## ESHB 1401 - S COMM AMD

By Committee on Governmental Operations

## NOT CONSIDERED

Strike everything after the enacting clause and insert the following:

3 "Sec. 1. RCW 36.70A.300 and 1997 c 429 s 14 are each amended to 4 read as follows:

5 (1) The board shall issue a final order that shall be based 6 exclusively on whether or not a state agency, county, or city is in 7 compliance with the requirements of this chapter, chapter 90.58 RCW as 8 it relates to adoption or amendment of shoreline master programs, or 9 chapter 43.21C RCW as it relates to adoption of plans, development 10 regulations, and amendments thereto, under RCW 36.70A.040 or chapter 11 90.58 RCW.

12 (2)(a) Except as provided in (b) of this subsection, the final 13 order shall be issued within one hundred eighty days of receipt of the 14 petition for review, or, if multiple petitions are filed, within one 15 hundred eighty days of receipt of the last petition that is 16 consolidated.

17 (b) The board may extend the period of time for issuing a decision to enable the parties to settle the dispute if additional time is 18 19 necessary to achieve a settlement, and (i) an extension is requested by 20 all parties, or (ii) an extension is requested by the petitioner and 21 respondent and the board determines that a negotiated settlement between the remaining parties could resolve significant issues in 22 23 dispute. The request must be filed with the board not later than seven days before the date scheduled for the hearing on the merits of the 24 25 The board may authorize one or more extensions for up to petition. 26 ninety days each, subject to the requirements of this section.

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(3) In the final order, the board shall either:

(a) Find that the state agency, county, or city is in compliance
with the requirements of this chapter, chapter 90.58 RCW as it relates

to the adoption or amendment of shoreline master programs, or chapter 43.21C RCW as it relates to adoption of plans, development regulations, and amendments thereto, under RCW 36.70A.040 or chapter 90.58 RCW; or

4 (b) Find that the state agency, county, or city is not in compliance with the requirements of this chapter, chapter 90.58 RCW as 5 it relates to the adoption or amendment of shoreline master programs, б or chapter 43.21C RCW as it relates to adoption of plans, development 7 regulations, and amendments thereto, under RCW 36.70A.040 or chapter 8 9 90.58 RCW, in which case the board shall remand the matter to the affected state agency, county, or city. The board shall specify a 10 11 reasonable time not in excess of one hundred eighty days, or such 12 longer period as determined by the board in cases of unusual scope or 13 complexity, within which the state agency, county, or city shall comply with the requirements of this chapter. The board may require periodic 14 15 reports to the board on the progress the jurisdiction is making towards 16 compliance.

17 (4)(a) Unless the board makes a determination of invalidity ((as provided in)) under RCW 36.70A.302, a finding of noncompliance and an order of remand shall not affect the validity of comprehensive plans and development regulations during the period of remand.

21 (b) Unless the board makes a determination of invalidity, state agencies, commissions, and governing boards may not determine a county, 22 city, or town to be ineligible or otherwise penalized in the acceptance 23 24 of applications or the awarding of state agency grants or loans during the period of remand. This subsection (4)(b) applies only to counties, 25 cities, and towns that have: (i) Delayed the initial effective date of 26 27 the action subject to the petition before the board until after the board issues a final determination; or (ii) within thirty days of 28 receiving notice of a petition for review by the board, delayed or 29 suspended the effective date of the action subject to the petition 30 before the board until after the board issues a final determination. 31

(5) Any party aggrieved by a final decision of the hearings board
may appeal the decision to superior court as provided in RCW 34.05.514
or 36.01.050 within thirty days of the final order of the board.
<u>Unless the board makes a determination of invalidity under RCW</u>
<u>36.70A.302, state agencies, commissions, or governing boards shall not</u>
<u>penalize counties, cities, or towns during the pendency of an appeal as</u>
<u>provided in RCW 43.17.250.</u>

1 **Sec. 2.** RCW 43.17.250 and 1999 c 164 s 601 are each amended to 2 read as follows:

3 (1) Whenever a state agency is considering awarding grants or loans 4 for a county, city, or town planning under RCW 36.70A.040 to finance 5 public facilities, it shall consider whether the county, city, or town 6 requesting the grant or loan has adopted a comprehensive plan and 7 development regulations as required by RCW 36.70A.040.

