appeal to the shorelines hearings board any rules, regulations, or guidelines adopted or approved by the department within thirty days of the date of the adoption or approval. The board shall make a final decision within sixty days following the hearing held thereon.
- If the board determines that the rule, regulation, or guideline:
  - (a) Is clearly erroneous in light of the policy of this chapter; or
- 34 (b) Constitutes an implementation of this chapter in violation of 35 constitutional or statutory provisions; or
  - (c) Is arbitrary and capricious; or

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- 37 (d) Was developed without fully considering and evaluating all 38 material submitted to the department by the local government; or
  - (e) Was not adopted in accordance with required procedures;

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- 1 the board shall enter a final decision declaring the rule, regulation,
- 2 or guideline invalid, remanding the rule, regulation, or guideline to
- 3 the department with a statement of the reasons in support of the
- 4 determination, and directing the department to adopt, after a thorough
- 5 consultation with the affected local government, a new rule,
- 6 regulation, or guideline. Unless the board makes one or more of the
- 7 determinations as hereinbefore provided, the board shall find the rule,
- 8 regulation, or guideline to be valid and enter a final decision to that
- 9 effect.
- 10 (5) Rules, regulations, and guidelines shall be subject to review
- 11 in superior court, if authorized pursuant to RCW ((34.05.538:
- 12 PROVIDED, That)) 34.05.570(2). No review shall be granted by a
- 13 superior court on petition from a local government unless the local
- 14 government shall first have obtained review under subsection (4) of
- 15 this section and the petition for court review is filed within three
- 16 months after the date of final decision by the shorelines hearings
- 17 board.
- 18 **Sec. 4.** RCW 43.21C.075 and 1983 c 117 s 4 are each amended to read
- 19 as follows:
- 20 (1) Because a major purpose of this chapter is to combine
- 21 environmental considerations with public decisions, any appeal brought
- 22 under this chapter shall be linked to a specific governmental action.
- 23 The State Environmental Policy Act provides a basis for challenging
- 24 whether governmental action is in compliance with the substantive and
- 25 procedural provisions of this chapter. The State Environmental Policy
- 26 Act is not intended to create a cause of action unrelated to a specific
- 27 governmental action.
- 28 (2) Unless otherwise provided by this section:
- 29 (a) Appeals under this chapter shall be of the governmental action
- 30 together with its accompanying environmental determinations.
- 31 (b) Appeals of environmental determinations made (or lacking) under
- 32 this chapter shall be commenced within the time required to appeal the
- 33 governmental action which is subject to environmental review.
- 34 (3) If an agency has a procedure for appeals of agency
- 35 environmental determinations made under this chapter, such procedure:
- 36 (a) Shall not allow more than one agency appeal proceeding on a
- 37 procedural determination (the adequacy of a determination of
- 38 significance/nonsignificance or of a final environmental impact

statement), consistent with any state statutory requirements for appeals to local legislative bodies. The appeal proceeding on a determination of significance/nonsignificance may occur before the agency's final decision on a proposed action. Such an appeal shall also be allowed for a determination of significance/nonsignificance which may be issued by the agency after supplemental review;

- (b) Shall consolidate appeal of procedural issues and of substantive determinations made under this chapter (such as a decision to require particular mitigation measures or to deny a proposal) by providing for simultaneous appeal of an agency decision on a proposal and any environmental determinations made under this chapter, with the exception of the threshold determination appeal as provided in (a) of this subsection or an appeal to the local legislative authority under RCW 43.21C.060 or other applicable state statutes;
- (c) Shall provide for the preparation of a record for use in any subsequent appeal proceedings, and shall provide for any subsequent appeal proceedings to be conducted on the record, consistent with other applicable law. An adequate record consists of findings and conclusions, testimony under oath, and taped or written transcript. An electronically recorded transcript will suffice for purposes of review under this ((paragraph)) subsection; and
- 22 (d) Shall provide that procedural determinations made by the 23 responsible official shall be entitled to substantial weight.
  - (4) If a person aggrieved by an agency action has the right to judicial appeal and if an agency has an appeal procedure, such person shall, prior to seeking any judicial review, use such procedure if any such procedure is available, unless expressly provided otherwise by state statute.
  - (5) RCW 43.21C.080 establishes an optional "notice of action" procedure which, if used, imposes a time period for appealing decisions under this chapter. Some statutes and ordinances contain time periods for challenging governmental actions which are subject to review under this chapter, such as various local land use approvals (the "underlying governmental action"). This section does not modify any such time periods. This section governs when a judicial appeal must be brought under this chapter where a "notice of action" is used, and/or where there is another time period which is required by statute or ordinance for challenging the underlying governmental action. In this subsection, the term "appeal" refers to a judicial appeal only.

