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## Environment Committee

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### HB 2575

**Brief Description:** Waiving groundwater fees for low-income housing.

**Sponsors:** Representatives Maycumber, Macri, Buys, Chapman, Taylor, Holy, McCaslin, Volz, Condotta, Schmick, Caldier, Barkis, Smith, Dent, Hayes, Chandler and Steele.

#### Brief Summary of Bill

- Specifies that affordable housing incentive programs under the Growth Management Act may include waivers of fees related to certain groundwater withdrawals.
- Requires that certain fees imposed in connection with groundwater withdrawals must be waived upon the request of a low-income person.
- Requires that fees imposed in connection with the drilling of a well be waived by the Department of Ecology upon the request of a low-income person.

**Hearing Date:** 1/15/18

**Staff:** Robert Hatfield (786-7117).

#### **Background:**

##### Growth Management Act.

The Growth Management Act (GMA) is the comprehensive land use planning framework for county and city governments in Washington. Enacted in 1990 and 1991, the GMA establishes numerous requirements for local governments obligated by mandate or choice to fully plan under the Act, and a reduced number of directives for all other counties and cities.

Under the GMA, any city or county planning fully under the GMA is authorized to enact or expand affordable housing incentive programs to provide for the development of low-income housing units through development regulations or conditions on rezoning or permit decisions. Residential, commercial, industrial, and mixed-use developments are eligible for these housing

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incentive programs. These housing incentive programs may include provisions, among others, pertaining to density bonuses within the Urban Growth Area, height and bulk bonuses, and fee waivers or exemptions.

#### Wells.

The Washington Well Construction Act (WWCA) governs the design, construction, alteration, and decommissioning of wells in this state. The Department of Ecology (Ecology) regulates well design, construction, and maintenance. Wells are defined in the WWCA, and include water wells, resource protection wells, dewatering wells, and geotechnical soil borings.

Fees are established in the WWCA for various types of wells constructed and decommissioned in this state. The fees are paid to Ecology. The fee for one new water well with a minimum top casing diameter of less than twelve inches is \$200. The fee for a new water well with a minimum top casing diameter of twelve inches or greater is \$300. The fee to decommission a water well is \$50.

#### Ground Water Code.

The Ground Water Code prohibits a person from withdrawing ground water or constructing wells or other works for such a withdrawal without a water right permit from the Department of Ecology. However, the code exempts a number of withdrawals from this requirement. One exemption from the permit requirement, located at RCW 90.44.050, applies to single or group domestic uses that withdraw no more than 5,000 gallons per day. Wells drilled under the authority of RCW 90.44.050 are often referred to as permit-exempt wells. Ecology is authorized to collect fees in connection with the Ground Water Code, including an expedited application processing fee.

#### Water Resources Act of 1971.

The Water Resources Act of 1971 (WRA) directs Ecology to develop a comprehensive state water resources program for making decisions on future water resource allocation and use. Under the WRA, Ecology has divided the state into 62 water resource inventory areas (WRIAs). Pursuant to the WRA and other authority, Ecology has established minimum instream flows for 29 of the WRIAs in the state.

#### Public Housing Authority.

A housing authority is a public nonprofit corporation created by cities and counties that provides affordable housing opportunities within a community. A housing authority has broad powers, including purchasing and disposing of property to create housing, leasing or renting property, operating housing projects, and administering low-income housing programs.

#### **Summary of Bill:**

The list of incentives that an affordable housing incentive program under the Growth Management Act may include is clarified to include waivers of governmental fees assessed in connection with groundwater withdrawals that are exempt from permitting pursuant to RCW 90.44.050.

Any fee assessed by the Department of Ecology (Ecology) or its agents, under the authority of either the Groundwater Code or the Water Resources Act of 1971, in connection with a permit-

exempt well must be waived upon the request of a low-income person. Ecology is authorized to initiate the waiver of such a fee for a low-income person.

For the purpose of waivers of the above fees, a low-income person includes:

- any property owner providing affordable housing to be occupied by households with an income of 200% or less of the federal poverty level, adjusted for family size;
- any property owner providing manufactured or mobile homes;
- any property owner providing housing for migrant farmworkers; and
- a housing authority.

Any fee assessed by Ecology in connection with the construction or decommissioning of a well must be waived upon the request of a low-income person. Ecology is authorized to initiate the waiver of such a fee for a low-income person.

For the purpose of waivers of fees assessed by Ecology in connection with the construction or decommissioning of a well, a low-income person includes:

- any property owner providing affordable housing to be occupied by households with an income of 200% or less of the federal poverty level, adjusted for family size;
- any property owner providing manufactured or mobile homes; and
- any property owner providing housing for migrant farmworkers.

**Appropriation:** None.

**Fiscal Note:** Requested on January 12, 2018.

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