
SUBSTITUTE HOUSE BILL 1103

State of Washington

59th Legislature

2005 Regular Session

By House Committee on Natural Resources, Ecology & Parks (originally sponsored by Representatives DeBolt, B. Sullivan, Blake, Holmquist, Linville, Hinkle, Ericksen, Sump, Alexander, Crouse, Chase, Orcutt, Buck, Kessler, Haler, Kristiansen and Haigh)

READ FIRST TIME 02/28/05.

1 AN ACT Relating to encouraging investments in Washington's natural
2 resource-based economy by permitting new timber mills that process only
3 wood grown in Washington to be built with materials and labor that are
4 not subject to state taxes, to allow these mills to have guaranteed
5 permit timelines, to allow these mills to be sited outside of the
6 growth management act, and exempt trucks serving the mill from
7 transportation taxes and fees; amending RCW 43.157.010, 43.157.020,
8 43.157.030, and 46.16.111; adding a new section to chapter 82.08 RCW;
9 adding a new section to chapter 82.12 RCW; adding a new section to
10 chapter 36.70A RCW; adding a new section to chapter 35.21 RCW; adding
11 a new section to chapter 35A.21 RCW; and adding a new section to
12 chapter 36.32 RCW.

13 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

14 **Sec. 1.** RCW 43.157.010 and 2004 c 275 s 63 are each amended to
15 read as follows:

16 (1) For purposes of this chapter and RCW 28A.525.166, 28B.76.210,
17 28C.18.080, 43.21A.350, 47.06.030, and 90.58.100 and an industrial
18 project of statewide significance is a border crossing project that
19 involves both private and public investments carried out in conjunction

1 with adjacent states or provinces or a private industrial development
2 with private capital investment in manufacturing or research and
3 development. To qualify as an industrial project of statewide
4 significance: (a) The project must be completed after January 1, 1997;
5 (b) the applicant must submit an application for designation as an
6 industrial project of statewide significance to the department (~~of~~
7 ~~community, trade, and economic development~~); and (c) the project must
8 have:

9 (i) In counties with a population of less than or equal to twenty
10 thousand, a capital investment of twenty million dollars;

11 (ii) In counties with a population of greater than twenty thousand
12 but no more than fifty thousand, a capital investment of fifty million
13 dollars;

14 (iii) In counties with a population of greater than fifty thousand
15 but no more than one hundred thousand, a capital investment of one
16 hundred million dollars;

17 (iv) In counties with a population of greater than one hundred
18 thousand but no more than two hundred thousand, a capital investment of
19 two hundred million dollars;

20 (v) In counties with a population of greater than two hundred
21 thousand but no more than four hundred thousand, a capital investment
22 of four hundred million dollars;

23 (vi) In counties with a population of greater than four hundred
24 thousand but no more than one million, a capital investment of six
25 hundred million dollars;

26 (vii) In counties with a population of greater than one million, a
27 capital investment of one billion dollars;

28 (viii) In counties with fewer than one hundred persons per square
29 mile as determined annually by the office of financial management and
30 published by the department of revenue effective for the period July
31 1st through June 30th, projected full-time employment positions after
32 completion of construction of fifty or greater;

33 (ix) In counties with one hundred or more persons per square mile
34 as determined annually by the office of financial management and
35 published by the department of revenue effective for the period July
36 1st through June 30th, projected full-time employment positions after
37 completion of construction of one hundred or greater; or

1 (x) Been designated by the director of community, trade, and
2 economic development as an industrial project of statewide significance
3 either: (A) Because the county in which the project is to be located
4 is a distressed county and the economic circumstances of the county
5 merit the additional assistance such designation will bring; or (B)
6 because the impact on a region due to the size and complexity of the
7 project merits such designation.

8 (2) For the purposes of this chapter, a forest products operation
9 of statewide significance is an industrial operation that processes or
10 mills only timber that has been harvested from public or private lands
11 within the state of Washington and has been certified as such under RCW
12 43.157.030. To qualify for a designation as a forest products
13 operation of statewide significance, the operation must be either
14 wholly new, a refurbished existing facility, or an existing facility
15 that has increased milling capacity.

16 (3) The term manufacturing shall have the meaning assigned it in
17 RCW 82.61.010.

