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## Transportation Committee

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### HB 2718

**Brief Description:** Streamlining transportation projects.

**Sponsors:** Representative Richards.

#### Brief Summary of Bill

- Creates timeframes for the Washington State Department of Transportation's (WSDOT) multiagency permit program to schedule meetings regarding permits, determine methods to expedite permit issuance, engage with various stakeholders, and ensure permit issuance.
- Establishes a process and timeline for mandatory issuance of various state permits.
- Requires collaboration with impacted federally recognized tribes, as part of the permit streamlining process.
- Requires the WSDOT to develop a publicly accessible website with ratings for contractors, mandates that WSDOT rate contractors that bid on state projects, allows other governmental entities to provide ratings, and allows the WSDOT to take ratings into account when awarding contracts.
- Requires the WSDOT to prepare a report containing various required items related to streamlining permitting.

**Hearing Date:** 2/5/26

**Staff:** David Munnecke (786-7315).

**Background:**

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*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.*

### The National and State Environmental Policy Acts.

The National Environmental Policy Act (NEPA) establishes a review process to identify environmental impacts of certain decisions by the federal government, including for projects that require the issuance of a permit. Likewise, the State Environmental Policy Act (SEPA) establishes a review process for state and local governments to evaluate environmental impacts from project permits and other government decisions. The NEPA and the SEPA both exempt certain actions from requirements for the submission of an environmental checklist, or the development of an environmental impact statement. An agency conducting a SEPA review may adopt a NEPA environmental analysis if the NEPA analysis is consistent with SEPA requirements, including the scope of environmental elements analyzed under the SEPA. Certain Washington State Department of Transportation (WSDOT) activities are exempt from NEPA requirements, SEPA requirements, or are exempt from both.

### Shoreline Management Act Permits.

The Shoreline Management Act (SMA) of 1971 requires that most developments near state shorelines be consistent with shoreline master programs, which are plans developed by local governments for the uses of its shoreline areas. Certain projects require a substantial development permit that is reviewed by the local government and filed with the Department of Ecology (Ecology). In certain property-specific circumstances, variance permits or conditional use permits may be issued by a local government that allow for development that is not consistent with the local shoreline master program. Local governments must submit letters of exemption to Ecology for developments that require federal approval, but are exempt from the SMA substantial development permit requirements.

### Water Pollution Regulations and Programs.

Ecology is authorized to implement the federal Clean Water Act's discharge program and state water pollution control laws. Through these programs, Ecology is authorized to issue federal and state water quality permits for persons that discharge into waters of the state.

The Hydraulic Project Approval (HPA) program is a permitting process managed by the Washington Department of Fish and Wildlife (WDFW). Any activity that will use, divert, obstruct, or change the natural flow or bed of any of the salt or freshwaters of the state must first obtain an HPA from the WDFW. Through the HPA process, the WDFW specifically analyzes and conditions projects based on the anticipated effect on fish life.

### Federal Permitting.

Depending on site location and conditions, WSDOT projects can need federal permits under the Rivers and Harbor Act, Endangered Species Act, and National Historic Preservation Act. Occasionally, federal permits are also needed through the Migratory Bird Treaty Act, Gold and Bald Eagle Protection Act, and Marine Mammal Protection Act.

The WSDOT has statutory guidance to implement a multiagency permit program and to establish programmatic agreements and permits with both state and federal agencies, as appropriate.

## **Summary of Bill:**

### Permitting.

Once it is determined that a project will need a particular permit and the parameters thereof, WSDOT multiagency permit program staff (Staff) must ensure, to the maximum extent possible, that a meeting with the appropriate federal or state agency or agencies responsible for the issuance of the permit occurs within 30 days. The meeting must develop methods by which the issuance of the permit may be expedited, and the Staff is responsible for the implementation of any such methods. The Staff must, to the maximum extent possible, ensure that within 90 days of the occurrence of a meeting regarding a permit, a decision is reached regarding the issuance of the permit.

Within 30 days of determining that a project will need to receive a particular permit and the relevant parameters of the permit, the Staff must begin soliciting community input regarding the permit, including from impacted cities, counties, and federally recognized tribes. Cities, counties, and federally recognized tribes must also be included in any outreach and meetings regarding the permit.

If no comments regarding hydraulic project permits, shoreline permits, state environmental policy act permits, or wastewater discharge permits are made, by the agency responsible for the issuance of such permits, within 60 days of the submission of the permit application, the permit is deemed approved. Any comments by an agency responsible for the issuance of such a permit must be based on objective written standards.

If comments regarding a permit are made, the Staff may resubmit the permit with such modifications as are necessary to resolve the comment or comments. If no further comments are received, within 30 days of the resubmission of the permit application, the permit is deemed approved. If all comments regarding a permit have been addressed according to the objective written standards of that agency and no permit has been issued, the Staff may make a finding that:

- all comments regarding a permit have been addressed; and
- a reasonable person would find that any comments that have not been addressed are extraneous or irrelevant to the objective written standards of the agency, and the permit is deemed approved.

As part of their efforts to streamline permitting, the Staff must collaborate with, and ensure input from, impacted federally recognized tribes. Such collaboration and input must be solicited as early as is feasible and continue throughout the process of obtaining permits.

### Contractor Website.

The WSDOT must develop a publicly accessible website that provides ratings for contractors who bid on state and local transportation projects. The ratings for each contractor must consider the following criteria:

- the contractor's bid on a project;

- the final cost of that project;
- the proposed completion date for that project;
- the final completion date for that project; and
- other objective criteria that the WSDOT determines are relevant.

The WSDOT must provide a rating on the website for every contractor that bids on a state transportation project. All other state agencies and local governments may provide information to the website, in order to create or enhance a rating for a contractor.

The fact that a contractor has a rating above, below, or equal to, a minimum guideline or guidelines established by the WSDOT, based on the ratings criteria, is an item the WSDOT may take into account when awarding a contract.

#### Permitting Report.

The WSDOT is required to develop a report regarding the following items:

- templates for permit approval based upon each permitting agencies' policies, for use by state agencies and local governments;
- emergency provisions that allow for expedited project construction, which may be implemented during periods of nonemergency, and incorporating that work into ongoing permitting processes;
- opportunities to simplify funding sources and best distribute federal resources to maximize timely project delivery;
- a plan for centralizing communication and current information on the progress of issuing any permit;
- processes for identifying points of contact within each permitting agency for a given permit and the individual responsible for communicating any staff changes;
- recommendations for changing the process allowing permit exemptions; and
- plans for programmatic permits based upon project type and tools available to maximize efficiency in permit approval for projects.

The WSDOT must provide the report to the Transportation Committees of the Legislature detailing its work and any recommendations, including any recommendations for legislation, by December 1, 2027.

**Appropriation:** None.

**Fiscal Note:** Requested on February 3, 2026.

**Effective Date:** The bill takes effect on October 1, 2026.