

CERTIFICATION OF ENROLLMENT

ENGROSSED SUBSTITUTE HOUSE BILL 1478

Chapter 353, Laws of 2011

62nd Legislature
2011 Regular Session

LOCAL GOVERNMENTS--FISCAL RELIEF--DELAY OF REQUIREMENTS

EFFECTIVE DATE: 07/22/11

Passed by the House April 22, 2011
Yeas 90 Nays 6

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 22, 2011
Yeas 33 Nays 13

BRAD OWEN

President of the Senate

Approved May 16, 2011, 2:25 p.m.

CHRISTINE GREGOIRE

Governor of the State of Washington

CERTIFICATE

I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **ENGROSSED SUBSTITUTE HOUSE BILL 1478** as passed by the House of Representatives and the Senate on the dates hereon set forth.

BARBARA BAKER

Chief Clerk

FILED

May 17, 2011

**Secretary of State
State of Washington**

ENGROSSED SUBSTITUTE HOUSE BILL 1478

AS RECOMMENDED BY THE CONFERENCE COMMITTEE

Passed Legislature - 2011 Regular Session

State of Washington 62nd Legislature 2011 Regular Session

By House Local Government (originally sponsored by Representatives Springer, Asay, Takko, Orcutt, Haler, Rivers, Eddy, Hunt, Klippert, Sullivan, Goodman, Clibborn, Armstrong, Probst, Jacks, Johnson, and Kenney)

READ FIRST TIME 02/15/11.

1 AN ACT Relating to fiscal relief for cities and counties during
2 periods of economic downturn by delaying or modifying certain
3 regulatory and statutory requirements; amending RCW 36.70A.215,
4 43.19.648, 43.325.080, 43.185C.210, 46.68.113, 82.02.070, 82.02.080,
5 82.14.415, 90.46.015, 90.48.260, 90.58.080, and 90.58.090; reenacting
6 and amending RCW 36.70A.130; and creating a new section.

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

8 NEW SECTION. **Sec. 1.** It is the legislature's intent to provide
9 local governments with more time to meet certain statutory
10 requirements. Many cities and counties in Washington are facing
11 revenue shortfalls, higher expenses, and more difficulty with borrowing
12 money as a result of the economic downturn. The effects of the
13 economic downturn on the budgets of local governments will be felt most
14 deeply from 2010 to 2012. Local governments are facing the combined
15 impact of decreased tax revenues, a falloff in state and federal aid,
16 and increased demand for social services. With the loss of tax revenue
17 and state and federal aid, local governments are being forced to make
18 significant cuts that will eliminate jobs, curtail essential services,
19 and increase the number of people in need. Additionally, local

1 governments are struggling to comply with certain statutory
2 requirements. Local governments want to comply with these statutory
3 requirements, but with budget constraints, they need more time to do
4 so. The legislature does not intend to remove any existing statutory
5 requirement, but rather modify the time under which a local government
6 must meet certain statutory requirements.

7 **Sec. 2.** RCW 36.70A.130 and 2010 c 216 s 1 and 2010 c 211 s 2 are
8 each reenacted and amended to read as follows:

9 (1)(a) Each comprehensive land use plan and development regulations
10 shall be subject to continuing review and evaluation by the county or
11 city that adopted them. Except as otherwise provided, a county or city
12 shall take legislative action to review and, if needed, revise its
13 comprehensive land use plan and development regulations to ensure the
14 plan and regulations comply with the requirements of this chapter
15 according to the deadlines in subsections (4) and (5) of this section.

16 (b) Except as otherwise provided, a county or city not planning
17 under RCW 36.70A.040 shall take action to review and, if needed, revise
18 its policies and development regulations regarding critical areas and
19 natural resource lands adopted according to this chapter to ensure
20 these policies and regulations comply with the requirements of this
21 chapter according to the deadlines in subsections (4) and (5) of this
22 section. Legislative action means the adoption of a resolution or
23 ordinance following notice and a public hearing indicating at a
24 minimum, a finding that a review and evaluation has occurred and
25 identifying the revisions made, or that a revision was not needed and
26 the reasons therefor.

27 ~~(c) ((The review and evaluation required by this subsection may be~~
28 ~~combined with the review required by subsection (3) of this section.))~~
29 The review and evaluation required by this subsection shall include,
30 but is not limited to, consideration of critical area ordinances and,
31 if planning under RCW 36.70A.040, an analysis of the population
32 allocated to a city or county from the most recent ten-year population
33 forecast by the office of financial management.

34 (d) Any amendment of or revision to a comprehensive land use plan
35 shall conform to this chapter. Any amendment of or revision to
36 development regulations shall be consistent with and implement the
37 comprehensive plan.

1 (2)(a) Each county and city shall establish and broadly disseminate
2 to the public a public participation program consistent with RCW
3 36.70A.035 and 36.70A.140 that identifies procedures and schedules
4 whereby updates, proposed amendments, or revisions of the comprehensive
5 plan are considered by the governing body of the county or city no more
6 frequently than once every year. "Updates" means to review and revise,
7 if needed, according to subsection (1) of this section, and the
8 deadlines in subsections (4) and (5) of this section or in accordance
9 with the provisions of subsection (6) of this section. Amendments may
10 be considered more frequently than once per year under the following
11 circumstances:

12 (i) The initial adoption of a subarea plan. Subarea plans adopted
13 under this subsection (2)(a)(i) must clarify, supplement, or implement
14 jurisdiction-wide comprehensive plan policies, and may only be adopted
15 if the cumulative impacts of the proposed plan are addressed by
16 appropriate environmental review under chapter 43.21C RCW;

17 (ii) The development of an initial subarea plan for economic
18 development located outside of the one hundred year floodplain in a
19 county that has completed a state-funded pilot project that is based on
20 watershed characterization and local habitat assessment;

21 (iii) The adoption or amendment of a shoreline master program under
22 the procedures set forth in chapter 90.58 RCW;

23 (iv) The amendment of the capital facilities element of a
24 comprehensive plan that occurs concurrently with the adoption or
25 amendment of a county or city budget; or

26 (v) The adoption of comprehensive plan amendments necessary to
27 enact a planned action under RCW 43.21C.031(2), provided that
28 amendments are considered in accordance with the public participation
29 program established by the county or city under this subsection (2)(a)
30 and all persons who have requested notice of a comprehensive plan
31 update are given notice of the amendments and an opportunity to
32 comment.

33 (b) Except as otherwise provided in (a) of this subsection, all
34 proposals shall be considered by the governing body concurrently so the
35 cumulative effect of the various proposals can be ascertained.
36 However, after appropriate public participation a county or city may
37 adopt amendments or revisions to its comprehensive plan that conform

1 with this chapter whenever an emergency exists or to resolve an appeal
2 of a comprehensive plan filed with the growth management hearings board
3 or with the court.

4 (3)(a) Each county that designates urban growth areas under RCW
5 36.70A.110 shall review, (~~at least every ten years~~) according to the
6 schedules established in subsection (5) of this section, its designated
7 urban growth area or areas, and the densities permitted within both the
8 incorporated and unincorporated portions of each urban growth area. In
9 conjunction with this review by the county, each city located within an
10 urban growth area shall review the densities permitted within its
11 boundaries, and the extent to which the urban growth occurring within
12 the county has located within each city and the unincorporated portions
13 of the urban growth areas.

