## 2 ESSB 6068 - H COMM AMD ADOPTED 3-4-94

3 By Committee on Environmental Affairs

- 5 Strike everything after the enacting clause and insert the 6 following:
- 7 "Sec. 1. RCW 90.58.170 and 1988 c 128 s 76 are each amended to 8 read as follows:
- A shorelines hearings board sitting as a quasi judicial body is 9 hereby established within the environmental hearings office under RCW 10 The shorelines hearings board shall be made up of six 11 43.21B.005. 12 members: Three members shall be members of the pollution control 13 hearings board; two members, one appointed by the association of 14 Washington cities and one appointed by the association of county commissioners, both to serve at the pleasure of the associations; and 15 16 the commissioner of public lands or his <u>or her</u> designee. The chairman 17 of the pollution control hearings board shall be the chairman of the shorelines hearings board. Except as provided in section 2 of this 18 act, a decision must be agreed to by at least four members of the board 19 20 to be final. The members of the shorelines ((appeals)) board shall 21 receive the compensation, travel, and subsistence expenses as provided 22 in RCW 43.03.050 and 43.03.060.
- NEW SECTION. Sec. 2. A new section is added to chapter 90.58 RCW to read as follows:
- 25 (1) In the case of an appeal involving a single family residence or 26 appurtenance to a single family residence, including a dock or pier 27 designed to serve a single family residence, the request for review may 28 be heard by a panel of three board members, at least one and not more 29 than two of whom shall be members of the pollution control hearings 30 board. Two members of the three must agree to issue a final decision 31 of the board.
- 32 (2) The board shall define by rule alternative processes to 33 expedite appeals. These alternatives may include: Mediation, upon 34 agreement of all parties; submission of testimony by affidavit; or

- 1 other forms that may lead to less formal and faster resolution of 2 appeals.
- 3 **Sec. 3.** RCW 90.58.180 and 1989 c 175 s 183 are each amended to 4 read as follows:

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- (1) Any person aggrieved by the granting, denying, or rescinding of a permit on shorelines of the state pursuant to RCW 90.58.140 may seek review from the shorelines hearings board by filing a request for the same within thirty days of the date of filing as defined in RCW 90.58.140(6).
- Concurrently with the filing of any request for review with the 10 board as provided in this section pertaining to a final order of a 11 12 local government, the requestor shall file a copy of his or her request with the department and the attorney general. If it appears to the 13 14 department or the attorney general that the requestor has valid reasons 15 to seek review, either the department or the attorney general may 16 certify the request within thirty days after its receipt to the shorelines hearings board following which the board shall then, but not 17 18 otherwise, review the matter covered by the requestor((: PROVIDED, That)). The failure to obtain such certification shall not preclude 19 the requestor from obtaining a review in the superior court under any 20 right to review otherwise available to the requestor. The department 21 22 and the attorney general may intervene to protect the public interest 23 and insure that the provisions of this chapter are complied with at any 24 time within fifteen days from the date of the receipt by the department 25 or the attorney general of a copy of the request for review filed pursuant to this section. The shorelines hearings board shall 26 initially schedule review proceedings on such requests for review 27 without regard as to whether such requests have or have not been 28 29 certified or as to whether the period for the department or the attorney general to intervene has or has not expired, unless such 30 review is to begin within thirty days of such scheduling. 31 end of the thirty day period for certification neither the department 32 33 nor the attorney general has certified a request for review, the 34 hearings board shall remove the request from its review schedule.
  - (2) The department or the attorney general may obtain review of any final order granting a permit, or granting or denying an application for a permit issued by a local government by filing a written request with the shorelines hearings board and the appropriate local government

- within thirty days from the date the final order was filed as provided 1 2 in RCW 90.58.140(6).
- 3 (3) The review proceedings authorized in subsections (1) and (2) of 4 this section are subject to the provisions of chapter 34.05 RCW pertaining to procedures in adjudicative proceedings. Judicial review 5 of such proceedings of the shorelines hearings board ((may be had as 6 provided in)) is governed by chapter 34.05 RCW. 7
- 8 (4) A local government may appeal to the shorelines hearings board 9 any rules, regulations, or guidelines adopted or approved by the 10 department within thirty days of the date of the adoption or approval. The board shall make a final decision within sixty days following the 11 hearing held thereon. 12
- If the board determines that the rule, regulation, or guideline: 13
  - (a) Is clearly erroneous in light of the policy of this chapter; or
- 15 (b) Constitutes an implementation of this chapter in violation of constitutional or statutory provisions; or 16
  - (c) Is arbitrary and capricious; or

