SENATE BILL 5732

State of Washington 69th Legislature 2025 Regular Session

By Senators Braun and Dozier

Read first time 02/12/25. Referred to Committee on Housing.

AN ACT Relating to creating greater accountability for increasing the supply of housing consistent with growth management; amending RCW 3 36.70A.011, 36.70A.020, 36.70A.115, 36.70A.210, and 36.70A.345; and creating a new section.

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

6 NEW SECTION. Sec. 1. (1) The legislature finds that Washington continues to struggle with a housing availability crisis. In 2023, 7 the department of commerce estimated that Washington will need more 8 than a million new homes over the next 20 years to keep pace with 9 10 expected population growth. Other analyses, such as the William D. 11 Ruckelshaus Center's "Pathways to Housing Security" final report, 12 recommend that Washington should improve coordination in the various sectors of the housing system to carry out long-term strategies that 13 14 will confront the daunting housing challenge.

15 (2) The legislature further finds that the growth management act 16 provides for enforceable accountability measures, growth management 17 hearings board review, and other sanctions that may be used to ensure 18 of accomplished. the qoals the act are By adapting these 19 accountability mechanisms to include a greater emphasis on housing supply, the legislature concludes that the growth management act can 20

1 become a better tool for encouraging counties and cities to plan for 2 more housing to be built.

3 (3) The legislature therefore determines that the following 4 specific policies will increase the likelihood that Washington will 5 make progress toward meeting the housing goals of the growth 6 management act and enhance the ability of Washington residents of all 7 income levels to secure housing that meets their needs:

8 (a) Direct counties to foster land use patterns that will provide 9 an abundant supply of housing in rural areas;

10 (b) Specify that the housing and permit goals of the growth 11 management act require closing the housing availability gap while 12 continuously tracking progress toward increasing housing supply, 13 including by monitoring and tracking permit applications to ensure 14 that the housing goal is being measured and will be achieved;

15 (c) Clarify that counties and cities planning under the growth 16 management act must ensure that their comprehensive plans and 17 development regulations provide sufficient land to accommodate new 18 housing developments;

19 (d) Require countywide planning policies to monitor and track 20 progress toward permitting new housing to address housing crises at a 21 regional level; and

(e) Provide for sanctions when a county or city fails to track or
make progress on increasing housing supply pursuant to the housing
goal of the growth management act.

25 Sec. 2. RCW 36.70A.011 and 2002 c 212 s 1 are each amended to 26 read as follows:

The legislature finds that this chapter is intended to recognize the importance of rural lands and rural character to Washington's economy, its people, and its environment, while respecting regional differences. Rural lands and rural-based economies enhance the economic desirability of the state, help to preserve traditional economic activities, and contribute to the state's overall quality of life.

The legislature finds that to retain and enhance the job base in rural areas, rural counties must have flexibility to create opportunities for business development <u>and housing</u>. Further, the legislature finds that rural counties must have the flexibility to retain existing businesses and allow them to expand. The legislature precognizes that not all business developments in rural counties 1 require an urban level of services; and that many businesses in rural 2 areas fit within the definition of rural character identified by the 3 local planning unit.

Finally, the legislature finds that in defining its rural element 4 under RCW 36.70A.070(5), a county should foster land use patterns and 5 6 develop a local vision of rural character that will: Help preserve rural-based economies and traditional rural lifestyles; encourage the 7 economic prosperity of rural residents; foster opportunities for 8 small-scale, rural-based employment and self-employment; permit the 9 operation of rural-based agricultural, commercial, recreational, and 10 tourist businesses that are consistent with existing and planned land 11 12 use patterns; be compatible with the use of the land by wildlife and for fish and wildlife habitat; foster the private stewardship of the 13 land and preservation of open space; provide an abundant supply of 14 housing for residents of rural areas; and enhance the rural sense of 15 16 community and quality of life.

