SENATE BILL REPORT ESHB 1504

As Passed Senate - Amended, April 12, 2017

Title: An act relating to rail dependent uses for purposes of the growth management act and related development regulations.

Brief Description: Concerning rail dependent uses for purposes of the growth management act and related development regulations.

Sponsors: House Committee on Environment (originally sponsored by Representatives Pike, Blake, Wylie, Peterson, Harris, Vick, Manweller, Tarleton, Orcutt, Farrell, Haler, Dent, Fey, Sells, Kraft, Johnson, MacEwen, Chandler, Stambaugh, Van Werven, Dye, Doglio and Springer).

Brief History: Passed House: 3/07/17, 83-14.

Committee Activity: Local Government: 3/23/17, 3/28/17 [DPA].

Floor Activity:

Passed Senate - Amended: 4/12/17, 41-8.

Brief Summary of Bill (As Amended by Senate)

- Authorizes certain counties, and the cities within them, to adopt development regulations allowing agricultural, forest, and mineral resources lands adjacent to railroads to be developed for freight rail dependent uses.
- Authorizes certain counties, and the cities within them, to include the development of freight rail dependent uses on land adjacent to short line railroads in the transportation element of their comprehensive plan.

SENATE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass as amended.

Signed by Senators Short, Chair; Angel, Vice Chair; Takko, Ranking Minority Member; Palumbo and Sheldon.

Staff: Alex Fairfortune (786-7416)

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

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Background: Growth Management Act (GMA). The GMA is the comprehensive land-use planning framework for counties and cities in Washington. Originally enacted in 1990 and 1991, the GMA establishes land-use designation and environmental protection requirements for all Washington counties and cities, and a significantly wider array of planning duties for the 29 counties and the cities within that are obligated by mandate or choice to satisfy all planning requirements of the GMA.

<u>Natural Resource Lands and Critical Areas.</u> Under the GMA, all counties and cities are obligated to designate, where appropriate, natural resource lands of long-term commercial significance, and environmentally sensitive areas. These designation requirements apply to:

- agricultural lands that are not already characterized by urban growth and that have long-term significance for the commercial production of food or other agricultural products;
- forest lands that are not already characterized by urban growth and that have long-term significance for the commercial production of timber;
- mineral resource lands that are not already characterized by urban growth and that have long-term significance for the extraction of minerals; and
- environmentally sensitive areas known as critical areas.

Jurisdictions that fully plan under the GMA must adopt development regulations to assure the conservation of designated natural resource lands of long-term commercial significance.

<u>Comprehensive Plans.</u> Jurisdictions that fully plan under the GMA must also adopt comprehensive land-use plans to express the general land-use policies of the county or city, and development regulations to implement those plans.

Comprehensive plans must include specific planning elements, each of which is a subset of the plan. The transportation element of a comprehensive plan must include sub-elements that address transportation mandates for forecasting, finance, coordination, and facilities and services needs.

Summary of Amended Bill: <u>GMA - New and Modified Definitions</u>. A definition of "freight rail dependent uses" is added to the GMA, to mean buildings and other infrastructure used in the fabrication, processing, storage, and transport of goods where the use is dependent on and makes use of an adjacent short line railroad. Such facilities are both urban and rural development for purposes of the GMA, and do not include infrastructure used for coal, liquefied gas, or crude oil.

A definition of "short line railroads" is added to the GMA, to mean those railroad lines designated Class II or Class III by the Surface Transportation Board.

<u>Natural Resource Lands.</u> Certain counties, and the cities within those counties, may adopt development regulations to assure that agricultural lands, forest lands, and mineral resource lands adjacent to short line railroads may be developed for freight rail dependent uses. These development regulations must require buffers sufficient to prevent encroachment on or impacts to the adjacent resource lands.

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<u>Comprehensive Plans - Transportation Element.</u> The transportation element included in the comprehensive plans of certain counties, and the cities within those counties, may include development of freight rail dependent uses on land adjacent to a short line railroad. Development regulations may be modified to include development of freight rail dependent uses that do not require urban governmental services in rural lands.

<u>Applicable Jurisdictions.</u> The authorization to adopt development regulations and modify transportation elements to allow for development of freight rail dependent uses is limited to the following counties, and the cities within them:

- counties located to the east of the crest of the Cascade mountains; and
- counties located to the west of the crest of the Cascade mountains that have both a population of at least 240,000 and a border that touches another state.

Report to the Legislature. The Department of Commerce must submit a written report to the Legislature by November 15th of each even-numbered year, beginning in 2022 and ending in 2032. This report must describe job gains, tax impacts, and impacts to resource lands resulting from freight rail dependent uses.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Engrossed Substitute House Bill: The committee recommended a different version of the bill than what was heard. PRO: In Clark County, there have been four companies that wanted to bring 7500 new living wage jobs. They all had two things in common: they needed 100+ acres, and a freight rail corridor. Rural economies need opportunity, and they are looking for ways to have reliable, affordable year round rail. This brings needed diversity to agricultural communities that are seasonal, and want year round work. This narrowed bill version can prove to future legislators that the bill works to bring jobs to the community and has a limited effect on agricultural land.

CON: Clark County has been doing well in farming and agriculture, and those agricultural lands should be kept intact. There are specific types of soil in the area that are perfect for agricultural use, and if that soil gets paved over and lost then the community loses the ability to provide those primary agricultural services.

Persons Testifying: PRO: Representative Liz Pike, Prime Sponsor; Amber Carter, Portland Vancouver Junction Railroad, Identity Clark County and Port of Vancouver USA.

CON: Bryce Yadon, Futurewise.

Persons Signed In To Testify But Not Testifying: No one.