14 (b) The county comprehensive plan designating urban growth areas,
15 and the densities permitted in the urban growth areas by the
16 comprehensive plans of the county and each city located within the
17 urban growth areas, shall be revised to accommodate the urban growth
18 projected to occur in the county for the succeeding twenty-year period.
19 The review required by this subsection may be combined with the review
20 and evaluation required by RCW 36.70A.215.

21 (4) Except as provided in subsection (6) of this section, counties
22 and cities shall take action to review and, if needed, revise their
23 comprehensive plans and development regulations to ensure the plan and
24 regulations comply with the requirements of this chapter as follows:

25 (a) On or before December 1, 2004, for Clallam, Clark, Jefferson,
26 King, Kitsap, Pierce, Snohomish, Thurston, and Whatcom counties and the
27 cities within those counties;

28 (b) On or before December 1, 2005, for Cowlitz, Island, Lewis,
29 Mason, San Juan, Skagit, and Skamania counties and the cities within
30 those counties;

31 (c) On or before December 1, 2006, for Benton, Chelan, Douglas,
32 Grant, Kittitas, Spokane, and Yakima counties and the cities within
33 those counties; and

34 (d) On or before December 1, 2007, for Adams, Asotin, Columbia,
35 Ferry, Franklin, Garfield, Grays Harbor, Klickitat, Lincoln, Okanogan,
36 Pacific, Pend Oreille, Stevens, Wahkiakum, Walla Walla, and Whitman
37 counties and the cities within those counties.

1 (5) Except as otherwise provided in subsection (6) of this section,
2 following the review of comprehensive plans and development regulations
3 required by subsection (4) of this section, counties and cities shall
4 take action to review and, if needed, revise their comprehensive plans
5 and development regulations to ensure the plan and regulations comply
6 with the requirements of this chapter as follows:

7 (a) On or before (~~December 1, 2014~~) June 30, 2015, and every
8 (~~seven~~) eight years thereafter, for (~~Clallam, Clark, Jefferson,~~)
9 King, (~~Kitsap,~~) Pierce, and Snohomish(~~, Thurston, and Whatcom~~)
10 counties and the cities within those counties;

11 (b) On or before (~~December 1, 2015~~) June 30, 2016, and every
12 (~~seven~~) eight years thereafter, for (~~Cowlitz,~~) Clallam, Clark,
13 Island, (~~Lewis~~) Jefferson, Kitsap, Mason, San Juan, Skagit, Thurston,
14 and (~~Skamania~~) Whatcom counties and the cities within those counties;

15 (c) On or before (~~December 1, 2016~~) June 30, 2017, and every
16 (~~seven~~) eight years thereafter, for Benton, Chelan, Cowlitz, Douglas,
17 (~~Grant,~~) Kittitas, Lewis, Skamania, Spokane, and Yakima counties and
18 the cities within those counties; and

19 (d) On or before (~~December 1, 2017~~) June 30, 2018, and every
20 (~~seven~~) eight years thereafter, for Adams, Asotin, Columbia, Ferry,
21 Franklin, Garfield, Grant, Grays Harbor, Klickitat, Lincoln, Okanogan,
22 Pacific, Pend Oreille, Stevens, Wahkiakum, Walla Walla, and Whitman
23 counties and the cities within those counties.

24 (6)(a) Nothing in this section precludes a county or city from
25 conducting the review and evaluation required by this section before
26 the deadlines established in subsections (4) and (5) of this section.
27 Counties and cities may begin this process early and may be eligible
28 for grants from the department, subject to available funding, if they
29 elect to do so.

30 (b) A county that is subject to a deadline established in
31 subsection (4)(b) through (d) of this section and meets the following
32 criteria may comply with the requirements of this section at any time
33 within the thirty-six months following the deadline established in
34 subsection (4) of this section: The county has a population of less
35 than fifty thousand and has had its population increase by no more than
36 seventeen percent in the ten years preceding the deadline established
37 in subsection (4) of this section as of that date.

1 (c) A city that is subject to a deadline established in subsection
2 (4)(b) through (d) of this section and meets the following criteria may
3 comply with the requirements of this section at any time within the
4 thirty-six months following the deadline established in subsection (4)
5 of this section: The city has a population of no more than five
6 thousand and has had its population increase by the greater of either
7 no more than one hundred persons or no more than seventeen percent in
8 the ten years preceding the deadline established in subsection (4) of
9 this section as of that date.

10 (d) A county or city that is subject to a deadline established in
11 subsection (4)(d) of this section and that meets the criteria
12 established in subsection (6)(b) or (c) of this section may comply with
13 the requirements of subsection (4)(d) of this section at any time
14 within the thirty-six months after the extension provided in subsection
15 (6)(b) or (c) of this section.

16 (e) A county that is subject to a deadline established in
17 subsection (5)(b) through (d) of this section and meets the following
18 criteria may comply with the requirements of this section at any time
19 within the twenty-four months following the deadline established in
20 subsection (5) of this section: The county has a population of less
21 than fifty thousand and has had its population increase by no more than
22 seventeen percent in the ten years preceding the deadline established
23 in subsection (5) of this section as of that date.

24 (f) A city that is subject to a deadline established in subsection
25 (5)(b) through (d) of this section and meets the following criteria may
26 comply with the requirements of this section at any time within the
27 twenty-four months following the deadline established in subsection (5)
28 of this section: The city has a population of no more than five
29 thousand and has had its population increase by the greater of either
30 no more than one hundred persons or no more than seventeen percent in
31 the ten years preceding the deadline established in subsection (5) of
32 this section as of that date.

33 (g) State agencies are encouraged to provide technical assistance
34 to the counties and cities in the review of critical area ordinances,
35 comprehensive plans, and development regulations.

36 (7)(a) The requirements imposed on counties and cities under this
37 section shall be considered "requirements of this chapter" under the

1 terms of RCW 36.70A.040(1). Only those counties and cities that meet
2 the following criteria may receive grants, loans, pledges, or financial
3 guarantees under chapter 43.155 or 70.146 RCW:

4 (i) Complying with the deadlines in this section;

5 (ii) Demonstrating substantial progress towards compliance with the
6 schedules in this section for development regulations that protect
7 critical areas; or

8 (iii) Complying with the extension provisions of subsection (6)(b),
9 (c), or (d) of this section.

10 (b) A county or city that is fewer than twelve months out of
11 compliance with the schedules in this section for development
12 regulations that protect critical areas is making substantial progress
13 towards compliance. Only those counties and cities in compliance with
14 the schedules in this section may receive preference for grants or
15 loans subject to the provisions of RCW 43.17.250.