(2) If a comprehensive plan, development regulation, or amendment 8 thereto adopted by a county, city, or town has been appealed to the 9 growth management hearings board under RCW 36.70A.280, the county, 10 city, or town may not be determined to be ineligible or otherwise 11 penalized in the acceptance of applications or the awarding of state 12 agency grants or loans during the pendency of the appeal before the 13 board or subsequent judicial appeals. This subsection (2) applies only 14 to counties, cities, and towns that have: (a) Delayed the initial 15 effective date of the action subject to the petition before the board 16 until after the board issues a final determination; or (b) within 17 thirty days of receiving notice of a petition for review by the board, 18 delayed or suspended the effective date of the action subject to the 19 20 petition before the board until after the board issues a final 21 determination.

22 (3) When reviewing competing requests from counties, cities, or towns planning under RCW 36.70A.040, a state agency considering 23 24 awarding grants or loans for public facilities shall accord additional preference to those counties, cities, or towns that have adopted a 25 26 comprehensive plan and development regulations as required by RCW 27 36.70A.040. For the purposes of the preference accorded in this section, a county, city, or town planning under RCW 36.70A.040 is 28 deemed to have satisfied the requirements for adopting a comprehensive 29 30 plan and development regulations specified in RCW 36.70A.040 if the county, city, or town: 31

32 (a) Adopts or has adopted a comprehensive plan and development
 33 regulations within the time periods specified in RCW 36.70A.040;

34 (b) Adopts or has adopted a comprehensive plan and development
 35 regulations before ((submitting a request for a grant or loan)) the
 36 state agency makes a decision regarding award recipients of the grants
 37 or loans if the county, city, or town failed to adopt a comprehensive

1 plan and/or development regulations within the time periods specified 2 in RCW 36.70A.040; or

3 (c) Demonstrates substantial progress toward adopting a 4 comprehensive plan or development regulations within the time periods 5 specified in RCW 36.70A.040. A county, city, or town that is more than 6 six months out of compliance with the time periods specified in RCW 7 36.70A.040 shall not be deemed to demonstrate substantial progress for 8 purposes of this section.

9 (((3))) (4) The preference specified in subsection (((2))) (3) of 10 this section applies only to competing requests for grants or loans 11 from counties, cities, or towns planning under RCW 36.70A.040. A 12 request from a county, city, or town planning under RCW 36.70A.040 13 shall be accorded no additional preference based on subsection (((2)))14 (3) of this section over a request from a county, city, or town not 15 planning under RCW 36.70A.040.

(((4))) (5) Whenever a state agency is considering awarding grants 16 17 or loans for public facilities to a special district requesting funding for a proposed facility located in a county, city, or town planning 18 under RCW 36.70A.040, it shall consider whether the county, city, or 19 town in whose planning jurisdiction the proposed facility is located 20 21 has adopted a comprehensive plan and development regulations as 22 required by RCW 36.70A.040 and shall apply the standards in subsection (2) of this section and the preference specified in subsection (((2)))23 24 (3) of this section and restricted in subsection (((3))) (4) of this section. 25

26 **Sec. 3.** RCW 43.155.070 and 2012 c 196 s 9 are each amended to read 27 as follows:

(1) To qualify for ((loans or pledges)) financial assistance under this chapter the board must determine that a local government meets all of the following conditions:

(a) The city or county must be imposing a tax under chapter 82.46
RCW at a rate of at least one-quarter of one percent;

33 (b) The local government must have developed a capital facility 34 plan; and

35 (c) The local government must be using all local revenue sources 36 which are reasonably available for funding public works, taking into 37 consideration local employment and economic factors.

