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**SUBSTITUTE SENATE BILL 5106**

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**State of Washington 66th Legislature 2019 Regular Session**

**By** Senate Financial Institutions, Economic Development & Trade (originally sponsored by Senators Das, Mullet, Frockt, Keiser, Zeiger, and Kuderer; by request of Insurance Commissioner)

AN ACT Relating to the creation of a work group to study and make recommendations on natural disaster mitigation and resiliency activities; adding a new section to chapter 48.02 RCW; and creating a new section.

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

NEW SECTION. **Sec.**  The legislature finds that residents of this state have been impacted by natural disasters such as floods, landslides, wildfires, and earthquakes and continue to be at risk from these and other natural disasters. In 2016, insured losses from natural disasters in the United States totaled almost twenty-four billion dollars. In 2015, Washington state had the largest wildfire season in state history, with more than one million acres burned and costing more than two hundred fifty-three million dollars. In 2017, four hundred four thousand two hundred twenty-three acres burned in Washington state and there were more than four hundred thirty national flood insurance program claims filed, totaling over seven million dollars.

The legislature finds that Washington state has the second highest earthquake risk in the nation, estimated by the federal emergency management agency to exceed four hundred thirty-eight million dollars per year. The 2001 Nisqually earthquake caused more than two billion dollars in damage. A Seattle fault earthquake will cause an estimated thirty-three billion dollars in damage, and a Cascadia subduction zone earthquake will cause an estimated amount of over forty-nine billion dollars in damage.

The legislature finds that it is critical to better prepare this state for disasters and to put in place strategies to mitigate the impacts of disasters. To address this critical need, the legislature is creating a work group to review disaster mitigation and preparation projects in this state and other states, make recommendations regarding how to coordinate and expand state efforts to mitigate the impacts of natural disasters, and evaluate whether an ongoing disaster resiliency program should be created.

NEW SECTION. **Sec.**  A new section is added to chapter 48.02 RCW to read as follows:

(1) A work group to study and make recommendations on natural disaster and resiliency activities is hereby created. The work group membership shall be composed of:

(a) The insurance commissioner or his or her designee, who shall serve as the chair of the work group;

(b) One member from each of the four major caucuses of the legislature;

(c) A representative from the governor's resilient Washington work group;

(d) A representative from the Washington state association of counties;

(e) A representative from the association of Washington cities;

(f) A representative from the state building code council;

(g) The commissioner of the department of natural resources or his or her designee;

(h) The director of the Washington state military department or his or her designee;

(i) The superintendent of public instruction or his or her designee;

(j) The director of the department of ecology or his or her designee;

(k) The director of the department of commerce or his or her designee;

(l) A representative from the Washington association of building officials;

(m) Two representatives from the property and casualty insurance industry, to be selected by the insurance commissioner or his or her designee, through an application process;

(n) A representative from public utility districts to be selected by a state association of public utility districts;

(o) A representative selected by the Washington state commission on African-American affairs, the Washington state commission on Hispanic affairs, the governor's office of Indian affairs, and the Washington state commission on Asian Pacific American affairs to represent the entities on the work group;

(p) A representative from the state department of agriculture;

(q) A representative from the state conservation commission as defined in RCW 89.08.030; and

(r) Other state agency representatives or stakeholder group representatives, at the discretion of the work group, for the purpose of participating in specific topic discussions or subcommittees.

(2) The work group shall engage in the following activities:

(a) Review disaster mitigation and resiliency activities being done in this state by public and private entities;

(b) Review disaster mitigation and resiliency activities being done in other states and at the federal level;

(c) Review information on uptake in this state for disaster related insurance, such as flood and earthquake insurance;

(d) Review information on how other states are coordinating disaster mitigation and resiliency work including, but not limited to, the work of entities such as the California earthquake authority;

(e) Review how other states and the federal government fund their disaster mitigation and resiliency activities and programs; and

(f) Make recommendations to the legislature and office of the insurance commissioner regarding:

(i) Whether this state should create an ongoing disaster resiliency program;

(ii) What activities the program should engage in;

(iii) How the program should coordinate with state agencies and other entities engaged in disaster mitigation and resiliency work;

(iv) Where the program should be housed; and

(v) How the program should be funded.

(3) The work group shall submit, in compliance with RCW 43.01.036, a preliminary report of recommendations to the legislature, the office of the insurance commissioner, the governor, the office of the superintendent of public instruction, and the commissioner of public lands by November 1, 2019, and a final report by December 1, 2020.

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