16 **Sec. 3.** RCW 36.70A.215 and 1997 c 429 s 25 are each amended to
17 read as follows:

18 (1) Subject to the limitations in subsection (7) of this section,
19 a county shall adopt, in consultation with its cities, countywide
20 planning policies to establish a review and evaluation program. This
21 program shall be in addition to the requirements of RCW 36.70A.110,
22 36.70A.130, and 36.70A.210. In developing and implementing the review
23 and evaluation program required by this section, the county and its
24 cities shall consider information from other appropriate jurisdictions
25 and sources. The purpose of the review and evaluation program shall be
26 to:

27 (a) Determine whether a county and its cities are achieving urban
28 densities within urban growth areas by comparing growth and development
29 assumptions, targets, and objectives contained in the countywide
30 planning policies and the county and city comprehensive plans with
31 actual growth and development that has occurred in the county and its
32 cities; and

33 (b) Identify reasonable measures, other than adjusting urban growth
34 areas, that will be taken to comply with the requirements of this
35 chapter.

36 (2) The review and evaluation program shall:

1 (a) Encompass land uses and activities both within and outside of
2 urban growth areas and provide for annual collection of data on urban
3 and rural land uses, development, critical areas, and capital
4 facilities to the extent necessary to determine the quantity and type
5 of land suitable for development, both for residential and employment-
6 based activities;

7 (b) Provide for evaluation of the data collected under (a) of this
8 subsection (~~((every five years))~~) as provided in subsection (3) of this
9 section. (~~((The first evaluation shall be completed not later than
10 September 1, 2002.))~~) The evaluation shall be completed no later than
11 one year prior to the deadline for review and, if necessary, update of
12 comprehensive plans and development regulations as required by RCW
13 36.70A.130. The county and its cities may establish in the countywide
14 planning policies indicators, benchmarks, and other similar criteria to
15 use in conducting the evaluation;

16 (c) Provide for methods to resolve disputes among jurisdictions
17 relating to the countywide planning policies required by this section
18 and procedures to resolve inconsistencies in collection and analysis of
19 data; and

20 (d) Provide for the amendment of the countywide policies and county
21 and city comprehensive plans as needed to remedy an inconsistency
22 identified through the evaluation required by this section, or to bring
23 these policies into compliance with the requirements of this chapter.

24 (3) At a minimum, the evaluation component of the program required
25 by subsection (1) of this section shall:

26 (a) Determine whether there is sufficient suitable land to
27 accommodate the countywide population projection established for the
28 county pursuant to RCW 43.62.035 and the subsequent population
29 allocations within the county and between the county and its cities and
30 the requirements of RCW 36.70A.110;

31 (b) Determine the actual density of housing that has been
32 constructed and the actual amount of land developed for commercial and
33 industrial uses within the urban growth area since the adoption of a
34 comprehensive plan under this chapter or since the last periodic
35 evaluation as required by subsection (1) of this section; and

36 (c) Based on the actual density of development as determined under
37 (b) of this subsection, review commercial, industrial, and housing
38 needs by type and density range to determine the amount of land needed

1 for commercial, industrial, and housing for the remaining portion of
2 the twenty-year planning period used in the most recently adopted
3 comprehensive plan.

4 (4) If the evaluation required by subsection (3) of this section
5 demonstrates an inconsistency between what has occurred since the
6 adoption of the countywide planning policies and the county and city
7 comprehensive plans and development regulations and what was envisioned
8 in those policies and plans and the planning goals and the requirements
9 of this chapter, as the inconsistency relates to the evaluation factors
10 specified in subsection (3) of this section, the county and its cities
11 shall adopt and implement measures that are reasonably likely to
12 increase consistency during the subsequent five-year period. If
13 necessary, a county, in consultation with its cities as required by RCW
14 36.70A.210, shall adopt amendments to countywide planning policies to
15 increase consistency. The county and its cities shall annually monitor
16 the measures adopted under this subsection to determine their effect
17 and may revise or rescind them as appropriate.

18 (5)(a) Not later than July 1, 1998, the department shall prepare a
19 list of methods used by counties and cities in carrying out the types
20 of activities required by this section. The department shall provide
21 this information and appropriate technical assistance to counties and
22 cities required to or choosing to comply with the provisions of this
23 section.

24 (b) By December 31, 2007, the department shall submit to the
25 appropriate committees of the legislature a report analyzing the
26 effectiveness of the activities described in this section in achieving
27 the goals envisioned by the countywide planning policies and the
28 comprehensive plans and development regulations of the counties and
29 cities.

30 (6) From funds appropriated by the legislature for this purpose,
31 the department shall provide grants to counties, cities, and regional
32 planning organizations required under subsection (7) of this section to
33 conduct the review and perform the evaluation required by this section.

34 (7) The provisions of this section shall apply to counties, and the
35 cities within those counties, that were greater than one hundred fifty
36 thousand in population in 1995 as determined by office of financial
37 management population estimates and that are located west of the crest

1 of the Cascade mountain range. Any other county planning under RCW
2 36.70A.040 may carry out the review, evaluation, and amendment programs
3 and procedures as provided in this section.

4 **Sec. 4.** RCW 43.19.648 and 2009 c 459 s 7 are each amended to read
5 as follows:

6 (1) Effective June 1, 2015, all state agencies (~~and local~~
7 ~~government subdivisions of the state~~), to the extent determined
8 practicable by the rules adopted by the department of (~~community,~~
9 ~~trade, and economic development~~) commerce pursuant to RCW 43.325.080,
10 are required to satisfy one hundred percent of their fuel usage for
11 operating publicly owned vessels, vehicles, and construction equipment
12 from electricity or biofuel.

13 (2) Effective June 1, 2018, all local government subdivisions of
14 the state, to the extent determined practicable by the rules adopted by
15 the department of commerce pursuant to RCW 43.325.080, are required to
16 satisfy one hundred percent of their fuel usage for operating publicly
17 owned vessels, vehicles, and construction equipment from electricity or
18 biofuel.

19 (3) In order to phase in this transition for the state, all state
20 agencies, to the extent determined practicable by the department of
21 (~~community, trade, and economic development~~) commerce by rules
22 adopted pursuant to RCW 43.325.080, are required to achieve forty
23 percent fuel usage for operating publicly owned vessels, vehicles, and
24 construction equipment from electricity or biofuel by June 1, 2013.
25 The department of general administration, in consultation with the
26 department of (~~community, trade, and economic development~~) commerce,
27 shall report to the governor and the legislature by December 1, 2013,
28 on what percentage of the state's fuel usage is from electricity or
29 biofuel.

30 (~~(3)~~) (4) Except for cars owned or operated by the Washington
31 state patrol, when tires on vehicles in the state's motor vehicle fleet
32 are replaced, they must be replaced with tires that have the same or
33 better rolling resistance as the original tires.

34 (~~(4)~~) (5) By December 31, 2015, the state must, to the extent
35 practicable, install electrical outlets capable of charging electric
36 vehicles in each of the state's fleet parking and maintenance
37 facilities.

1 ((+5+)) (6) The department of transportation's obligations under
2 subsection ((+2+)) (3) of this section are subject to the availability
3 of amounts appropriated for the specific purpose identified in
4 subsection ((+2+)) (3) of this section.

5 ((+6+)) (7) The department of transportation's obligations under
6 subsection ((+4+)) (5) of this section are subject to the availability
7 of amounts appropriated for the specific purpose identified in
8 subsection ((+4+)) (5) of this section unless the department receives
9 federal or private funds for the specific purpose identified in
10 subsection ((+4+)) (5) of this section.

