

~~Government Reform and Land~~ Use Committee

BILL ANALYSIS HB 2670

Title of the Bill: Eliminating grant and loan preferences for growth management act planning.

What this Bill Does: Eliminates the preference state agencies must give to jurisdictions planning under the GMA in the award of grants or loans to finance public facilities.

Sponsors: Representatives McMorris, Sump, Mulliken, Schoesler, Chandler, Reams, Honeyford, Sheahan and Buck.

Hearing Date: 2/2/98

Fiscal Note: Not Requested.

Analysis Prepared By: Joan Elgee, 786-7135

BACKGROUND:

The Growth Management Act (GMA) was enacted in 1990 and 1991. The GMA establishes requirements for all counties in the state, and imposes additional requirements for the faster growing counties. A city follows the lead of the county in which it is located. Counties and cities that are subject to all the requirements of the GMA are typically referred to as counties and cities that plan under the GMA.

The basic GMA planning requirements are the:

- Adoption of a **county-wide planning policy**, which is a framework from which comprehensive plans are developed. The policy must address, among other things, the siting of public capital facilities of a county-wide or state-wide nature.
- Designation of **urban growth areas**;
- Adoption of a **comprehensive plan**; and
- Adoption of **development regulations** implementing the comprehensive plan.

The Legislature has enacted several provisions to give counties and cities planning under the GMA additional sources of revenue to finance capital facilities. Counties and cities may impose a local option .25 percent excise tax on the sale or transfer of real estate (REET) to

finance capital facilities and projects. Counties and cities may also impose impact fees on development activities to finance specified improvements.

The Legislature has also specified that when a state agency is considering awarding grants or loans for a county or city to finance public facilities, it must consider whether the county or city is a party to a county-wide planning policy under the GMA relating to the type of public facilities for which the grant or loan is sought. The agency must give additional preference to the county or city if such a county-wide planning policy exists. When an agency considers grants or loans to a special district for public facilities it must also consider whether the county or city in whose planning jurisdiction the special district is located is a party to a county-wide planning policy relating to the public facilities.

Grants in which this preference applies include grants from the Interagency Committee for Outdoor Recreation and grants from the Public Works Trust Fund.

SUMMARY:

The preference state agencies must grant to counties and cities planning under the GMA when awarding grants or loans to finance public facilities is eliminated.

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