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- (d) Was developed without fully considering and evaluating all 18 19 material submitted to the department by the local government; or
- (e) Was not adopted in accordance with required procedures; the board shall enter a final decision declaring the rule, regulation, or guideline invalid, remanding the rule, regulation, or guideline to 22 the department with a statement of the reasons in support of the 23 24 determination, and directing the department to adopt, after a thorough consultation with the affected local government, a new rule, 26 regulation, or guideline. Unless the board makes one or more of the determinations as hereinbefore provided, the board shall find the rule, 27 regulation, or guideline to be valid and enter a final decision to that effect.
- 30 (5) Rules, regulations, and guidelines shall be subject to review 31 superior court, if authorized pursuant to RCW ((34.05.538: PROVIDED, That)) 34.05.570(2). No review shall be granted by a 32 superior court on petition from a local government unless the local 33 34 government shall first have obtained review under subsection (4) of this section and the petition for court review is filed within three 35 months after the date of final decision by the shorelines hearings 36 37 board.

- 1 **Sec. 4.** RCW 43.21C.075 and 1983 c 117 s 4 are each amended to read 2 as follows:
- 3 (1) Because a major purpose of this chapter is to combine 4 environmental considerations with public decisions, any appeal brought 5 under this chapter shall be linked to a specific governmental action. 6 The State Environmental Policy Act provides a basis for challenging 7 whether governmental action is in compliance with the substantive and 8 procedural provisions of this chapter. The State Environmental Policy 9 Act is not intended to create a cause of action unrelated to a specific
- 10 governmental action.
  11 (2) Unless otherwise provided by this section:

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- 12 (a) Appeals under this chapter shall be of the governmental action 13 together with its accompanying environmental determinations.
  - (b) Appeals of environmental determinations made (or lacking) under this chapter shall be commenced within the time required to appeal the governmental action which is subject to environmental review.
- 17 (3) If an agency has a procedure for appeals of agency 18 environmental determinations made under this chapter, such procedure:
  - (a) Shall not allow more than one agency appeal proceeding on a procedural determination (the adequacy of a determination of significance/nonsignificance or of a final environmental impact statement), consistent with any state statutory requirements for appeals to local legislative bodies. The appeal proceeding on a determination of significance/nonsignificance may occur before the agency's final decision on a proposed action. Such an appeal shall also be allowed for a determination of significance/nonsignificance which may be issued by the agency after supplemental review;
  - (b) Shall consolidate appeal of procedural issues and of substantive determinations made under this chapter (such as a decision to require particular mitigation measures or to deny a proposal) by providing for simultaneous appeal of an agency decision on a proposal and any environmental determinations made under this chapter, with the exception of the threshold determination appeal as provided in (a) of this subsection or an appeal to the local legislative authority under RCW 43.21C.060 or other applicable state statutes;
  - (c) Shall provide for the preparation of a record for use in any subsequent appeal proceedings, and shall provide for any subsequent appeal proceedings to be conducted on the record, consistent with other applicable law. An adequate record consists of findings and

- 1 conclusions, testimony under oath, and taped or written transcript. An 2 electronically recorded transcript will suffice for purposes of review 3 under this ((paragraph)) subsection; and
- 4 (d) Shall provide that procedural determinations made by the 5 responsible official shall be entitled to substantial weight.

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- (4) If a person aggrieved by an agency action has the right to judicial appeal and if an agency has an appeal procedure, such person shall, prior to seeking any judicial review, use such procedure if any such procedure is available, unless expressly provided otherwise by state statute.
- (5) RCW 43.21C.080 establishes an optional "notice of action" 11 procedure which, if used, imposes a time period for appealing decisions 12 13 under this chapter. Some statutes and ordinances contain time periods for challenging governmental actions which are subject to review under 14 15 this chapter, such as various local land use approvals (the "underlying 16 governmental action"). This section does not modify any such time 17 This section governs when a judicial appeal must be brought under this chapter where a "notice of action" is used, and/or where 18 19 there is another time period which is required by statute or ordinance 20 for challenging the underlying governmental action. this subsection, the term "appeal" refers to a judicial appeal only. 21
  - (a) If there is a time period for appealing the underlying governmental action, appeals under this chapter shall be commenced within thirty days. The agency shall give official notice stating the date and place for commencing an appeal. If there is an agency proceeding under subsection (3) of this section, the appellant shall, prior to commencing a judicial appeal, submit to the responsible official a notice of intent to commence a judicial appeal. This notice of intent shall be given within the time period for commencing a judicial appeal on the underlying governmental action.
- 31 (b) A notice of action under RCW 43.21C.080 may be used. If a notice of action is used, judicial appeals shall be commenced within 33 the time period specified by RCW 43.21C.080, unless there is a time 34 period for appealing the underlying governmental action in which case 35 (a) of this subsection shall apply.
- 36 (c) Notwithstanding RCW 43.21C.080(1), if there is a time period 37 for appealing the underlying governmental action, a notice of action 38 may be published within such time period.