11 ((+7+)) (8) The definitions in this subsection apply throughout
12 this section unless the context clearly requires otherwise.

13 (a) "Battery charging station" means an electrical component
14 assembly or cluster of component assemblies designed specifically to
15 charge batteries within electric vehicles, which meet or exceed any
16 standards, codes, and regulations set forth by chapter 19.28 RCW and
17 consistent with rules adopted under RCW 19.27.540.

18 (b) "Battery exchange station" means a fully automated facility
19 that will enable an electric vehicle with a swappable battery to enter
20 a drive lane and exchange the depleted battery with a fully charged
21 battery through a fully automated process, which meets or exceeds any
22 standards, codes, and regulations set forth by chapter 19.28 RCW and
23 consistent with rules adopted under RCW 19.27.540.

24 **Sec. 5.** RCW 43.325.080 and 2007 c 348 s 204 are each amended to
25 read as follows:

26 (1) By June 1, 2010, the department shall adopt rules to define
27 practicability and clarify how state agencies (~~and local government~~
28 ~~subdivisions~~) will be evaluated in determining whether they have met
29 the goals set out in RCW 43.19.648(1). At a minimum, the rules must
30 address:

31 ((+1+)) (a) Criteria for determining how the goal in RCW
32 43.19.648(1) will be met by June 1, 2015;

33 ((+2+)) (b) Factors considered to determine compliance with the
34 goal in RCW 43.19.648(1), including but not limited to: The regional
35 availability of fuels; vehicle costs; differences between types of
36 vehicles, vessels, or equipment; the cost of program implementation;
37 and cost differentials in different parts of the state; and

1 ~~((3))~~ (c) A schedule for phased-in progress towards meeting the
2 goal in RCW 43.19.648(1) that may include different schedules for
3 different fuel applications or different quantities of biofuels.

4 (2) By June 1, 2015, the department shall adopt rules to define
5 practicability and clarify how local government subdivisions of the
6 state will be evaluated in determining whether they have met the goals
7 set out in RCW 43.19.648(2). At a minimum, the rules must address:

8 (a) Criteria for determining how the goal in RCW 43.19.648(2) will
9 be met by June 1, 2018;

10 (b) Factors considered to determine compliance with the goal in RCW
11 43.19.648(2), including but not limited to: The regional availability
12 of fuels; vehicle costs; differences between types of vehicles,
13 vessels, or equipment; the cost of program implementation; and cost
14 differentials in different parts of the state; and

15 (c) A schedule for phased-in progress towards meeting the goal in
16 RCW 43.19.648(2) that may include different schedules for different
17 fuel applications or different quantities of biofuels.

18 **Sec. 6.** RCW 43.185C.210 and 2008 c 256 s 1 are each amended to
19 read as follows:

20 (1) The transitional housing operating and rent program is created
21 in the department to assist individuals and families who are homeless
22 or who are at risk of becoming homeless to secure and retain safe,
23 decent, and affordable housing. The department shall provide grants to
24 eligible organizations, as described in RCW 43.185.060, to provide
25 assistance to program participants. The eligible organizations must
26 use grant moneys for:

27 (a) Rental assistance, which includes security or utility deposits,
28 first and last month's rent assistance, and eligible moving expenses to
29 be determined by the department;

30 (b) Case management services designed to assist program
31 participants to secure and retain immediate housing and to transition
32 into permanent housing and greater levels of self-sufficiency;

33 (c) Operating expenses of transitional housing facilities that
34 serve homeless families with children; and

35 (d) Administrative costs of the eligible organization, which must
36 not exceed limits prescribed by the department.

1 (2) Eligible to receive assistance through the transitional housing
2 operating and rent program are:

3 (a) Families with children who are homeless or who are at risk of
4 becoming homeless and who have household incomes at or below fifty
5 percent of the median household income for their county;

6 (b) Families with children who are homeless or who are at risk of
7 becoming homeless and who are receiving services under chapter 13.34
8 RCW;

9 (c) Individuals or families without children who are homeless or at
10 risk of becoming homeless and who have household incomes at or below
11 thirty percent of the median household income for their county;

12 (d) Individuals or families who are homeless or who are at risk of
13 becoming homeless and who have a household with an adult member who has
14 a mental health or chemical dependency disorder; and

15 (e) Individuals or families who are homeless or who are at risk of
16 becoming homeless and who have a household with an adult member who is
17 an offender released from confinement within the past eighteen months.

18 (3) All program participants must be willing to create and actively
19 participate in a housing stability plan for achieving permanent housing
20 and greater levels of self-sufficiency.

21 (4) Data on all program participants must be entered into and
22 tracked through the Washington homeless client management information
23 system as described in RCW 43.185C.180. For eligible organizations
24 serving victims of domestic violence or sexual assault, compliance with
25 this subsection must be accomplished in accordance with 42 U.S.C. Sec.
26 11383(a)(8).

27 (5) (a) Except as provided in (b) of this subsection, beginning in
28 2011, each eligible organization receiving over five hundred thousand
29 dollars during the previous calendar year from the transitional housing
30 operating and rent program and from sources including: ~~((a))~~ (i)
31 State housing-related funding sources; ~~((b))~~ (ii) the affordable
32 housing for all surcharge in RCW 36.22.178; ~~((c))~~ (iii) the home
33 security fund surcharges in RCW 36.22.179 and 36.22.1791; and ~~((d))~~
34 (iv) any other surcharge imposed under chapter 36.22 or 43.185C RCW to
35 fund homelessness programs or other housing programs, shall apply to
36 the Washington state quality award program for an independent
37 assessment of its quality management, accountability, and performance
38 system, once every three years.

1 (b) Cities and counties are exempt from the provisions of (a) of
2 this subsection until 2018.

3 (6) The department may develop rules, requirements, procedures, and
4 guidelines as necessary to implement and operate the transitional
5 housing operating and rent program.

6 (7) The department shall produce an annual transitional housing
7 operating and rent program report that must be included in the
8 department's homeless housing strategic plan as described in RCW
9 43.185C.040. The report must include performance measures to be
10 determined by the department that address, at a minimum, the following
11 issue areas:

12 (a) The success of the program in helping program participants
13 transition into permanent affordable housing and achieve self-
14 sufficiency or increase their levels of self-sufficiency, which shall
15 be defined by the department based upon the costs of living, including
16 housing costs, needed to support: (i) One adult individual; and (ii)
17 two adult individuals and one preschool-aged child and one school-aged
18 child;

19 (b) The financial performance of the program related to efficient
20 program administration by the department and program operation by
21 selected eligible organizations, including an analysis of the costs per
22 program participant served;

23 (c) The quality, completeness, and timeliness of the information on
24 program participants provided to the Washington homeless client
25 management information system database; and

26 (d) The satisfaction of program participants in the assistance
27 provided through the program.