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- (a) If there is a time period for appealing the underlying 1 governmental action, appeals under this chapter shall be commenced 2 within thirty days. The agency shall give official notice stating the 3 date and place for commencing an appeal. If there is an agency 4 proceeding under subsection (3) of this section, the appellant shall, 5 prior to commencing a judicial appeal, submit to the responsible 6 official a notice of intent to commence a judicial appeal. This notice 7 8 of intent shall be given within the time period for commencing a 9 judicial appeal on the underlying governmental action.
- 10 (b) A notice of action under RCW 43.21C.080 may be used. If a 11 notice of action is used, judicial appeals shall be commenced within 12 the time period specified by RCW 43.21C.080, unless there is a time 13 period for appealing the underlying governmental action in which case 14 (a) of this subsection shall apply.
- 15 (c) Notwithstanding RCW 43.21C.080(1), if there is a time period 16 for appealing the underlying governmental action, a notice of action 17 may be published within such time period.
- 18 (6)(a) Judicial review of an appeal decision made by an agency 19 under RCW 43.21C.075(5) shall be on the record, consistent with other 20 applicable law.
- (b) A taped or written transcript may be used. If a taped 21 transcript is to be reviewed, a record shall identify the location on 22 the taped transcript of testimony and evidence to be reviewed. Parties 23 24 are encouraged to designate only those portions of the testimony 25 necessary to present the issues raised on review, but if a party 26 alleges that a finding of fact is not supported by evidence, the party should include in the record all evidence relevant to the disputed 27 finding. Any other party may designate additional portions of the 28 taped transcript relating to issues raised on review. A party may 29 30 provide a written transcript of portions of the testimony at the party's own expense or apply to that court for an order requiring the 31 party seeking review to pay for additional portions of the written 32 33 transcript.
- 34 (c) Judicial review under this chapter shall without exception be 35 of the governmental action together with its accompanying environmental 36 determinations.
- 37 (7) Jurisdiction over the review of determinations under this 38 chapter in an appeal before an agency or superior court shall upon 39 consent of the parties be transferred in whole or part to the

the matter and sign the final order expeditiously. The superior court 2 shall certify the final order of the shorelines hearings board and said 3 4 certified final order may only be appealed to an appellate court. In the case of an appeal under this chapter regarding a project or other 5 matter that is also the subject of an appeal to the shorelines hearings 6 board under chapter 90.58 RCW, the shorelines hearings board shall have 7 8 sole jurisdiction over both the appeal under this section and the 9 appeal under chapter 90.58 RCW, shall consider them together, and shall issue a final order, which may only be appealed to an appellate court. 10 (8) For purposes of this section and RCW 43.21C.080, the words 11 "action", "decision", and "determination" mean substantive agency 12 13 action including any accompanying procedural determinations under this chapter (except where the word "action" means "appeal" in RCW 14 15 43.21C.080(2) and (3)). The word "action" in this section and RCW 16 43.21C.080 does not mean a procedural determination by itself made 17 under this chapter. The word "determination" includes environmental document required by this chapter and state or local 18 19 implementing rules. The word "agency" refers to any state or local 20 unit of government. The word "appeal" refers to administrative, legislative, or judicial appeals. 21

shorelines hearings board. The shorelines hearings board shall hear

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- (9) The court in its discretion may award reasonable attorney's fees of up to one thousand dollars in the aggregate to the prevailing party, including a governmental agency, on issues arising out of this chapter if the court makes specific findings that the legal position of a party is frivolous and without reasonable basis.
- NEW SECTION. **Sec. 5.** A new section is added to chapter 43.21B RCW to read as follows:
- In an appeal that involves a penalty of five thousand dollars or less, the appeal may be heard by one member of the board, whose decision shall be the final decision of the board. The board shall define by rule alternative procedures to expedite small appeals. These alternatives may include: Mediation, upon agreement of all parties; submission of testimony by affidavit; or other forms that may lead to less formal and faster resolution of appeals.
- 36 **Sec. 6.** RCW 43.21B.180 and 1989 c 175 s 104 are each amended to 37 read as follows:

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Judicial review of a decision of the hearings board ((shall be de novo except when the decision has been rendered pursuant to a formal hearing elected under the provisions of this chapter, in which event judicial review)) may be obtained only pursuant to RCW 34.05.510 through 34.05.598. The director shall have the same right of review from a decision made pursuant to RCW 43.21B.110 as does any person.