17 Sec. 3. RCW 36.70A.020 and 2023 c 228 s 1 are each amended to 18 read as follows:

The following goals are adopted to guide the development and 19 20 adoption of comprehensive plans and development regulations of those 21 counties and cities that are required or choose to plan under RCW 22 36.70A.040 and, where specified, also guide the development of regional policies, plans, and strategies adopted under RCW 36.70A.210 23 24 and chapter 47.80 RCW. The following goals are not listed in order of 25 priority and shall be used exclusively for the purpose of guiding the development of comprehensive plans, development regulations, and, 26 27 where specified, regional plans, policies, and strategies:

(1) Urban growth. Encourage development in urban areas where
adequate public facilities and services exist or can be provided in
an efficient manner.

31 (2) Reduce sprawl. Reduce the inappropriate conversion of32 undeveloped land into sprawling, low-density development.

(3) Transportation. Encourage efficient multimodal transportation systems that will reduce greenhouse gas emissions and per capita vehicle miles traveled, and are based on regional priorities and coordinated with county and city comprehensive plans.

(4) Housing. Plan for and accommodate housing affordable to all
economic segments of the population of this state, promote a variety
of residential densities and housing types, <u>close the housing</u>

1 <u>availability gap while continuously tracking progress toward</u> 2 <u>increasing housing supply</u>, and encourage preservation of existing 3 housing stock.

(5) Economic development. Encourage economic development 4 throughout the state that is consistent with adopted comprehensive 5 6 plans, promote economic opportunity for all citizens of this state, especially for unemployed and for disadvantaged persons, promote the 7 retention and expansion of existing businesses and recruitment of new 8 businesses, recognize regional differences impacting economic 9 development opportunities, and encourage growth in areas experiencing 10 11 insufficient economic growth, all within the capacities of the 12 state's natural resources, public services, and public facilities.

13 (6) Property rights. Private property shall not be taken for 14 public use without just compensation having been made. The property 15 rights of landowners shall be protected from arbitrary and 16 discriminatory actions.

17 (7) Permits. Applications for both state and local government 18 permits should be processed in a timely and fair manner to ensure 19 predictability. <u>Applications must be monitored and tracked to</u> 20 <u>demonstrate measurable progress toward accomplishing the housing</u> 21 <u>goals of this section.</u>

(8) Natural resource industries. Maintain and enhance natural resource-based industries, including productive timber, agricultural, and fisheries industries. Encourage the conservation of productive forestlands and productive agricultural lands, and discourage incompatible uses.

(9) Open space and recreation. Retain open space and green space,
enhance recreational opportunities, enhance fish and wildlife
habitat, increase access to natural resource lands and water, and
develop parks and recreation facilities.

(10) Environment. Protect and enhance the environment and enhance the state's high quality of life, including air and water quality, and the availability of water.

(11) Citizen participation and coordination. Encourage the involvement of citizens in the planning process, including the participation of vulnerable populations and overburdened communities, and ensure coordination between communities and jurisdictions to reconcile conflicts.

(12) Public facilities and services. Ensure that those publicfacilities and services necessary to support development shall be

1 adequate to serve the development at the time the development is 2 available for occupancy and use without decreasing current service 3 levels below locally established minimum standards.

4 (13) Historic preservation. Identify and encourage the 5 preservation of lands, sites, and structures, that have historical or 6 archaeological significance.

7 (14) Climate change and resiliency. Ensure that comprehensive plans, development regulations, and regional policies, plans, and 8 strategies under RCW 36.70A.210 and chapter 47.80 RCW adapt to and 9 mitigate the effects of a changing climate; support reductions in 10 greenhouse gas emissions and per capita vehicle miles traveled; 11 12 prepare for climate impact scenarios; foster resiliency to climate impacts and natural hazards; protect and enhance environmental, 13 economic, and human health and safety; and advance environmental 14 15 justice.

16 (15) Shorelines of the state. For shorelines of the state, the 17 goals and policies of the shoreline management act as set forth in 18 RCW 90.58.020 shall be considered an element of the county's or 19 city's comprehensive plan.