28 **Sec. 7.** RCW 46.68.113 and 2006 c 334 s 21 are each amended to read
29 as follows:

30 During the ((2003-2005)) 2013-2015 biennium, cities and towns shall
31 provide to the transportation commission, or its successor entity,
32 preservation rating information on at least seventy percent of the
33 total city and town arterial network. Thereafter, the preservation
34 rating information requirement shall increase in five percent
35 increments in subsequent biennia, but in no case shall it exceed eighty
36 percent. The rating system used by cities and towns must be based upon
37 the Washington state pavement rating method or an equivalent standard

1 approved by the department of transportation. Beginning January 1,
2 2007, the preservation rating information shall be submitted to the
3 department.

4 **Sec. 8.** RCW 82.02.070 and 2009 c 263 s 1 are each amended to read
5 as follows:

6 (1) Impact fee receipts shall be earmarked specifically and
7 retained in special interest-bearing accounts. Separate accounts shall
8 be established for each type of public facility for which impact fees
9 are collected. All interest shall be retained in the account and
10 expended for the purpose or purposes for which the impact fees were
11 imposed. Annually, each county, city, or town imposing impact fees
12 shall provide a report on each impact fee account showing the source
13 and amount of all moneys collected, earned, or received and system
14 improvements that were financed in whole or in part by impact fees.

15 (2) Impact fees for system improvements shall be expended only in
16 conformance with the capital facilities plan element of the
17 comprehensive plan.

18 (3)(a) Except as provided otherwise by (b) of this subsection,
19 impact fees shall be expended or encumbered for a permissible use
20 within ((~~six~~)) ten years of receipt, unless there exists an
21 extraordinary and compelling reason for fees to be held longer than
22 ((~~six~~)) ten years. Such extraordinary or compelling reasons shall be
23 identified in written findings by the governing body of the county,
24 city, or town.

25 (b) School impact fees must be expended or encumbered for a
26 permissible use within ten years of receipt, unless there exists an
27 extraordinary and compelling reason for fees to be held longer than ten
28 years. Such extraordinary or compelling reasons shall be identified in
29 written findings by the governing body of the county, city, or town.

30 (4) Impact fees may be paid under protest in order to obtain a
31 permit or other approval of development activity.

32 (5) Each county, city, or town that imposes impact fees shall
33 provide for an administrative appeals process for the appeal of an
34 impact fee; the process may follow the appeal process for the
35 underlying development approval or the county, city, or town may
36 establish a separate appeals process. The impact fee may be modified

1 upon a determination that it is proper to do so based on principles of
2 fairness. The county, city, or town may provide for the resolution of
3 disputes regarding impact fees by arbitration.

4 **Sec. 9.** RCW 82.02.080 and 1990 1st ex.s. c 17 s 47 are each
5 amended to read as follows:

6 (1) The current owner of property on which an impact fee has been
7 paid may receive a refund of such fees if the county, city, or town
8 fails to expend or encumber the impact fees within (~~six~~) ten years of
9 when the fees were paid or other such period of time established
10 pursuant to RCW 82.02.070(3) on public facilities intended to benefit
11 the development activity for which the impact fees were paid. In
12 determining whether impact fees have been encumbered, impact fees shall
13 be considered encumbered on a first in, first out basis. The county,
14 city, or town shall notify potential claimants by first-class mail
15 deposited with the United States postal service at the last known
16 address of claimants.

17 The request for a refund must be submitted to the county, city, or
18 town governing body in writing within one year of the date the right to
19 claim the refund arises or the date that notice is given, whichever is
20 later. Any impact fees that are not expended within these time
21 limitations, and for which no application for a refund has been made
22 within this one-year period, shall be retained and expended on the
23 indicated capital facilities. Refunds of impact fees under this
24 subsection shall include interest earned on the impact fees.

25 (2) When a county, city, or town seeks to terminate any or all
26 impact fee requirements, all unexpended or unencumbered funds,
27 including interest earned, shall be refunded pursuant to this section.
28 Upon the finding that any or all fee requirements are to be terminated,
29 the county, city, or town shall place notice of such termination and
30 the availability of refunds in a newspaper of general circulation at
31 least two times and shall notify all potential claimants by first-class
32 mail to the last known address of claimants. All funds available for
33 refund shall be retained for a period of one year. At the end of one
34 year, any remaining funds shall be retained by the local government,
35 but must be expended for the indicated public facilities. This notice
36 requirement shall not apply if there are no unexpended or unencumbered
37 balances within an account or accounts being terminated.

1 (3) A developer may request and shall receive a refund, including
2 interest earned on the impact fees, when the developer does not proceed
3 with the development activity and no impact has resulted.

4 **Sec. 10.** RCW 82.14.415 and 2009 c 550 s 1 are each amended to read
5 as follows:

6 (1) The legislative authority of any city that is located in a
7 county with a population greater than six hundred thousand that annexes
8 an area consistent with its comprehensive plan required by chapter
9 36.70A RCW(~~(7)~~) may impose a sales and use tax in accordance with the
10 terms of this chapter. The tax is in addition to other taxes
11 authorized by law and (~~shall be~~) is collected from those persons who
12 are taxable by the state under chapters 82.08 and 82.12 RCW upon the
13 occurrence of any taxable event within the city. The tax may only be
14 imposed by a city if:

15 (a) The city has commenced annexation of an area having a
16 population of at least ten thousand people, or four thousand in the
17 case of a city described under subsection (3)(a)(i) of this section,
18 prior to January 1, 2015; and

19 (b) The city legislative authority determines by resolution or
20 ordinance that the projected cost to provide municipal services to the
21 annexation area exceeds the projected general revenue that the city
22 would otherwise receive from the annexation area on an annual basis.

23 (2) The tax authorized under this section is a credit against the
24 state tax under chapter 82.08 or 82.12 RCW. The department of revenue
25 (~~shall~~) must perform the collection of such taxes on behalf of the
26 city at no cost to the city and (~~shall~~) must remit the tax to the
27 city as provided in RCW 82.14.060.

28 (3)(a) Except as provided in (b) of this subsection, the maximum
29 rate of tax any city may impose under this section is:

30 (i) 0.1 percent for each annexed area in which the population is
31 greater than ten thousand and less than twenty thousand. The ten
32 thousand population threshold in this subsection (3)(a)(i) is four
33 thousand for a city with a population between one hundred fifteen
34 thousand and one hundred forty thousand and located within a county
35 with a population over one million five hundred thousand; and

36 (ii) 0.2 percent for an annexed area in which the population is
37 greater than twenty thousand.

1 (b) Beginning July 1, 2011, the maximum rate of tax imposed under
2 this section is 0.85 percent for an annexed area in which the
3 population is greater than (~~eighteen~~) sixteen thousand if the annexed
4 area was, prior to November 1, 2008, officially designated as a
5 potential annexation area by more than one city, one of which has a
6 population greater than four hundred thousand.

7 (4)(a) Except as provided in (b) of this subsection, the maximum
8 cumulative rate of tax a city may impose under subsection (3)(a) of
9 this section is 0.2 percent for the total number of annexed areas the
10 city may annex.

11 (b) The maximum cumulative rate of tax a city may impose under
12 subsection (3)(a) of this section is 0.3 percent, beginning July 1,
13 2011, if the city commenced annexation of an area, prior to January 1,
14 2010, that would have otherwise allowed the city to increase the rate
15 of tax imposed under this section absent the rate limit imposed in (a)
16 of this subsection.

