

HOUSE BILL REPORT

HB 1972

As Reported By House Committee On:

Government Reform & Land Use

Title: An act relating to economic impact analysis of proposed actions by government.

Brief Description: Requiring an economic impact analysis of certain proposed government actions.

Sponsors: Representatives Bush, DeBolt, Cairnes, Reams, Thompson, Mulliken, Mielke, Sherstad, L. Thomas, Delvin, D. Schmidt, McMorris, Koster, Zellinsky, Talcott, Smith, Mastin and Johnson.

Brief History:

Committee Activity:

Government Reform & Land Use: 2/24/97, 2/26/97 [DP].

HOUSE COMMITTEE ON GOVERNMENT REFORM & LAND USE

Majority Report: Do pass. Signed by 7 members: Representatives Reams, Chairman; Cairnes, Vice Chairman; Sherstad, Vice Chairman; Bush; Mielke; Mulliken and Thompson.

Minority Report: Do not pass. Signed by 4 members: Representatives Romero, Ranking Minority Member; Lantz, Assistant Ranking Minority Member; Fisher and Gardner.

Staff: Joan Elgee (786-7135).

Background:

1. State Environmental Policy Act.

The State Environmental Policy Act (SEPA) was enacted in 1971. SEPA requires local governments and state agencies to prepare a detailed statement, or environmental impact statement (EIS), if proposed legislation or other major action may have a probable significant, adverse impact on the environment. The determination whether a detailed statement must be prepared involves a threshold determination and use of an environmental checklist. Some matters are categorically exempted from a threshold determination, as provided in rules adopted by the Department of Ecology.

If it appears that a probable significant, adverse, environmental impact may result, the proposal may be altered, or its probable significant, adverse impact mitigated, to remove the probable significant, adverse impact. If the probable significant, adverse, environmental impact remains, an environmental impact statement is prepared. The environmental impact statement is limited, or scoped, to address only the matter or matters that are determined under the threshold determination process to have a probable significant, adverse, environmental impact.

2. Growth Management Act.

The Growth Management Act (GMA) was enacted in 1990 and 1991 and established some requirements for all counties and cities and a larger number of requirements for counties and cities planning under all GMA requirements. Among other things, counties and cities planning under all GMA requirements must adopt: (1) comprehensive plans, which must address a number of elements and be consistent with statutorily established goals; and (2) development regulations implementing their comprehensive plans.

Legislation was enacted in 1995, as a part of the recommendations from the Governor's Task Force on Regulatory Reform, to establish a number of additional requirements for counties and cities planning under the GMA. Such counties and cities are encouraged to adopt broad, detailed statements, or enhanced environmental impact statements, on comprehensive plans and development regulations adopted under the GMA that have environmental impact. Such statements should be consistent with the comprehensive plan and development regulations.

Summary of Bill: Whenever a county or city prepares a detailed statement, or environmental impact statement, of a comprehensive plan or subarea plan adopted under the Growth Management Act, it must also analyze the potential economic impacts arising from the proposal, including economic impacts on property owners.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This is important legislation which protects the rights of property owners.

Testimony Against: We have questions about what scope of analysis is intended.

Testified: Representative Bush, prime sponsor (pro); Dave Williams, Association of Washington Cities (comments); and Paul Parker, Washington State Association of

Counties (comments).