

HOUSE BILL REPORT

SSCR 8418

As Reported by House Committee On:

Local Government

Brief Description: Creating a joint select legislative task force to evaluate permitting processes.

Sponsors: Senate Committee on Natural Resources, Energy & Water (originally sponsored by Senators Berkey, Swecker, Doumit, Schmidt, Mulliken, Parlette, Keiser, Rasmussen, Haugen and Murray).

Brief History:

Committee Activity:

Local Government: 2/19/04, 2/26/04 [DPA].

Brief Summary of Substitute Bill (As Amended by House Committee)

- Establishes a joint select legislative task force (task force) to evaluate and make recommendations to the Legislature regarding the processes established by certain local governments for issuing qualifying permits.
- Requires the task force to invite the Governor to join with its proceedings.
- Establishes an advisory committee to provide assistance upon request of the task force.
- Requires the task force to report its evaluations and recommendations to the appropriate legislative committees by January 1, 2006.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass as amended. Signed by 7 members: Representatives Romero, Chair; D. Simpson, Vice Chair; Jarrett, Assistant Ranking Minority Member; Clibborn, Mielke, Moeller and Upthegrove.

Minority Report: Do not pass. Signed by 3 members: Representatives Schindler, Ranking Minority Member; Ahern and Ericksen.

Staff: Ethan Moreno (786-7386).

Background:

Current law includes numerous provisions related to permits or other approvals required by the state or local governments for specific actions. Permits are issued and administered by state agencies and local governments in accordance with standards and regulatory frameworks established in statute.

A Joint Work Group on Permitting Processes (work group) consisting of select members from the House Local Government Committee and the Fisheries, Ecology and Parks Committee was convened and held meetings during the 2003 legislative interim. The work group discussed and considered improvements to state and local government permitting processes. The work group also recommended several topics for further consideration during the 2004 legislative session, including convening a joint effort between the four legislative caucuses and the Office of the Governor (a five corners process) to improve state and local permitting processes.

In addition to specifying numerous land use and planning requirements for counties and cities, the Growth Management Act (GMA) requires six western Washington counties (*i.e.*, Clark, King, Kitsap, Pierce, Snohomish, and Thurston counties) and the cities within those counties to establish a review and evaluation "buildable lands" program. The purpose of the program is to determine whether a county and its cities are achieving urban densities, and identify reasonable measures that will be taken to comply with GMA requirements.

Summary of Amended Bill:

The Legislature resolves that a joint select legislative task force (task force) be established to evaluate and make recommendations to the Legislature regarding the processes established by certain local governments for issuing permits to comply with development regulations adopted pursuant to the Growth Management Act (GMA) and the requirements of the Shoreline Management Act (SMA).

The evaluation and recommendations of the task force must be limited to the permit processes established by counties subject to the "buildable lands" provisions of the GMA and the cities within those counties with at least 50,000 residents. The task force must report its evaluations and recommendations to the appropriate committees of the Legislature by January 1, 2006.

The task force is to be composed of the chair and ranking minority members of the Senate Land Use and Planning Committee and the House of Representatives Local Government Committee or their designees. The Legislature resolves also that the task force must invite the Governor to join with the task force for the purpose of forming a Five-Corners (*i.e.*, four caucuses/executive branch) task force.

The Legislature further resolves that a 12-member advisory committee be established to provide assistance to the task force, upon request of the task force, that is limited to a specific scope and content. The advisory committee must be composed of members or designees from certain state agencies, and representatives from counties, cities, the business community, the environmental community, the property rights community, agriculture, labor, and federally recognized Indian tribes. In developing its recommendations, the task force may consult with the advisory committee.

Staff support for the task force and the advisory committee must be provided by Senate Committee Services and the House of Representatives Office of Program Research. The task force must also invite staff from the Department of Community, Trade and Economic Development (CTED), the Department of Ecology (DOE), and the Office of Regulatory Assistance (ORA) to provide additional staff support for the task force and the advisory committee.

Amended Bill Compared to Substitute Bill:

The amended bill makes numerous changes to the underlying bill, including:

- limiting the evaluation and recommendations of the task force to the processes established by certain "buildable lands" jurisdictions for issuing permits to comply with development regulations adopted pursuant to the GMA and the requirements of the SMA;
- specifying that the task force must gather information for the evaluation of permit processes established by local governments identified by the task force;
- modifying advisory committee provisions by specifying that the advisory committee must be established to provide assistance, upon request of the task force, that is limited to the specific scope and content requested by the task force;
- deleting the following three members (or their designees) from the advisory committee: The Commissioner of Public Lands, the Secretary of the Department of Transportation, and the Director of the Department of Fish and Wildlife;
- adding the Director of the ORA to the advisory committee;
- adding an additional representative from the environmental community to the advisory committee and specifying that 1000 Friends of Washington and the Washington Environmental Council must select the two environmental representatives;
- adding a representative from the property rights community to the advisory committee;
- specifying that in developing its recommendations, the task force may (rather than "shall") consult with the advisory committee;
- requiring the task force to invite staff from the CTED, the DOE, and the ORA to provide additional staff support to the task force and the advisory committee; and
- delaying the date the task force must report to the Legislature by one year to January 1, 2006.

Appropriation: None.

Fiscal Note: Not requested.

Testimony For: Washington's permitting processes are time-consuming, costly, and complicated. There is little assurance that these processes effectively protect the environment. This legislation would establish a five-corners task force and an advisory committee to review the permitting processes and make related recommendations to reduce administrative costs and to ensure the effectiveness of state and local permitting processes.

Cities are proud of the work they do in the permitting and regulatory arena. It is time for the Legislature to take a larger look at permitting issues to make processes better for all involved.

(In support with amendments) The task force and advisory committees lack stakeholder representation. Including representatives of constituencies that must frequently obtain permits, such as general contractors and the ports, is recommended. The regulated community feels strongly that better product results from better process, and that it is beneficial for the environment if the processing maze could be completed more quickly and with a better outcome.

Testimony Against: There have already been numerous studies of permitting processes in the state, but there has been little evaluation of these studies. It may not be cost-effective to begin a new study without analyzing the results of previous studies. The effectiveness of permits also needs to be reviewed. Additionally, any study undertaken in this area must examine lack of enforcement and lack of funding.

Regulatory reforms and studies are underway. Such efforts include the work recently undertaken by the ORA, and the DOE's regulatory reforms in response to recommendations of the Washington Competitiveness Council. Furthermore, three committees of the Transportation Permit Efficiency and Accountability Committee (TPEAC) have been working on permitting issues with agency assistance during the two previous years. The Department of Fish and Wildlife is also currently implementing the recommendations of the Hydraulic Project Approval Task Force.

Persons Testifying: (In support) Senator Berkey, prime sponsor; Doug Levy, City of Everett; and Dave Williams, Association of Washington Cities.

(In support with amendments) Michael Transue, Associated General Contractors; and Kristen Sawin, Association of Washington Business.

(Opposed) Ivy Sager-Rosenthal, Washington State Public Interest Research Group; and

Bruce Wishart, People for Puget Sound.

Persons Signed In To Testify But Not Testifying: None.