17 (c) The maximum cumulative rate of tax a city may impose under
18 subsection (3)(b) of this section is 0.85 percent for the single
19 annexed area the city may annex and the amount of tax distributed to a
20 city under subsection (3)(b) of this section (~~shall~~) may not exceed
21 five million dollars per fiscal year.

22 (5) The tax imposed by this section (~~shall~~) may only be imposed
23 at the beginning of a fiscal year and (~~shall~~) may continue for no
24 more than ten years from the date that each increment of the tax is
25 first imposed. Tax rate increases due to additional annexed areas
26 (~~shall be~~) are effective on July 1st of the fiscal year following the
27 fiscal year in which the annexation occurred, provided that notice is
28 given to the department as set forth in subsection (9) of this section.

29 (6) All revenue collected under this section (~~shall~~) may be used
30 solely to provide, maintain, and operate municipal services for the
31 annexation area.

32 (7) The revenues from the tax authorized in this section may not
33 exceed that which the city deems necessary to generate revenue equal to
34 the difference between the city's cost to provide, maintain, and
35 operate municipal services for the annexation area and the general
36 revenues that the cities would otherwise expect to receive from the
37 annexation during a year. If the revenues from the tax authorized in
38 this section and the revenues from the annexation area exceed the costs

1 to the city to provide, maintain, and operate municipal services for
2 the annexation area during a given year, the city (~~shall~~) must notify
3 the department and the tax distributions authorized in this section
4 (~~shall~~) must be suspended for the remainder of the year.

5 (8) No tax may be imposed under this section before July 1, 2007.
6 Before imposing a tax under this section, the legislative authority of
7 a city (~~shall~~) must adopt an ordinance that includes the following:

8 (a) A certification that the amount needed to provide municipal
9 services to the annexed area reflects the city's true and actual costs;

10 (b) The rate of tax under this section that (~~shall be~~) is imposed
11 within the city; and

12 (c) The threshold amount for the first fiscal year following the
13 annexation and passage of the ordinance.

14 (9) The tax (~~shall~~) must cease to be distributed to the city for
15 the remainder of the fiscal year once the threshold amount has been
16 reached. No later than March 1st of each year, the city (~~shall~~) must
17 provide the department with a certification of the city's true and
18 actual costs to provide municipal services to the annexed area, a new
19 threshold amount for the next fiscal year, and notice of any applicable
20 tax rate changes. Distributions of tax under this section (~~shall~~)
21 must begin again on July 1st of the next fiscal year and continue until
22 the new threshold amount has been reached or June 30th, whichever is
23 sooner. Any revenue generated by the tax in excess of the threshold
24 amount (~~shall~~) belongs to the state of Washington. Any amount
25 resulting from the threshold amount less the total fiscal year
26 distributions, as of June 30th, (~~shall~~) may not be carried forward to
27 the next fiscal year.

28 (10) The tax (~~shall~~) must cease to be distributed to a city
29 imposing the tax under subsection (3)(b) of this section for the
30 remainder of the fiscal year, if the total distributions to the city
31 imposing the tax exceed five million dollars for the fiscal year.

32 (11) The resident population of the annexation area must be
33 determined in accordance with chapter 35.13 or 35A.14 RCW.

34 (12) The following definitions apply throughout this section unless
35 the context clearly requires otherwise:

36 (a) "Annexation area" means an area that has been annexed to a city
37 under chapter 35.13 or 35A.14 RCW. "Annexation area" includes all
38 territory described in the city resolution.

1 (b) "Commenced annexation" means the initiation of annexation
2 proceedings has taken place under the direct petition method or the
3 election method under chapter 35.13 or 35A.14 RCW.

4 (c) "Department" means the department of revenue.

5 (d) "Municipal services" means those services customarily provided
6 to the public by city government.

7 (e) "Fiscal year" means the year beginning July 1st and ending the
8 following June 30th.

9 (f) "Potential annexation area" means one or more geographic areas
10 that a city has officially designated for potential future annexation,
11 as part of its comprehensive plan adoption process under the state
12 growth management act, chapter 36.70A RCW.

13 (g) "Threshold amount" means the maximum amount of tax
14 distributions as determined by the city in accordance with subsection
15 (7) of this section that the department (~~shall~~) must distribute to
16 the city generated from the tax imposed under this section in a fiscal
17 year.

18 **Sec. 11.** RCW 90.46.015 and 2009 c 456 s 2 are each amended to read
19 as follows:

20 (1) The department of ecology shall, in coordination with the
21 department of health, adopt rules for reclaimed water use consistent
22 with this chapter. The rules must address all aspects of reclaimed
23 water use, including commercial and industrial uses, land applications,
24 direct groundwater recharge, wetland discharge, surface percolation,
25 constructed wetlands, and streamflow or surface water augmentation.
26 The department of health shall, in coordination with the department of
27 ecology, adopt rules for greywater reuse. The rules must also
28 designate whether the department of ecology or the department of health
29 will be the lead agency responsible for a particular aspect of
30 reclaimed water use. In developing the rules, the departments of
31 health and ecology shall amend or rescind any existing rules on
32 reclaimed water in conflict with the new rules.

33 (2) All rules required to be adopted pursuant to this section must
34 be completed no later than December 31, 2010, (~~although the department~~
35 ~~of ecology is encouraged to adopt the final rules as soon as possible~~)
36 except that the department of ecology shall adopt rules for reclaimed
37 water use no earlier than June 30, 2013.

1 (3) The department of ecology must consult with the advisory
2 committee created under RCW 90.46.050 in all aspects of rule
3 development required under this section.

4 **Sec. 12.** RCW 90.48.260 and 2007 c 341 s 55 are each amended to
5 read as follows:

6 (1) The department of ecology is hereby designated as the state
7 water pollution control agency for all purposes of the federal clean
8 water act as it exists on February 4, 1987, and is hereby authorized to
9 participate fully in the programs of the act as well as to take all
10 action necessary to secure to the state the benefits and to meet the
11 requirements of that act. With regard to the national estuary program
12 established by section 320 of that act, the department shall exercise
13 its responsibility jointly with the Puget Sound partnership, created in
14 RCW 90.71.210. The department of ecology may delegate its authority
15 under this chapter, including its national pollutant discharge
16 elimination permit system authority and duties regarding animal feeding
17 operations and concentrated animal feeding operations, to the
18 department of agriculture through a memorandum of understanding. Until
19 any such delegation receives federal approval, the department of
20 agriculture's adoption or issuance of animal feeding operation and
21 concentrated animal feeding operation rules, permits, programs, and
22 directives pertaining to water quality shall be accomplished after
23 reaching agreement with the director of the department of ecology.
24 Adoption or issuance and implementation shall be accomplished so that
25 compliance with such animal feeding operation and concentrated animal
26 feeding operation rules, permits, programs, and directives will achieve
27 compliance with all federal and state water pollution control laws.
28 The powers granted herein include, among others, and notwithstanding
29 any other provisions of chapter 90.48 RCW or otherwise, the following:

30 ~~((1))~~ (a) Complete authority to establish and administer a
31 comprehensive state point source waste discharge or pollution discharge
32 elimination permit program which will enable the department to qualify
33 for full participation in any national waste discharge or pollution
34 discharge elimination permit system and will allow the department to be
35 the sole agency issuing permits required by such national system
36 operating in the state of Washington subject to the provisions of RCW
37 90.48.262(2). Program elements authorized herein may include, but are

1 not limited to: ~~((a))~~ (i) Effluent treatment and limitation
2 requirements together with timing requirements related thereto; ~~((b))~~
3 (ii) applicable receiving water quality standards requirements; ~~((c))~~
4 (iii) requirements of standards of performance for new sources; ~~((d))~~
5 (iv) pretreatment requirements; ~~((e))~~ (v) termination and
6 modification of permits for cause; ~~((f))~~ (vi) requirements for public
7 notices and opportunities for public hearings; ~~((g))~~ (vii)
8 appropriate relationships with the secretary of the army in the
9 administration of his responsibilities which relate to anchorage and
10 navigation, with the administrator of the environmental protection
11 agency in the performance of his duties, and with other governmental
12 officials under the federal clean water act; ~~((h))~~ (viii)
13 requirements for inspection, monitoring, entry, and reporting; ~~((i))~~
14 (ix) enforcement of the program through penalties, emergency powers,
15 and criminal sanctions; ~~((j))~~ (x) a continuing planning process; and
16 ~~((k))~~ (xi) user charges.

17 ~~((2))~~ (b) The power to establish and administer state programs in
18 a manner which will insure the procurement of moneys, whether in the
19 form of grants, loans, or otherwise; to assist in the construction,
20 operation, and maintenance of various water pollution control
21 facilities and works; and the administering of various state water
22 pollution control management, regulatory, and enforcement programs.

23 ~~((3))~~ (c) The power to develop and implement appropriate programs
24 pertaining to continuing planning processes, area-wide waste treatment
25 management plans, and basin planning.

26 The governor shall have authority to perform those actions required
27 of him or her by the federal clean water act.

28 (2) By July 31, 2012, the department shall:

29 (a) Reissue without modification and for a term of one year any
30 national pollutant discharge elimination system municipal storm water
31 general permit first issued on January 17, 2007; and

32 (b) Issue an updated national pollutant discharge elimination
33 system municipal storm water general permit for any permit first issued
34 on January 17, 2007. An updated permit issued under this subsection
35 shall become effective beginning August 1, 2013.

36 **Sec. 13.** RCW 90.58.080 and 2007 c 170 s 1 are each amended to read
37 as follows:

1 (1) Local governments shall develop or amend a master program for
2 regulation of uses of the shorelines of the state consistent with the
3 required elements of the guidelines adopted by the department in
4 accordance with the schedule established by this section.

5 (2)(a) Subject to the provisions of subsections (5) and (6) of this
6 section, each local government subject to this chapter shall develop or
7 amend its master program for the regulation of uses of shorelines
8 within its jurisdiction according to the following schedule:

9 (i) On or before December 1, 2005, for the city of Port Townsend,
10 the city of Bellingham, the city of Everett, Snohomish county, and
11 Whatcom county;

12 (ii) On or before December 1, 2009, for King county and the cities
13 within King county greater in population than ten thousand;

14 (iii) Except as provided by (a)(i) and (ii) of this subsection, on
15 or before December 1, 2011, for Clallam, Clark, Jefferson, King,
16 Kitsap, Pierce, Snohomish, Thurston, and Whatcom counties and the
17 cities within those counties;

18 (iv) On or before December 1, 2012, for Cowlitz, Island, Lewis,
19 Mason, San Juan, Skagit, and Skamania counties and the cities within
20 those counties;

21 (v) On or before December 1, 2013, for Benton, Chelan, Douglas,
22 Grant, Kittitas, Spokane, and Yakima counties and the cities within
23 those counties; and

24 (vi) On or before December 1, 2014, for Adams, Asotin, Columbia,
25 Ferry, Franklin, Garfield, Grays Harbor, Klickitat, Lincoln, Okanogan,
26 Pacific, Pend Oreille, Stevens, Wahkiakum, Walla Walla, and Whitman
27 counties and the cities within those counties.

28 (b) Nothing in this subsection (2) shall preclude a local
29 government from developing or amending its master program prior to the
30 dates established by this subsection (2).

31 (3)(a) Following approval by the department of a new or amended
32 master program, local governments required to develop or amend master
33 programs on or before December 1, 2009, as provided by subsection
34 (2)(a)(i) and (ii) of this section, shall be deemed to have complied
35 with the schedule established by subsection (2)(a)(iii) of this section
36 and shall not be required to complete master program amendments until
37 (~~seven years after~~) the applicable dates established by subsection
38 (~~((2)(a)(iii))~~) (4)(b) of this section. Any jurisdiction listed in

1 subsection (2)(a)(i) of this section that has a new or amended master
2 program approved by the department on or after March 1, 2002, but
3 before July 27, 2003, shall not be required to complete master program
4 amendments until (~~seven years after~~) the applicable date provided by
5 subsection (~~(2)(a)(iii)~~) (4)(b) of this section.

6 (b) Following approval by the department of a new or amended master
7 program, local governments choosing to develop or amend master programs
8 on or before December 1, 2009, shall be deemed to have complied with
9 the schedule established by subsection (2)(a)(iii) through (vi) of this
10 section and shall not be required to complete master program amendments
11 until (~~seven years after~~) the applicable dates established by
12 subsection (~~(2)(a)(iii) through (vi)~~) (4)(b) of this section.

13 (4)(a) Following the updates required by subsection (2) of this
14 section, local governments shall conduct a review of their master
15 programs at least once every (~~seven~~) eight years (~~after the~~
16 applicable dates established by subsection (2)(a)(iii) through (vi) of
17 this section) as required by (b) of this subsection. Following the
18 review required by this subsection (4), local governments shall, if
19 necessary, revise their master programs. The purpose of the review is:

20 (~~(a)~~) (i) To assure that the master program complies with
21 applicable law and guidelines in effect at the time of the review; and

22 (~~(b)~~) (ii) To assure consistency of the master program with the
23 local government's comprehensive plan and development regulations
24 adopted under chapter 36.70A RCW, if applicable, and other local
25 requirements.

26 (b) Counties and cities shall take action to review and, if
27 necessary, revise their master programs as required by (a) of this
28 subsection as follows:

29 (i) On or before June 30, 2019, and every eight years thereafter,
30 for King, Pierce, and Snohomish counties and the cities within those
31 counties;

32 (ii) On or before June 30, 2020, and every eight years thereafter,
33 for Clallam, Clark, Island, Jefferson, Kitsap, Mason, San Juan, Skagit,
34 Thurston, and Whatcom counties and the cities within those counties;

35 (iii) On or before June 30, 2021, and every eight years thereafter,
36 for Benton, Chelan, Cowlitz, Douglas, Grant, Kittitas, Lewis, Skamania,
37 Spokane, and Yakima counties and the cities within those counties; and

1 (iv) On or before June 30, 2022, and every eight years thereafter,
2 for Adams, Asotin, Columbia, Ferry, Franklin, Garfield, Grant, Grays
3 Harbor, Klickitat, Lincoln, Okanogan, Pacific, Pend Oreille, Stevens,
4 Wahkiakum, Walla Walla, and Whitman counties and the cities within
5 those counties.