7 **Sec. 7.** RCW 43.21B.190 and 1988 c 202 s 43 are each amended to 8 read as follows:

9 Within thirty days after the final decision and order of the hearings board upon such an appeal has been communicated to the 10 interested parties, ((or within thirty days after an appeal has been 11 12 denied after an informal hearing,)) such interested party aggrieved by the decision and order of the hearings board may appeal to the superior 13 14 court. In all appeals involving a decision or an order of the hearings 15 board after an informal hearing, the petition shall be filed in the superior court for the county of the petitioner's residence or 16 principal place of business, or in the absence of a residence or 17 18 principal place of business, for Thurston county. Such appeal may be 19 perfected by filing with the clerk of the superior court a notice of appeal, and by serving a copy thereof by mail, or personally on the 20 21 director, the air pollution control boards or authorities, established 22 pursuant to chapter 70.94 RCW or on the board as the case may be. The 23 hearings board shall serve upon the appealing party, the director, the 24 air pollution control board or authorities established pursuant to 25 chapter 70.94 RCW, or the board, as the case may be, and on any other party appearing at the hearings board's proceeding, and file with the 26 clerk of the court before trial, a certified copy of the hearings 27 board's decision and order. Appellate review of a decision of the 28 29 superior court may be sought as in other civil cases. No bond shall be required on appeals to the superior court or on review by the supreme 30 court unless specifically required by the judge of the superior court. 31

32 **Sec. 8.** RCW 43.21B.230 and 1990 c 65 s 6 are each amended to read 33 as follows:

Any person having received notice of a denial of a petition, a notice of determination, notice of or an order made by the department may appeal, within thirty days from the date of the notice of such denial, order, or determination to the hearings board. The appeal

shall be perfected by serving a copy of the notice of appeal upon the department or air pollution authority established pursuant to chapter 70.94 RCW, as the case may be, within the time specified herein and by filing the original thereof with proof of service with the clerk of the hearings board. ((If the person intends that the hearing before the hearings board be a formal one, the notice of appeal shall so state. In the event that the notice of appeal does not so state, the hearing shall be an informal one: PROVIDED, HOWEVER, That nothing shall prevent the department or the air pollution authority, as the case may be, within ten days from the date of its receipt of the notice of appeal, from filing with the clerk of the hearings board notice of its intention that the hearing be a formal one.)) 

**Sec. 9.** RCW 76.09.230 and 1992 c 52 s 23 are each amended to read 14 as follows:

(1) ((In all appeals over which the appeals board has jurisdiction, a party taking an appeal may elect either a formal or an informal hearing, unless such party has had an informal hearing with the department. Such election shall be made according to the rules of practice and procedure to be promulgated by the appeals board. In the event that appeals are taken from the same decision, order, or determination, as the case may be, by different parties and only one of such parties elects a formal hearing, a formal hearing shall be granted.

(2))) In all appeals over which the appeals board has jurisdiction, upon request of one or more parties and with the consent of all parties, the appeals board shall promptly schedule a conference for the purpose of attempting to mediate the case. The mediation conference shall be held prior to the hearing on not less than seven days' advance written notice to all parties. All other proceedings pertaining to the appeal shall be stayed until completion of mediation, which shall continue so long as all parties consent: PROVIDED, That this shall not prevent the appeals board from deciding motions filed by the parties while mediation is ongoing: PROVIDED, FURTHER, That discovery may be conducted while mediation is ongoing if agreed to by all parties. Mediation shall be conducted by an administrative appeals judge or other duly authorized agent of the appeals board who has received training in dispute resolution techniques or has a demonstrated history of successfully resolving disputes, as determined by the appeals board.

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- A person who mediates in a particular appeal shall not participate in 1 2 a hearing on that appeal or in writing the decision and order in the appeal. Documentary and other physical evidence presented and evidence 3 4 of conduct or statements made during the course of mediation shall be treated by the mediator and the parties in a confidential manner and 5 shall not be admissible in subsequent proceedings in the appeal except 6 7 in accordance with the provisions of the Washington rules of evidence 8 pertaining to compromise negotiations.
- 9  $((\frac{(3)}{(3)}))$  (2) In all appeals the appeals board shall have all powers 10 relating to administration of oaths, issuance of subpoenas, and taking 11 of depositions, but such powers shall be exercised in conformity with 12 chapter 34.05 RCW.
- $((\frac{4}{1}))$  (3) In all appeals  $((\frac{1}{1}))$  formal hearing)) the appeals board, and each member thereof, shall be subject to all duties imposed upon and shall have all powers granted to, an agency by those provisions of chapter 34.05 RCW relating to adjudicative proceedings.
- ((<del>(5)</del>)) <u>(4)</u> All proceedings((<del>, including both formal and informal hearings,</del>)) before the appeals board or any of its members shall be conducted in accordance with such rules of practice and procedure as the board may prescribe. The appeals board shall publish such rules and arrange for the reasonable distribution thereof.
- ((\(\frac{(\((\frac{(+6)}{(+6)}\))}{0.5}\)) Judicial review of a decision of the appeals board ((\(\frac{(+6)}{(+6)}\))) (\(\frac{(+6)}{(+6)}\))) (\(\frac{(+6)}{(+6)}\)))

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