- (6)(a) Judicial review of an appeal decision made by an agency 1 2 under RCW 43.21C.075(5) shall be on the record, consistent with other 3 applicable law.
- 4 (b) A taped or written transcript may be used. If a taped transcript is to be reviewed, a record shall identify the location on 5 the taped transcript of testimony and evidence to be reviewed. Parties 6 7 are encouraged to designate only those portions of the testimony 8 necessary to present the issues raised on review, but if a party 9 alleges that a finding of fact is not supported by evidence, the party 10 should include in the record all evidence relevant to the disputed finding. Any other party may designate additional portions of the 11 12 taped transcript relating to issues raised on review. A party may 13 provide a written transcript of portions of the testimony at the party's own expense or apply to that court for an order requiring the 14 15 party seeking review to pay for additional portions of the written 16 transcript.
- 17 (c) Judicial review under this chapter shall without exception be of the governmental action together with its accompanying environmental 18 19 determinations.

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- (7) Jurisdiction over the review of determinations under this chapter in an appeal before an agency or superior court shall upon consent of the parties be transferred in whole or part to the shorelines hearings board. The shorelines hearings board shall hear the matter and sign the final order expeditiously. The superior court shall certify the final order of the shorelines hearings board and said certified final order may only be appealed to an appellate court. In the case of an appeal under this chapter regarding a project or other matter that is also the subject of an appeal to the shorelines hearings board under chapter 90.58 RCW, the shorelines hearings board shall have sole jurisdiction over both the appeal under this section and the appeal under chapter 90.58 RCW, shall consider them together, and shall issue a final order.
- (8) For purposes of this section and RCW 43.21C.080, the words "action", "decision", and "determination" mean substantive agency action including any accompanying procedural determinations under this chapter (except where the word "action" means "appeal" in RCW 43.21C.080(2) and (3)). The word "action" in this section and RCW 43.21C.080 does not mean a procedural determination by itself made 39 under this chapter. The word "determination" includes any

- 1 environmental document required by this chapter and state or local
- 2 implementing rules. The word "agency" refers to any state or local
- 3 unit of government. The word "appeal" refers to administrative,
- 4 legislative, or judicial appeals.
- 5 (9) The court in its discretion may award reasonable attorney's
- 6 fees of up to one thousand dollars in the aggregate to the prevailing
- 7 party, including a governmental agency, on issues arising out of this
- 8 chapter if the court makes specific findings that the legal position of
- 9 a party is frivolous and without reasonable basis.
- 10 <u>NEW SECTION.</u> **Sec. 5.** A new section is added to chapter 43.21B RCW
- 11 to read as follows:
- 12 With the consent of all parties, an appeal may be heard by one
- 13 member of the board. The decision of the member shall be the final
- 14 decision of the board. The board shall define by rule alternative
- 15 procedures to expedite appeals. These alternatives may include:
- 16 Mediation, upon agreement of all parties; submission of testimony by
- 17 affidavit; or other forms that may lead to less formal and faster
- 18 resolution of appeals.
- 19 **Sec. 6.** RCW 43.21B.180 and 1989 c 175 s 104 are each amended to
- 20 read as follows:
- Judicial review of a decision of the hearings board ((shall be de
- 22 novo except when the decision has been rendered pursuant to a formal
- 23 hearing elected under the provisions of this chapter, in which event
- 24 <del>judicial review</del>)) may be obtained only pursuant to RCW 34.05.510
- 25 through 34.05.598. The director shall have the same right of review
- 26 from a decision made pursuant to RCW 43.21B.110 as does any person.
- 27 Sec. 7. RCW 43.21B.190 and 1988 c 202 s 43 are each amended to
- 28 read as follows:
- 29 Within thirty days after the final decision and order of the
- 30 hearings board upon such an appeal has been communicated to the
- 31 interested parties, ((or within thirty days after an appeal has been
- 32 denied after an informal hearing, )) such interested party aggrieved by
- 33 the decision and order of the hearings board may appeal to the superior
- 34 court. In all appeals involving a decision or an order of the hearings
- 35 board after an informal hearing, the petition shall be filed in the
- 36 superior court for the county of the petitioner's residence or

principal place of business, or in the absence of a residence or principal place of business, for Thurston county. Such appeal may be 2 perfected by filing with the clerk of the superior court a notice of 3 4 appeal, and by serving a copy thereof by mail, or personally on the 5 director, the air pollution control boards or authorities, established pursuant to chapter 70.94 RCW or on the board as the case may be. The 6 7 hearings board shall serve upon the appealing party, the director, the 8 air pollution control board or authorities established pursuant to 9 chapter 70.94 RCW, or the board, as the case may be, and on any other 10 party appearing at the hearings board's proceeding, and file with the clerk of the court before trial, a certified copy of the hearings 11 board's decision and order. Appellate review of a decision of the 12 superior court may be sought as in other civil cases. No bond shall be 13 required on appeals to the superior court or on review by the supreme 14 15 court unless specifically required by the judge of the superior court.

