

**SENATE BILL REPORT**

**SB 5394**

**AS REPORTED BY COMMITTEE ON TRANSPORTATION, MARCH 3, 1993**

**Brief Description:** Funding improvements to regional transportation systems and facilities.

**SPONSORS:** Senator Skratek

**SENATE COMMITTEE ON TRANSPORTATION**

**Majority Report:** That Substitute Senate Bill No. 5394 be substituted therefor, and the substitute bill do pass.

Signed by Senators Vognild, Chairman; Loveland, Vice Chairman; Skratek, Vice Chairman; Barr, Drew, Haugen, Oke, Prentice, M. Rasmussen, Sheldon, von Reichbauer, and Winsley.

**Staff:** Jennifer Joly (786-7300)

**Hearing Dates:** February 11, 1993; March 3, 1993

**BACKGROUND:**

The Growth Management Act (GMA), RCW 36.70A.070(6)(e), requires local jurisdictions who develop comprehensive plans to adopt and enforce ordinances which prohibit approval of development if the development causes the level of service on a transportation facility to decline below standards adopted in the transportation element of the comprehensive plan, unless transportation improvements or strategies to accommodate the impacts of development are made "concurrent with the development." That is, improvements must be in place at the time of the development, or a financial commitment must be in place to complete the necessary improvements within six years.

Currently, just cities and counties who are required to (or choose to) plan under the GMA are able to assess impact fees. There is no mechanism in place which would allow the state to access impact fees against developers for impacts to state-owned and operated facilities.

**SUMMARY:**

Local governments, in consultation with the relevant regional transportation planning organization, shall notify the Department of Transportation regarding any substantial development proposal that, if approved, would impact state-owned and operated facilities.

Substantial development proposals include, but are not limited to: industrial parks, shopping malls, large residential complexes, sports arenas, and convention centers.

If the department determines that the substantial development proposal would impact state-owned and operated facilities, the department requires the appropriate local government, in consultation with the relevant regional transportation planning organization, to assess a fee upon the developer to defray the cost of mitigating impacts to state-owned and operated facilities.

The amount of this fee must reflect a proportional share of the costs of system improvements which are reasonably related to the new development. The department must demonstrate that the assessed fee is reasonably necessary as a direct result of the proposed development.

If the local government fails to assess an impact fee adequate to alleviate a proportional share of the costs necessary to implement improvements to the state-owned and operated facilities necessitated by the substantial development, the requisite amount, as determined by the department, is withheld from the local government's portion of the fuel tax distribution as provided in RCW 46.68.

**EFFECT OF PROPOSED SUBSTITUTE:**

References to "state-owned and operated facilities" are modified by specifying that the facilities referred to are "state-owned and operated transportation facilities."

The initial reference to "the department" specifically refers to "the department of transportation."

A typographical error that read "state-owed" rather than "state-owned" is corrected.

The impacts caused by substantial development are specifically of regional import.

The impact fee imposition in Section 4 is no longer mandatory. However, the Department of Transportation is still required to evaluate substantial developments for impacts to state-owned and operated transportation facilities, in consultation with the relevant regional transportation planning organization. The department shall recommend to the appropriate local governments a fee which may be assessed by the local government upon the developer to defray the cost of mitigating regional impacts. If the local government should decide to impose an impact fee, it must consider the department's suggested fee amount.

The gas tax distribution withholding penalty for governments failing to assess impact fees necessitated by substantial developments is eliminated.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** available

**TESTIMONY FOR:**

Currently, just cities and counties who are required to plan under the Growth Management Act (GMA) are able to assess impact fees. This bill would provide a mechanism to allow the state, in this case the Department of Transportation, to assess impact fees against developers for impacts to state-owned and operated transportation facilities.

**TESTIMONY AGAINST:**

Current practices under the State Environmental Policy Act (SEPA) and the Growth Management Act (GMA) provide adequate assurances that impacts to state transportation facilities will be mitigated.

**TESTIFIED:** Senator Skratek, prime sponsor (pro); Don Rottle, Rottle's Department Store (pro); Bob Thornton, private citizen (pro); Gail Vincent, private citizen (pro); Dave Williams, Association of Cities (con); Steve Lancaster, City of Auburn (con)