20 Sec. 4. RCW 36.70A.115 and 2017 3rd sp.s. c 16 s 1 are each 21 amended to read as follows:

22 (1) Counties and cities that are required or choose to plan under 23 RCW 36.70A.040 shall ensure that, taken collectively, adoption of and 24 amendments to their comprehensive plans and/or development 25 regulations provide sufficient capacity of land suitable for development within their jurisdictions to accommodate their allocated 26 27 housing and employment growth, including the accommodation of, as 28 appropriate, new housing developments and the medical, governmental, educational, institutional, commercial, and industrial facilities 29 30 related to such growth, as adopted in the applicable countywide 31 planning policies and consistent with the twenty-year population 32 forecast from the office of financial management.

(2) This analysis shall include the reasonable measures findings
developed under RCW 36.70A.215, if applicable to such counties and
cities.

36 Sec. 5. RCW 36.70A.210 and 2022 c 252 s 6 are each amended to 37 read as follows:

1 The legislature recognizes that counties are regional (1) governments within their boundaries, and cities are primary providers 2 of urban governmental services within urban growth areas. For the 3 purposes of this section, a "countywide planning policy" is a written 4 policy statement or statements used solely for establishing a 5 6 countywide framework from which county and city comprehensive plans 7 are developed and adopted pursuant to this chapter. This framework shall ensure that city and county comprehensive plans are consistent 8 as required in RCW 36.70A.100. Nothing in this section shall be 9 construed to alter the land-use powers of cities. 10

(2) The legislative authority of a county that plans under RCW 36.70A.040 shall adopt a countywide planning policy in cooperation with the cities located in whole or in part within the county as follows:

15 (a) No later than sixty calendar days from July 16, 1991, the legislative authority of each county that as of June 1, 1991, was 16 17 required or chose to plan under RCW 36.70A.040 shall convene a meeting with representatives of each city located within the county 18 for the purpose of establishing a collaborative process that will 19 provide a framework for the adoption of a countywide planning policy. 20 21 In other counties that are required or choose to plan under RCW 36.70A.040, this meeting shall be convened no later than sixty days 22 23 after the date the county adopts its resolution of intention or was certified by the office of financial management. 24

25 (b) The process and framework for adoption of a countywide planning policy specified in (a) of this subsection shall determine 26 the manner in which the county and the cities agree to all procedures 27 28 and provisions including but not limited to desired planning 29 policies, deadlines, ratification of final agreements and demonstration thereof, and financing, if any, of all activities 30 31 associated therewith.

32 (c) If a county fails for any reason to convene a meeting with 33 representatives of cities as required in (a) of this subsection, the 34 governor may immediately impose any appropriate sanction or sanctions 35 on the county from those specified under RCW 36.70A.340.

36 (d) If there is no agreement by October 1, 1991, in a county that 37 was required or chose to plan under RCW 36.70A.040 as of June 1, 38 1991, or if there is no agreement within one hundred twenty days of 39 the date the county adopted its resolution of intention or was 40 certified by the office of financial management in any other county

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1 that is required or chooses to plan under RCW 36.70A.040, the governor shall first inquire of the jurisdictions as to the reason or 2 reasons for failure to reach an agreement. If the governor deems it 3 appropriate, the governor may immediately request the assistance of 4 the department of commerce to mediate any disputes that preclude 5 6 agreement. If mediation is unsuccessful in resolving all disputes 7 that will lead to agreement, the governor may impose appropriate sanctions from those specified under RCW 36.70A.340 on the county, 8 city, or cities for failure to reach an agreement as provided in this 9 section. The governor shall specify the reason or reasons for the 10 11 imposition of any sanction.

12 (e) No later than July 1, 1992, the legislative authority of each county that was required or chose to plan under RCW 36.70A.040 as of 13 14 June 1, 1991, or no later than fourteen months after the date the county adopted its resolution of intention or was certified by the 15 16 office of financial management the county legislative authority of 17 any other county that is required or chooses to plan under RCW 36.70A.040, shall adopt a countywide planning policy according to the 18 process provided under this section and that is consistent with the 19 agreement pursuant to (b) of this subsection, and after holding a 20 21 public hearing or hearings on the proposed countywide planning 22 policy.