16 **Sec. 8.** RCW 43.21B.230 and 1990 c 65 s 6 are each amended to read 17 as follows:

18 Any person having received notice of a denial of a petition, a notice of determination, notice of or an order made by the department 19 may appeal, within thirty days from the date of the notice of such 20 denial, order, or determination to the hearings board. 21 shall be perfected by serving a copy of the notice of appeal upon the 22 23 department or air pollution authority established pursuant to chapter 24 70.94 RCW, as the case may be, within the time specified herein and by 25 filing the original thereof with proof of service with the clerk of the hearings board. ((If the person intends that the hearing before the 26 hearings board be a formal one, the notice of appeal shall so state. 27 28 In the event that the notice of appeal does not so state, the hearing shall be an informal one: PROVIDED, HOWEVER, That nothing shall 29 30 prevent the department or the air pollution authority, as the case may be, within ten days from the date of its receipt of the notice of 31 appeal, from filing with the clerk of the hearings board notice of its 32 intention that the hearing be a formal one.)) 33

- 34 **Sec. 9.** RCW 76.09.230 and 1992 c 52 s 23 are each amended to read 35 as follows:
- 36 (1) ((In all appeals over which the appeals board has jurisdiction, 37 a party taking an appeal may elect either a formal or an informal

hearing, unless such party has had an informal hearing with the department. Such election shall be made according to the rules of practice and procedure to be promulgated by the appeals board. In the event that appeals are taken from the same decision, order, or determination, as the case may be, by different parties and only one of such parties elects a formal hearing, a formal hearing shall be granted.

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(2))) In all appeals over which the appeals board has jurisdiction, upon request of one or more parties and with the consent of all parties, the appeals board shall promptly schedule a conference for the purpose of attempting to mediate the case. The mediation conference shall be held prior to the hearing on not less than seven days' advance written notice to all parties. All other proceedings pertaining to the appeal shall be stayed until completion of mediation, which shall continue so long as all parties consent: PROVIDED, That this shall not prevent the appeals board from deciding motions filed by the parties while mediation is ongoing: PROVIDED, FURTHER, That discovery may be conducted while mediation is ongoing if agreed to by all parties. Mediation shall be conducted by an administrative appeals judge or other duly authorized agent of the appeals board who has received training in dispute resolution techniques or has a demonstrated history of successfully resolving disputes, as determined by the appeals board. A person who mediates in a particular appeal shall not participate in a hearing on that appeal or in writing the decision and order in the appeal. Documentary and other physical evidence presented and evidence of conduct or statements made during the course of mediation shall be treated by the mediator and the parties in a confidential manner and shall not be admissible in subsequent proceedings in the appeal except in accordance with the provisions of the Washington rules of evidence pertaining to compromise negotiations.

 $((\frac{3}{2}))$  (2) In all appeals the appeals board shall have all powers relating to administration of oaths, issuance of subpoenas, and taking of depositions, but such powers shall be exercised in conformity with chapter 34.05 RCW.

((4))) (3) In all appeals ((involving formal hearing)) the appeals board, and each member thereof, shall be subject to all duties imposed upon and shall have all powers granted to, an agency by those provisions of chapter 34.05 RCW relating to adjudicative proceedings.

- (((5))) (4) All proceedings((, including both formal and informal
  hearings,)) before the appeals board or any of its members shall be
  conducted in accordance with such rules of practice and procedure as
  the board may prescribe. The appeals board shall publish such rules
  and arrange for the reasonable distribution thereof.
- 6 ((\(\frac{(+6+)}{(5)}\)) (\(\frac{(5)}{(5)}\) Judicial review of a decision of the appeals board
  7 ((\(\frac{(shall be de novo except when the decision has been rendered pursuant}\)
  8 to the formal hearing, in which event judicial review)) may be obtained
  9 only pursuant to RCW 34.05.510 through 34.05.598.
- Sec. 10. The office of the administrator for the 10 NEW SECTION. courts, under the direction of the appellate courts, shall conduct a 11 study to expedite appeals from administrative hearings. 12 The study shall be conducted in close cooperation with the environmental hearings 13 14 office. Recommendations from the study shall be made to the appropriate standing committees of the legislature by September 1, 15 1994." 16

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