(2) Except where necessary to address a public health need or 1 substantial environmental degradation, a county, city, or town planning 2 under RCW 36.70A.040 ((must have)) may not receive financial assistance 3 under this chapter unless it has adopted a comprehensive plan, 4 5 including a capital facilities plan element, and development regulations as required by RCW 36.70A.040. This subsection does not 6 7 require any county, city, or town planning under RCW 36.70A.040 to 8 adopt a comprehensive plan or development regulations before requesting or receiving ((a loan or loan quarantee)) financial assistance under 9 this chapter if such request is made before the expiration of the time 10 periods specified in RCW 36.70A.040. A county, city, or town planning 11 12 under RCW 36.70A.040 ((which)) that has not adopted a comprehensive 13 plan and development regulations within the time periods specified in 14 RCW 36.70A.040 ((is not prohibited from receiving a loan or loan quarantee)) may apply for and receive financial assistance under this 15 chapter if the comprehensive plan and development regulations are 16 adopted as required by RCW 36.70A.040 before ((submitting a request for 17 a loan or loan guarantee)) executing a contractual agreement for 18 19 financial assistance with the board.

(3) In considering awarding ((loans)) financial assistance for public facilities to special districts requesting funding for a proposed facility located in a county, city, or town planning under RCW 36.70A.040, the board must consider whether the county, city, or town planning under RCW 36.70A.040 in whose planning jurisdiction the proposed facility is located has adopted a comprehensive plan and development regulations as required by RCW 36.70A.040.

27 (4) The board must develop a priority process for public works 28 projects as provided in this section. The intent of the priority 29 process is to maximize the value of public works projects accomplished 30 with assistance under this chapter. The board must attempt to assure a geographical balance in assigning priorities to projects. 31 The board 32 must consider at least the following factors in assigning a priority to a project: 33

34 (a) Whether the local government receiving assistance has
 35 experienced severe fiscal distress resulting from natural disaster or
 36 emergency public works needs;

37 (b) Except as otherwise conditioned by RCW 43.155.110, whether the

entity receiving assistance is a Puget Sound partner, as defined in RCW
 90.71.010;

3 (c) Whether the project is referenced in the action agenda
4 developed by the Puget Sound partnership under RCW 90.71.310;

(d) Whether the project is critical in nature and would affect the
health and safety of a great number of citizens;

7 (e) Whether the applicant's permitting process has been certified
8 as streamlined by the office of regulatory assistance;

9 (f) Whether the applicant has developed and adhered to guidelines 10 regarding its permitting process for those applying for development 11 permits consistent with section 1(2), chapter 231, Laws of 2007;

12 (g) The cost of the project compared to the size of the local 13 government and amount of loan money available;

14 (h) The number of communities served by or funding the project;

(i) Whether the project is located in an area of high unemployment,compared to the average state unemployment;

(j) Whether the project is the acquisition, expansion, improvement, or renovation by a local government of a public water system that is in violation of health and safety standards, including the cost of extending existing service to such a system;

21 (k) Except as otherwise conditioned by RCW 43.155.120, and 22 effective one calendar year following the development of model 23 evergreen community management plans and ordinances under RCW 24 35.105.050, whether the entity receiving assistance has been recognized, and what gradation of recognition was received, in the 25 26 evergreen community recognition program created in RCW 35.105.030;

(1) The relative benefit of the project to the community, considering the present level of economic activity in the community and the existing local capacity to increase local economic activity in communities that have low economic growth; and

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(m) Other criteria that the board considers advisable.

32 (5) Existing debt or financial obligations of local governments may 33 not be refinanced under this chapter. Each local government applicant 34 must provide documentation of attempts to secure additional local or 35 other sources of funding for each public works project for which 36 financial assistance is sought under this chapter.

