

HOUSE BILL REPORT

ESSB 5983

As Reported By House Committee On:

Trade & Economic Development

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

Brief Description: Assisting industrial investments and projects of state-wide significance.

Sponsors: Senate Committee on Commerce & Labor (originally sponsored by Senators Schow, Bauer, Snyder, Heavey and Patterson).

Brief History:

Committee Activity:

Trade & Economic Development: 3/27/97, 4/3/97 [DP].

HOUSE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

Majority Report: Do pass. Signed by 8 members: Representatives Van Luven, Chairman; Dunn, Vice Chairman; Veloria, Ranking Minority Member; Sheldon, Assistant Ranking Minority Member; Alexander; Ballasiotes; McDonald and Morris.

Staff: Kenny Pittman (786-7392).

Background: Major industrial investments can have a significant impact on a city's or 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 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 include a process, to be followed at their option for a specific project, for expediting the completion of industrial projects of statewide significance.

An industrial project of statewide significance is defined as either a border crossing that involves both private and public investments or a private capital investment in manufacturing or research and development. The capital investment requirements are based on the size of the county where the project is located. The capital investment requirements range from \$20 million for a project located in a county with a

population of 20,000 or less, to \$1 billion for a project located in a county with a population greater than one million. The director of the Department of Community, Trade and Economic Development (DCTED) may designate a project that does not meet the stated requirements as an industrial project of statewide significance if (1) the project is located in a distressed area and the economic circumstances of the county merit the additional assistance; or (2) the impact on the region, due to project size and complexity, merits such designation.

The DCTED must assign an ombudsman to each industrial project of statewide significance. The DCTED ombudsman must assemble a team of state and local government and private officials to help meet the project's planning and development needs of each project. The members of the team include those with responsibility for planning, permitting and licensing, infrastructure development, work force development services, transportation services, and the provision of utilities.

The Work Force Training and Education Coordinating Board must revise its comprehensive plan for work force training and education to address how a state's work force development system will meet employer hiring needs for industrial projects of statewide significance.

The Higher Education Coordinating Board must revise its comprehensive plan for higher education policy to include how the state's higher education system can meet employer hiring needs for industrial projects of statewide significance.

The Department of Ecology (DOE) must revise its various planning documents to address how the department will expedite the completion of industrial projects of statewide significance. The DOE and appropriate local government must also include in the master programs, adopted under the Shorelines Management Act, an economic development element for the location and design of industrial projects of statewide significance.

The Washington State Department of Transportation, as part of its state transportation policy plan, must address how the department will meet the transportation needs and expedite the completion of industrial projects of statewide significance.

The state Board of Education may provide additional state assistance to school districts that face a special school housing burden because of the development of industrial projects of statewide significance in their boundaries.

Appropriation: None.

Fiscal Note: Available (majority of bill). Requested on March 19, 1997 (Section 9).

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

Testimony For: The bill makes sense and is long overdue. Speeding up the development process by expediting the permitting and licensing of major industrial projects benefits everyone. State agencies will have the flexibility and mandate to work with individual projects to meet each one's specific development needs. The capital investment thresholds are a little high, but are workable.

Testimony Against: None.

Testified: Bob Levin, Columbia River Economic Development Council (Pro); and Randy Lewis, city of Tacoma (Pro).