18 ((+3)) (4) The term research and development shall have the
19 meaning assigned it in RCW 82.61.010.

20 ((+4)) (5) The term applicant means a person applying to the
21 department ((of community, trade, and economic development)) for
22 designation of a development project as an industrial project of
23 statewide significance or as a forest products operation of statewide
24 significance.

25 (6) The term department means the department of community, trade,
26 and economic development.

27 **Sec. 2.** RCW 43.157.020 and 2003 c 54 s 2 are each amended to read
28 as follows:

29 (1) Counties and cities with projects designated as industrial
30 projects of statewide significance within their jurisdictions shall
31 enter into an agreement with the office of permit assistance and the
32 project managers of industrial projects of statewide significance for
33 expediting the completion of industrial projects of statewide
34 significance. The agreement shall require:

35 ((+1)) (a) Expedited permit processing for the design and
36 construction of the project;

37 ((+2)) (b) Expedited environmental review processing;

1 ((+3)) (c) Expedited processing of requests for street, right of
2 way, or easement vacations necessary for the construction of the
3 project; and

4 ((+4)) (d) Such other items as are deemed necessary by the office
5 of permit assistance for the design and construction of the project.

6 (2) Counties and cities with projects designated as forest products
7 operations of statewide significance, along with any pertinent state
8 entities with permitting authority or requirements, shall enter into an
9 agreement with the office of permit assistance and the project manager
10 for the forest products operation of statewide significance for
11 expediting the completion of the forest products operation of statewide
12 significance. The agreement shall guarantee that any necessary permit
13 for the construction or operation of the forest products operation of
14 statewide significance be granted within ninety days of application.
15 If a permit is not granted by the end of the ninety-day period, then
16 issuance of a permit with no conditions or modifications will be
17 automatic and assumed by the project managers on the ninety-first day
18 following application.

19 **Sec. 3.** RCW 43.157.030 and 2003 c 54 s 3 are each amended to read
20 as follows:

21 (1) The department ((of community, trade, and economic
22 development)) shall:

23 (a) Develop an application for designation of development projects
24 as industrial projects of statewide significance and for forest
25 products operations of statewide significance. The application for
26 industrial projects of statewide significance must be accompanied by a
27 letter of approval from the legislative authority of any jurisdiction
28 that will have the proposed industrial project of statewide
29 significance within its boundaries. No designation of a project as an
30 industrial project of statewide significance shall be made without such
31 letter of approval. The letter of approval must state that the
32 jurisdiction joins in the request for the designation of the project as
33 one of statewide significance and has or will hire the professional
34 staff that will be required to expedite the processes necessary to the
35 completion of an industrial project of statewide significance. The
36 application shall contain information regarding the location of the
37 project, the applicant's average employment in the state for the prior

1 year, estimated new employment related to the project, estimated wages
2 of employees related to the project, estimated time schedules for
3 completion and operation, and other information required by the
4 department; and

5 (b) Certify that the project meets or will meet the requirements of
6 RCW 43.157.010 regarding designation as an industrial project of
7 statewide significance.

8 (2) The office of permit assistance shall assign a project
9 facilitator or coordinator to each industrial project of statewide
10 significance to: (a) Assist in the scoping and coordinating functions
11 provided for in chapter 43.42 RCW; (b) assemble a team of state and
12 local government and private officials to help meet the planning,
13 permitting, and development needs of each project, which team shall
14 include those responsible for planning, permitting and licensing,
15 infrastructure development, work force development services including
16 higher education, transportation services, and the provision of
17 utilities; and (c) work with each team member to expedite their actions
18 in furtherance of the project.

19 NEW SECTION. **Sec. 4.** A new section is added to chapter 82.08 RCW
20 to read as follows:

21 The tax levied by RCW 82.08.020 does not apply to sales or rentals
22 of building materials, construction equipment, timber processing
23 machinery, office equipment, or other purchases deemed necessary by the
24 project manager of a forest products operation of statewide
25 significance, as that term is defined in RCW 43.157.010, for the
26 construction and operation of a forest products operation of statewide
27 significance certified by the department of community, trade, and
28 economic development under RCW 43.157.030.