37 (6) Before November 1st of each even-numbered year, the board must38 develop and submit to the appropriate fiscal committees of the senate

and house of representatives a description of the loans made under RCW 1 2 43.155.065, 43.155.068, and subsection (9) of this section during the preceding fiscal year and a prioritized list of projects which are 3 4 recommended for funding by the legislature, including one copy to the staff of each of the committees. The list must include, but not be 5 limited to, a description of each project and recommended financing, б the terms and conditions of the loan or financial guarantee, the local 7 8 government jurisdiction and unemployment rate, demonstration of the jurisdiction's critical need for the project and documentation of local 9 10 funds being used to finance the public works project. The list must also include measures of fiscal capacity for each jurisdiction 11 12 recommended for financial assistance, compared to authorized limits and 13 state averages, including local government sales taxes; real estate 14 excise taxes; property taxes; and charges for or taxes on sewerage, water, garbage, and other utilities. 15

16 (7) The board may not sign contracts or otherwise financially 17 obligate funds from the public works assistance account before the 18 legislature has appropriated funds for a specific list of public works 19 projects. The legislature may remove projects from the list 20 recommended by the board. The legislature may not change the order of 21 the priorities recommended for funding by the board.

(8) Subsection (7) of this section does not apply to loans made
under RCW 43.155.065, 43.155.068, and subsection (9) of this section.

(9) Loans made for the purpose of capital facilities plans areexempted from subsection (7) of this section.

(10) To qualify for loans or pledges for solid waste or recycling facilities under this chapter, a city or county must demonstrate that the solid waste or recycling facility is consistent with and necessary to implement the comprehensive solid waste management plan adopted by the city or county under chapter 70.95 RCW.

(11) After January 1, 2010, any project designed to address the effects of storm water or wastewater on Puget Sound may be funded under this section only if the project is not in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.

35 **Sec. 4.** RCW 70.146.070 and 2008 c 299 s 26 are each amended to 36 read as follows: 1 (1) When making grants or loans for water pollution control 2 facilities, the department shall consider the following:

(a) The protection of water quality and public health;

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4 (b) The cost to residential ratepayers if they had to finance water
5 pollution control facilities without state assistance;

6 (c) Actions required under federal and state permits and compliance7 orders;

8 (d) The level of local fiscal effort by residential ratepayers
9 since 1972 in financing water pollution control facilities;

10 (e) Except as otherwise conditioned by RCW 70.146.110, whether the 11 entity receiving assistance is a Puget Sound partner, as defined in RCW 12 90.71.010;

(f) Whether the project is referenced in the action agendadeveloped by the Puget Sound partnership under RCW 90.71.310;

(g) Except as otherwise provided in RCW 70.146.120, and effective one calendar year following the development and statewide availability of model evergreen community management plans and ordinances under RCW 35.105.050, whether the project is sponsored by an entity that has been recognized, and what gradation of recognition was received, in the evergreen community recognition program created in RCW 35.105.030;

(h) The extent to which the applicant county or city, or if the applicant is another public body, the extent to which the county or city in which the applicant public body is located, has established programs to mitigate nonpoint pollution of the surface or subterranean water sought to be protected by the water pollution control facility named in the application for state assistance; and

(i) The recommendations of the Puget Sound partnership, created in
RCW 90.71.210, and any other board, council, commission, or group
established by the legislature or a state agency to study water
pollution control issues in the state.

(2) Except where necessary to address a public health need or 31 32 substantial environmental degradation, a county, city, or town planning under RCW 36.70A.040 may not receive a grant or loan for water 33 pollution control facilities unless it has adopted a comprehensive 34 35 plan, including a capital facilities plan element, and development 36 regulations as required by RCW 36.70A.040. A county, city, or town 37 that has adopted a comprehensive plan and development regulations as provided in RCW 36.70A.040 may request a grant or loan for water 38

pollution control facilities. This subsection does not require any 1 2 county, city, or town planning under RCW 36.70A.040 to adopt a comprehensive plan or development regulations before requesting ((or 3 4 receiving)) a grant or loan under this chapter if such request is made before the expiration of the time periods specified in RCW 36.70A.040. 5 A county, city, or town planning under RCW 36.70A.040 ((which)) that б 7 has not adopted a comprehensive plan and development regulations within 8 the time periods specified in RCW 36.70A.040 is not prohibited from receiving a grant or loan under this chapter if the comprehensive plan 9 10 and development regulations are adopted as required by RCW 36.70A.040 before ((<del>submitting a request for a</del>)) the department executes a 11 12 contractual agreement for the grant or loan.

