

HOUSE BILL REPORT

SSB 5761

As Passed House:

April 9, 2003

Title: An act relating to industrial projects of statewide significance.

Brief Description: Modifying requirements for industrial projects of statewide significance.

Sponsors: By Senate Committee on Economic Development (originally sponsored by Senators T. Sheldon and Shin).

Brief History:

Committee Activity:

Trade & Economic Development: 3/21/03, 4/1/03 [DP].

Floor Activity:

Passed House: 4/9/03, 96-0.

Brief Summary of Substitute Bill

- Expands the definition of industrial projects of statewide significance.

HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

Majority Report: Do pass. Signed by 9 members: Representatives Veloria, Chair; Eickmeyer, Vice Chair; Skinner, Ranking Minority Member; Chase, Condotta, Kristiansen, McCoy, Pettigrew and Priest.

Staff: Tracey Taylor (786-7196).

Background:

In 1997 the Legislature created a process to expedite the development of industrial projects of statewide significance. Industrial investments of statewide significance are defined as: a border-crossing project that involves both private and public investments; or a private capital investment in manufacturing or research and development. The capital investment threshold is dependent on the size of the population in a county. The capital investment requirements range from \$20 million for a project located in a county with a population of 20,000 or less, to \$1 billion for a project located in a county with a population greater than one million. The Director of the Department of Community,

Trade, and Economic Development (DCTED) may designate a project as one of statewide significance in special circumstances.

Counties and cities may include in their written plans a process to expedite the review, approval, permitting, and completion of projects of statewide significance.

The DCTED must assign an ombudsman to each project of statewide significance to assemble a team of state, local government, and private officials to help meet the project's planning and development needs.

In 2001 the Legislature created the Office of Permit Assistance (OPA) in the Office of Financial Management (OFM) to provide information, facilitation, and coordination services to help streamline the permitting process.

Summary of Bill:

The definition of industrial projects of statewide significance is expanded to include projects in rural counties with 50 or more projected full-time, post-construction employment positions and projects in urban counties with 100 or more projected full-time, post-construction employment positions.

In order to qualify as an industrial project of statewide significance, an application for the development project must be submitted to the DCTED. The application is to be developed by the DCTED, and must include, at minimum, the location of the project, the applicant's average employment in the state in the prior year, estimated new employment related to the project, estimated wages of the employees related to the project, and estimated time schedule for completion and operation.

The application must be accompanied by a letter of approval from the legislative authority of any jurisdiction that will have the proposed industrial project within its boundaries. No application can be approved without such a letter, which must state that the jurisdiction joins in the request for the designation, and has or will hire the professional staff required to expedite the necessary processes.

The DCTED will certify that a project meets or will meet the requirements to be designated an industrial project of statewide significance.

Counties and cities with projects designated as industrial projects of statewide significance must enter into agreement with the OPA and the project managers of such projects in order to expedite the process. This agreement must require expedited permit processing for the project's design and construction, expedited environmental review processing, expedited processing of requests for street, right-of-way, or easement vacations necessary for the project's construction, and any other requirements as designated by the OPA.

The OPA must provide facilitation and coordination services to industrial projects of statewide significance.

Appropriation: None.

Fiscal Note: Not Requested.

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

Testimony For: This bill is part of a larger package. The goal is to move the process along concurrently, instead of consecutively, so that projects will begin in a more timely fashion; thereby creating not only the construction jobs, but the resulting jobs from the new business attracted to the area. This is done by bringing the DCTED, the OPA, and local governments together to commit resources to process permits quicker. The existing law has not been successful because it did not trigger anything for a project that gained this designation. This bill would trigger the priority in permitting that reflects the importance of being designated an industrial project of statewide significance.

Testimony Against: None.

Testified: Sheila Martin, Governor's Policy Office.