6 (5) In meeting the update requirements of subsection (2) of this
7 section, local governments are encouraged to begin the process of
8 developing or amending their master programs early and are eligible for
9 grants from the department as provided by RCW 90.58.250, subject to
10 available funding. Except for those local governments listed in
11 subsection (2)(a)(i) and (ii) of this section, the deadline for
12 completion of the new or amended master programs shall be two years
13 after the date the grant is approved by the department. Subsequent
14 master program review dates shall not be altered by the provisions of
15 this subsection.

16 (6) In meeting the update requirements of subsection (2) of this
17 section, the following shall apply:

18 (a) Grants to local governments for developing and amending master
19 programs pursuant to the schedule established by this section shall be
20 provided at least two years before the adoption dates specified in
21 subsection (2) of this section. To the extent possible, the department
22 shall allocate grants within the amount appropriated for such purposes
23 to provide reasonable and adequate funding to local governments that
24 have indicated their intent to develop or amend master programs during
25 the biennium according to the schedule established by subsection (2) of
26 this section. Any local government that applies for but does not
27 receive funding to comply with the provisions of subsection (2) of this
28 section may delay the development or amendment of its master program
29 until the following biennium.

30 (b) Local governments with delayed compliance dates as provided in
31 (a) of this subsection shall be the first priority for funding in
32 subsequent biennia, and the development or amendment compliance
33 deadline for those local governments shall be two years after the date
34 of grant approval.

35 (c) Failure of the local government to apply in a timely manner for
36 a master program development or amendment grant in accordance with the
37 requirements of the department shall not be considered a delay
38 resulting from the provisions of (a) of this subsection.

1 (7) (~~Notwithstanding the provisions~~) In meeting the update
2 requirements of subsection (2) of this section, all local governments
3 subject to the requirements of this chapter that have not developed or
4 amended master programs on or after March 1, 2002, shall, no later than
5 December 1, 2014, develop or amend their master programs to comply with
6 guidelines adopted by the department after January 1, 2003.

7 (8) In meeting the update requirements of subsection (2) of this
8 section, local governments may be provided an additional year beyond
9 the deadlines in this section to complete their master program or
10 amendment. The department shall grant the request if it determines
11 that the local government is likely to adopt or amend its master
12 program within the additional year.

13 **Sec. 14.** RCW 90.58.090 and 2003 c 321 s 3 are each amended to read
14 as follows:

15 (1) A master program, segment of a master program, or an amendment
16 to a master program shall become effective when approved by the
17 department. Within the time period provided in RCW 90.58.080, each
18 local government shall have submitted a master program, either totally
19 or by segments, for all shorelines of the state within its jurisdiction
20 to the department for review and approval.

21 The department shall strive to achieve final action on a submitted
22 master program within one hundred eighty days of receipt and shall post
23 an annual assessment related to this performance benchmark on the
24 agency web site.

25 (2) Upon receipt of a proposed master program or amendment, the
26 department shall:

27 (a) Provide notice to and opportunity for written comment by all
28 interested parties of record as a part of the local government review
29 process for the proposal and to all persons, groups, and agencies that
30 have requested in writing notice of proposed master programs or
31 amendments generally or for a specific area, subject matter, or issue.
32 The comment period shall be at least thirty days, unless the department
33 determines that the level of complexity or controversy involved
34 supports a shorter period;

35 (b) In the department's discretion, conduct a public hearing during
36 the thirty-day comment period in the jurisdiction proposing the master
37 program or amendment;

1 (c) Within fifteen days after the close of public comment, request
2 the local government to review the issues identified by the public,
3 interested parties, groups, and agencies and provide a written response
4 as to how the proposal addresses the identified issues;

5 (d) Within thirty days after receipt of the local government
6 response pursuant to (c) of this subsection, make written findings and
7 conclusions regarding the consistency of the proposal with the policy
8 of RCW 90.58.020 and the applicable guidelines, provide a response to
9 the issues identified in (c) of this subsection, and either approve the
10 proposal as submitted, recommend specific changes necessary to make the
11 proposal approvable, or deny approval of the proposal in those
12 instances where no alteration of the proposal appears likely to be
13 consistent with the policy of RCW 90.58.020 and the applicable
14 guidelines. The written findings and conclusions shall be provided to
15 the local government, all interested persons, parties, groups, and
16 agencies of record on the proposal;

17 (e) If the department recommends changes to the proposed master
18 program or amendment, within thirty days after the department mails the
19 written findings and conclusions to the local government, the local
20 government may:

21 (i) Agree to the proposed changes. The receipt by the department
22 of the written notice of agreement constitutes final action by the
23 department approving the amendment; or

24 (ii) Submit an alternative proposal. If, in the opinion of the
25 department, the alternative is consistent with the purpose and intent
26 of the changes originally submitted by the department and with this
27 chapter it shall approve the changes and provide written notice to all
28 recipients of the written findings and conclusions. If the department
29 determines the proposal is not consistent with the purpose and intent
30 of the changes proposed by the department, the department may resubmit
31 the proposal for public and agency review pursuant to this section or
32 reject the proposal.

33 (3) The department shall approve the segment of a master program
34 relating to shorelines unless it determines that the submitted segments
35 are not consistent with the policy of RCW 90.58.020 and the applicable
36 guidelines.

37 (4) The department shall approve the segment of a master program
38 relating to critical areas as defined by RCW 36.70A.030(5) provided the

1 master program segment is consistent with RCW 90.58.020 and applicable
2 shoreline guidelines, and if the segment provides a level of protection
3 of critical areas at least equal to that provided by the local
4 government's critical areas ordinances adopted and thereafter amended
5 pursuant to RCW 36.70A.060(2).

6 (5) The department shall approve those segments of the master
7 program relating to shorelines of statewide significance only after
8 determining the program provides the optimum implementation of the
9 policy of this chapter to satisfy the statewide interest. If the
10 department does not approve a segment of a local government master
11 program relating to a shoreline of statewide significance, the
12 department may develop and by rule adopt an alternative to the local
13 government's proposal.

14 (6) In the event a local government has not complied with the
15 requirements of RCW 90.58.070 it may thereafter upon written notice to
16 the department elect to adopt a master program for the shorelines
17 within its jurisdiction, in which event it shall comply with the
18 provisions established by this chapter for the adoption of a master
19 program for such shorelines.

20 Upon approval of such master program by the department it shall
21 supersede such master program as may have been adopted by the
22 department for such shorelines.

23 (7) A master program or amendment to a master program takes effect
24 when and in such form as approved or adopted by the department.
25 Shoreline master programs that were adopted by the department prior to
26 July 22, 1995, in accordance with the provisions of this section then
27 in effect, shall be deemed approved by the department in accordance
28 with the provisions of this section that became effective on that date.
29 The department shall maintain a record of each master program, the
30 action taken on any proposal for adoption or amendment of the master
31 program, and any appeal of the department's action. The department's
32 approved document of record constitutes the official master program.

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Passed by the Senate April 22, 2011.

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