(3) Whenever the department is considering awarding grants or loans for public facilities to special districts requesting funding for a proposed facility located in a county, city, or town planning under RCW 36.70A.040, it shall consider whether the county, city, or town planning under RCW 36.70A.040 in whose planning jurisdiction the proposed facility is located has adopted a comprehensive plan and development regulations as required by RCW 36.70A.040.

(4) After January 1, 2010, any project designed to address the effects of water pollution on Puget Sound may be funded under this chapter only if the project is not in conflict with the action agenda developed by the Puget Sound partnership under RCW 90.71.310.

24 **Sec. 5.** RCW 36.70A.200 and 2011 c 60 s 17 are each amended to read 25 as follows:

26 (1) The comprehensive plan of each county and city that is planning under RCW 36.70A.040 shall include a process for identifying and siting 27 essential public facilities. Essential public facilities include those 28 29 facilities that are typically difficult to site, such as airports, state education facilities and state or regional transportation 30 31 facilities as defined in RCW 47.06.140, regional transit authority facilities as defined in RCW 81.112.020, state and local correctional 32 facilities, solid waste handling facilities, and inpatient facilities 33 34 including substance abuse facilities, mental health facilities, group 35 homes, and secure community transition facilities as defined in RCW 36 71.09.020.

1 (2) Each county and city planning under RCW 36.70A.040 shall, not 2 later than September 1, 2002, establish a process, or amend its 3 existing process, for identifying and siting essential public 4 facilities and adopt or amend its development regulations as necessary 5 to provide for the siting of secure community transition facilities 6 consistent with statutory requirements applicable to these facilities.

(3) Any city or county not planning under RCW 36.70A.040 shall, not
later than September 1, 2002, establish a process for siting secure
community transition facilities and adopt or amend its development
regulations as necessary to provide for the siting of such facilities
consistent with statutory requirements applicable to these facilities.

12 (4) The office of financial management shall maintain a list of 13 those essential state public facilities that are required or likely to 14 be built within the next six years. The office of financial management 15 may at any time add facilities to the list.

16 (5) No local comprehensive plan or development regulation may 17 preclude the siting of essential public facilities.

18 (6) No person may bring a cause of action for civil damages based 19 on the good faith actions of any county or city to provide for the 20 siting of secure community transition facilities in accordance with 21 this section and with the requirements of chapter 12, Laws of 2001 2nd 22 sp. sess. For purposes of this subsection, "person" includes, but is 23 not limited to, any individual, agency as defined in RCW 42.17A.005, 24 corporation, partnership, association, and limited liability entity.

(7) Counties or cities siting facilities pursuant to subsection (2)
or (3) of this section shall comply with RCW 71.09.341.

(8) The failure of a county or city to act by the deadlines
established in subsections (2) and (3) of this section is not:

(a) A condition that would disqualify the county or city for
 grants, loans, or pledges under RCW 43.155.070 or 70.146.070;

31 (b) A consideration for grants or loans provided under RCW 32  $43.17.250((\frac{2}{3}))$  (3); or

33 (c) A basis for any petition under RCW 36.70A.280 or for any 34 private cause of action."

## NOT CONSIDERED

On page 1, line 2 of the title, after "act;" strike the remainder of the title and insert "and amending RCW 36.70A.300, 43.17.250, 43.155.070, 70.146.070, and 36.70A.200."

EFFECT: Specifies that a county or city that fully plans under the Growth Management Act may apply for and receive financial assistance for qualifying public works projects, if the required comprehensive plans and development regulations are adopted before executing a contractual agreement for the assistance with the Public Works Board.

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