23 (3) A countywide planning policy shall at a minimum, address the 24 following:

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(a) Policies to implement RCW 36.70A.110;

26 (b) Policies for promotion of contiguous and orderly development 27 and provision of urban services to such development;

(c) Policies for siting public capital facilities of a countywide or statewide nature, including transportation facilities of statewide significance as defined in RCW 47.06.140;

31 (d) Policies for countywide transportation facilities and 32 strategies;

(e) Policies that consider the need for affordable housing, such
as housing for all economic segments of the population and parameters
for its distribution;

36 (f) Policies for joint county and city planning within urban 37 growth areas;

38 (g) Policies for countywide economic development and employment, 39 which must include consideration of the future development of 40 commercial and industrial facilities; 1

(h) An analysis of the fiscal impact; ((and))

2 (i) Policies that address the protection of tribal cultural 3 resources in collaboration with federally recognized Indian tribes 4 that are invited pursuant to subsection (4) of this section, provided 5 that a tribe, or more than one tribe, chooses to participate in the 6 process; and

7 (j) Policies to monitor and track progress toward permitting new
8 housing to address regional housing supply crises.

9 (4) Federal agencies and federally recognized Indian tribes whose 10 reservation or ceded lands lie within the county shall be invited to 11 participate in and cooperate with the countywide planning policy 12 adoption process. Adopted countywide planning policies shall be 13 adhered to by state agencies.

14 (5) Failure to adopt a countywide planning policy that meets the requirements of this section may result in the imposition of a 15 16 sanction or sanctions on a county or city within the county, as 17 specified in RCW 36.70A.340. In imposing a sanction or sanctions, the 18 governor shall specify the reasons for failure to adopt a countywide planning policy in order that any imposed sanction or sanctions are 19 20 fairly and equitably related to the failure to adopt a countywide 21 planning policy.

(6) Cities and the governor may appeal an adopted countywide planning policy to the growth management hearings board within sixty days of the adoption of the countywide planning policy.

(7) Multicounty planning policies shall be adopted by two or more counties, each with a population of four hundred fifty thousand or more, with contiguous urban areas and may be adopted by other counties, according to the process established under this section or other processes agreed to among the counties and cities within the affected counties throughout the multicounty region.

31 Sec. 6. RCW 36.70A.345 and 2010 c 211 s 13 are each amended to 32 read as follows:

33 The governor may impose a sanction or sanctions specified under 34 RCW 36.70A.340 on: (1) A county or city that fails to designate 35 critical areas, agricultural lands, forestlands, or mineral resource 36 lands under RCW 36.70A.170 by the date such action was required to 37 have been taken; (2) a county or city that fails to adopt development 38 regulations under RCW 36.70A.060 protecting critical areas or 39 conserving agricultural lands, forestlands, or mineral resource lands

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by the date such action was required to have been taken; (3) a county that fails to designate urban growth areas under RCW 36.70A.110 by the date such action was required to have been taken; <u>(4) a county or</u> <u>city that fails to track and make progress on increasing housing</u> <u>supply pursuant to the goals set forth in RCW 36.70A.020;</u> and (((4))) <u>(5)</u> a county or city that fails to adopt its comprehensive plan or development regulations when such actions are required to be taken.

Imposition of a sanction or sanctions under this section shall be 8 preceded by written findings by the governor, that either the county 9 or city is not proceeding in good faith to meet the requirements of 10 11 ((the act)) this chapter; or that the county or city has unreasonably 12 delayed taking the required action. The governor shall consult with and communicate his or her findings to the growth management hearings 13 board prior to imposing the sanction or sanctions. For those counties 14 or cities that are not required to plan or have not opted in, the 15 16 governor in imposing sanctions shall consider the size of the 17 jurisdiction relative to the requirements of this chapter and the 18 degree of technical and financial assistance provided.

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