

HOUSE BILL REPORT

HB 2170

As Reported By House Committee On:
Trade & Economic Development

Title: An act relating to investments of state-wide significance.

Brief Description: Expediting projects of state-wide significance.

Sponsors: Representatives Pennington, Sheldon and Ogden.

Brief History:

Committee Activity:

Trade & Economic Development: 3/5/97 [DPS].

HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 8 members: Representatives Van Luven, Chairman; Dunn, Vice Chairman; Veloria, Ranking Minority Member; Sheldon, Assistant Ranking Minority Member; Alexander; Mason; McDonald and Morris.

Minority Report: Without recommendation. Signed by 1 member: Representative Ballasiotes.

Staff: Kenny Pittman (786-7392).

Background: Major industrial investments can have a significant impact on a city's or a county's regulatory process and economic well-being. State recognition of and assistance with major industrial investments or economic development projects can expedite their completion.

Summary of Substitute Bill: A process to expedite the development of industrial projects of statewide significance is created. Local governments (cities and counties) that have comprehensive plans must develop a process to expedite the review, approval, permitting, and completion of projects of statewide significance.

The local government must notify the Department of Community, Trade and Economic Development (CTED) within 10 days of receipt of an application to develop a project of statewide significance in the local government. The information

to CTED must contain information on project type, amount of public and private investment, and local government contact person.

The CTED must assign an ombudsman to each project of statewide significance to assemble a team of state, local government, and private officials to help meet the project's planning and development needs. Members of the team include those with responsibility over planning, permitting and licensing, infrastructure development, work force development services, transportation services, and the provision of utilities for the specific project of statewide significance. The CTED must create a fee structure to charge a developer of a project of statewide significance a fee to cover the costs of the ombudsman service. The fees charged by CTED are based on a percentage of the costs of the project.

Project of statewide significance— means a manufacturing or research and development project where the initial construction is started after July 1, 1997, and (1) the amount of investment is equal to or greater than \$1,000 times the population of the county where the project is located; or (2) is designated a project of statewide significance by the director of CTED.

Substitute Bill Compared to Original Bill: The substitute bill has provisions to allow the director of CTED to designate a project of statewide significance if the project does not meet the investment threshold. A fee structure is created for the services of the CTED ombudsman. The fee structure is based on a percentage of the project costs.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: There is a need to speed up the approval process for major industrial projects. This bill would have the government and private sector working together to expedite the approval and development of major projects. Government needs a way to help recover some of the costs of the ombudsman. The fee ability to charge fees for this important service is an important addition to the bill.

Testimony Against: None.

Testified: Diane Nelson, Couriers (pro); and Randy Lewis, city of Tacoma (pro with concerns).