29 NEW SECTION. **Sec. 5.** A new section is added to chapter 82.12 RCW
30 to read as follows:

31 The provisions of this chapter do not apply to the use of building
32 materials, construction equipment, timber processing machinery, office
33 equipment, or other items deemed necessary by the project manager of a
34 forest products operation of statewide significance, as that term is
35 defined in RCW 43.157.010, for the construction and operation of a

1 forest products operation of statewide significance certified by the
2 department of community, trade, and economic development under RCW
3 43.157.030.

4 NEW SECTION. **Sec. 6.** A new section is added to chapter 36.70A RCW
5 to read as follows:

6 The provisions of this chapter do not apply to the siting or
7 operation of forest products operations of statewide significance
8 certified by the department of community, trade, and economic
9 development under RCW 43.157.030.

10 NEW SECTION. **Sec. 7.** A new section is added to chapter 35.21 RCW
11 to read as follows:

12 Any city or town with which the project managers of a forest
13 products operation of statewide significance certified by the
14 department of community, trade, and economic development under RCW
15 43.157.030 has applied for a permit or other permission for building or
16 operating a forest products operation of statewide significance shall
17 comply with the timelines established in RCW 43.157.020.

18 NEW SECTION. **Sec. 8.** A new section is added to chapter 35A.21 RCW
19 to read as follows:

20 Any code city with which the project managers of a forest products
21 operation of statewide significance certified by the department of
22 community, trade, and economic development under RCW 43.157.030 has
23 applied for a permit or other permission for building or operating a
24 forest products operation of statewide significance shall comply with
25 the timelines established in RCW 43.157.020.

26 NEW SECTION. **Sec. 9.** A new section is added to chapter 36.32 RCW
27 to read as follows:

28 Any county with which the project managers of a forest products
29 operation of statewide significance certified by the department of
30 community, trade, and economic development under RCW 43.157.030 has
31 applied for a permit or other permission for building or operating a
32 forest products operation of statewide significance shall comply with
33 the timelines established in RCW 43.157.020.

1 **Sec. 10.** RCW 46.16.111 and 1987 c 244 s 5 are each amended to read
2 as follows:

3 (1) Except as otherwise provided in this section, the gross weight
4 in the case of any motor truck, tractor, or truck tractor shall be the
5 scale weight of the motor truck, tractor, or truck tractor, plus the
6 scale weight of any trailer, semitrailer, converter gear, or pole
7 trailer to be towed thereby, to which shall be added the weight of the
8 maximum load to be carried thereon or towed thereby as set by the
9 licensee in the application if it does not exceed the weight
10 limitations prescribed by chapter 46.44 RCW. If the sum of the scale
11 weight and maximum load of the trailer is not greater than four
12 thousand pounds, that sum shall not be computed as part of the gross
13 weight of any motor truck, tractor, or truck tractor. Where the
14 trailer is a utility trailer, travel trailer, horse trailer, or boat
15 trailer, for the personal use of the owner of the truck, tractor, or
16 truck tractor, and not for sale or commercial purposes, the gross
17 weight of such trailer and its load shall not be computed as part of
18 the gross weight of any motor truck, tractor, or truck tractor. The
19 weight of any camper is exempt from the determination of gross weight
20 in the computation of any licensing fees required under RCW 46.16.070.

21 (2) The gross weight in the case of any bus, auto stage, or for
22 hire vehicle, except taxicabs, with a seating capacity over six, shall
23 be the scale weight of each bus, auto stage, and for hire vehicle plus
24 the seating capacity, including the operator's seat, computed at one
25 hundred and fifty pounds per seat.

26 (3) For the purposes of calculating gross weight in order to
27 determine the appropriate license fee under RCW 46.16.070 only, trucks
28 used primarily for hauling logs to a forest products operation of
29 statewide significance certified by the department of community, trade,
30 and economic development under RCW 43.157.030 are considered to be zero
31 pounds and may satisfy the requirements of RCW 43.157.030 without
32 paying a fee by submitting evidence that the truck satisfies the
33 requirements of this subsection.

34 (4) Except as otherwise provided in this section, if the resultant
35 gross weight, according to this section, is not listed in RCW
36 46.16.070, it shall be increased to the next higher gross weight so

1 listed pursuant to chapter 46.44 RCW.

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