

SENATE BILL REPORT

SB 5732

As of February 21, 2025

Title: An act relating to creating greater accountability for increasing the supply of housing consistent with growth management.

Brief Description: Creating greater accountability for increasing the supply of housing consistent with growth management.

Sponsors: Senators Braun and Dozier.

Brief History:

Committee Activity: Housing: 2/21/25.

Brief Summary of Bill

- Adds various housing-related items to the goals of the Growth Management Act (GMA).
- Requires countywide planning policies to monitor and track progress toward permitting new housing to address regional housing supply crises.
- Allows the Governor to impose a sanction on a county or city that fails to track and make progress on increasing housing supply under GMA goals.

SENATE COMMITTEE ON HOUSING

Staff: Benjamin Omdal (786-7442)

Background: Growth Management Act. The Growth Management Act (GMA) is the comprehensive land use planning framework for counties and cities in Washington. The GMA establishes land use designation and environmental protection requirements for all Washington counties and cities. The GMA also establishes a significantly wider array of

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planning duties for 28 counties, and the cities within those counties, that are obligated to satisfy all planning requirements of the GMA.

The GMA directs fully planning jurisdictions to adopt internally consistent comprehensive land use plans. Comprehensive plans are implemented through locally adopted development regulations, and both the plans and the local regulations are subject to review and revision requirements prescribed in the GMA.

When developing their comprehensive plans, counties and cities must consider various goals set forth in statute. These goals include, among others:

- housing—planning for and accommodating housing affordable to all economic segments of the population of the state, promoting a variety of residential densities and housing types, and encouraging preservation of existing housing stock; and
- permits—processing applications for both state and local government permits in a timely and fair manner to ensure predictability.

Growth Management Hearings Board. The Growth Management Hearings Board (GMHB) hears petitions and resolves disputes concerning the GMA. The GMHB is comprised of five members appointed by the Governor. Petitions are heard by three-member regional panels that generally include two members from the region where the case arose, and one member from a different region.

The GMHB may hear and determine petitions alleging that a state agency or planning jurisdiction is not in compliance with the GMA. The GMHB may issue a final order finding compliance or it may remand for plans and regulations to be brought into compliance. If a plan or regulation is found to be not in compliance, the GMHB must remand it back to the affected state agency, county, or city.

Compliance with the goals and requirements of the GMA is one factor that the GMHB looks at in determining compliance with the act and validity of development regulations.

Countywide Planning. Within 14 months of a county initially becoming subject to the GMA's requirements, the county must adopt a countywide planning policy in consultation with the cities within the county. Countywide planning policies must address:

- urban growth areas;
- policies to promote orderly development;
- policies for siting state or countywide capital facilities;
- policies and strategies for countywide transportation;
- policies considering the need for affordable housing;
- policies for countywide economic development; and
- the fiscal impact of these policies.

When adopting countywide planning policies, federal agencies and Indian tribes may participate in and cooperate with the plan-adoption process.

Governor Sanctions Under the Growth Management Act. The Governor may impose specific sanctions under the GMA on:

- a county or city that fails to designate critical areas, agricultural lands, forestlands, or mineral resources by the required date;
- a county or city that fails to adopt development regulations protecting critical areas or conserving agricultural lands, forestlands, or mineral resource lands by the required date;
- a county that fails to designate urban growth areas by the required date; and
- a county or city that fails to adopt its comprehensive plan or development regulations when such actions are required to be taken.

These sanctions include withholding revenues from particular taxes and accounts, and revising allotments in appropriation levels.

Summary of Bill: Providing an abundant supply of housing for residents of rural life is added to the legislative findings on counties' defining of their rural elements under the GMA.

Growth Management Act Goals. Closing the housing availability gap while continuously tracking progress toward increasing housing supply is added to the housing goal of the GMA.

Permit applications must be monitored and tracked to demonstrate measurable progress toward accomplishing the GMA housing goals.

New housing developments is added to the list of items that counties and cities must factor into accommodating housing and employment growth when adopting plan amendments, or development regulations, or both.

Policies to monitor and track progress toward permitting new housing to address regional housing supply crises is added to the list of policies that countywide planning policies must address.

Governor Sanctions. The Governor may impose specified sanctions on a county or city that fails to track and make progress on increasing housing supply pursuant to the GMA goals.

Appropriation: None.

Fiscal Note: Requested on February 13, 2025.

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: PRO: We need to learn to live within the GMA process. The bill raises housing as a priority in planning and development goals under the GMA. The bill is a long-term push to make housing a bigger part of the planning process. There needs to be multiple solutions in addressing the housing crisis, including through planning. The bill holds jurisdictions accountable in tracking what they are required to do. The rising cost of housing has led to young people living with their parents; families are leaving Washington due to the housing costs. The bill is vital to keeping jurisdictions accountable to their planning goals. The way that the GMA is being administered is hampering current landowners.

CON: It would be counter-productive to impose sanctions on jurisdictions that are unable to control housing market demand. Further resources would help county planning departments be more effective. Outside forces such as high interest rates might impact the ability for jurisdictions to meet certain benchmarks.

Persons Testifying: PRO: Senator John Braun, Prime Sponsor; Elizabeth Kang; Gordon Haggerty; Jan Himebaugh, Building Industry Association of Washington.

CON: Bryce Yadon, Futurewise; Kelsey Hulse, Washington State Association of Counties.

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