
Local Government Committee

HB 1438

Brief Description: Ensuring efficient approval of certain housing permit applications.

Sponsors: Representatives Connors, Klicker, Schmidt, Rude, Caldier, Jacobsen, Reed, Barkis, Eslick, Manjarrez, Engell and Dufault.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Requires cities and counties planning under the Growth Management Act that miss a deadline for a project permit application to summarily approve the project and issue a building permit within one business day of the missed deadline if certain conditions are met.
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Hearing Date: 1/29/25

Staff: Kellen Wright (786-7134).

Background:

The Growth Management Act.

The Growth Management Act (GMA) requires that certain counties, and the cities within those counties, engage in planning for future population growth. Whether a county is required to plan or not was determined by its population and population growth as of 1995, its population growth after 1995, or its choice to become subject to the requirements of the GMA. Currently, 28 counties fully plan under the GMA and 11 do not. The centerpiece of the planning process is the comprehensive plan. The city or county (local government) must adopt development regulations to implement the comprehensive plan. Development regulations include zoning ordinances, official controls, subdivision ordinances, and other regulations.

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

One element of the planning process is establishing and revising urban growth areas. An urban growth area is an area in which there is such intensive use of the land for buildings, structures, and impermeable surfaces that the land cannot be used primarily for agriculture, natural resources, or for rural uses. Within a designated urban growth area, urban growth must be encouraged, while outside of a designated urban growth area, such growth must be prohibited. Counties planning under the GMA are required to designate urban growth areas, and each city within such a county must be included in an urban growth area.

Permitting.

Before developing land, a developer must obtain permits from the local government with jurisdiction over the land allowing the development. These permits can include land use permits, environmental permits, conditional use permits, and others, and are known as project permits. Depending on the size and complexity of the proposed development, different procedures may apply to the local government's review of the project permit application. Some permit applications require the local government reviewing it to provide notice of the application to the public, some require both public notice and that the local government hold a public hearing on the application prior to approval, and some require neither public notice nor a hearing.

When a local government is planning under the GMA, its processing of these permit applications must be guided by the comprehensive plan and development regulations that it has adopted pursuant to the GMA. Local governments that plan under the GMA are also subject to additional requirements related to processing project permit applications.

One such requirement is that a local government must determine if a project permit application is complete within 28 days of receiving it. An application is complete if it complies with the procedural submission requirements set by the local government. If the local government does not make the determination within the allotted time, then the application is deemed to be complete.

After a determination of completeness is made, a local government planning under the GMA is required to issue a final decision on the application by a certain deadline, with the specific deadline dependent on the type of project permit application. The local government may exclude from the deadline project permits that the local government has determined present special circumstances that warrant a different period of review. Local governments may also add to or change the types of permits that each deadline applies to, address how consolidated permits may require a different review period than an individual permit application, and provide for how permits of a certain scope or type can be differentiated. Except for the review of consolidated permits, the deadline for a decision cannot be modified to be more than 170 days.

If a local government has not excluded a project permit because of special circumstances or modified the deadline applicable to the permit, then the following deadlines apply:

- For project permits that do not require public notice, the local government must issue a final decision within 65 days of the determination that the application is complete.

- For project permits that require public notice but not a public hearing, the final decision must be issued within 100 days of the determination of completeness.
- For project permits that require both public notice and a public hearing, the final decision must be issued within 170 of the determination of completeness.

Certain time periods are excluded from counting toward the deadlines. For example, the time period between the date a local government requests additional information needed to process an application from an applicant, and the date that the applicant provides the information, is not counted toward the deadline.

If a local government ultimately does not issue its final decision by the deadline, then it may be required to refund a portion of the permit fee it received from the applicant, with the amount of the refund dependent on by how much the deadline was missed. If the local government missed the deadline by 20 percent or less of the original time period, then 10 percent of the permit fee must be refunded. If the deadline was missed by more than 20 percent of the original time period, then 20 percent of the permit fee must be refunded.

Local governments that take certain specified actions related to providing prompt, coordinated review, and ensuring accountability to applicants and the public are exempt from the requirement to provide refunds if a deadline is missed. A local government that is exempted from providing refunds may again be subject to the refund requirements if it, among other things, fails to meet the permitting deadlines at least half of the time.

Summary of Bill:

A local government that misses the deadline for issuing a final decision on a project permit application must approve the project and issue building permits the next business day after the expiration of the deadline, if all of the following conditions are met:

- The project is located within an urban growth area.
- The project contains at least one residential unit.
- The application included plans, computations, or specifications that were prepared, stamped, and signed by a professional engineer or architect who is licensed in Washington.
- The local government did not identify, in writing, serious public health or safety concerns that prevent approval of the project.

Appropriation: None.

Fiscal Note: Requested on January 23, 2025.

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