## SENATE BILL REPORT

## EHB 2897

As Reported By Senate Committee On: Agriculture & Environment, February 26, 1998

**Title:** An act relating to categorical exemptions from the state environmental policy act for certain activities.

**Brief Description:** Exempting certain activities from the state environmental policy act.

**Sponsors:** Representatives Reams, Grant, Schoesler, Sheahan, Doumit, Pennington, Hatfield, Mulliken, Sherstad, Thompson, Cairnes, Sullivan, Benson, Koster, McMorris, Bush, Dunn, Mielke, Crouse, Chandler and Zellinsky.

## **Brief History:**

Committee Activity: Agriculture & Environment: 2/26/98 [DP, DNP].

## SENATE COMMITTEE ON AGRICULTURE & ENVIRONMENT

Majority Report: Do pass.

Signed by Senators Morton, Chair; Swecker, Vice Chair; Newhouse and Oke.

**Minority Report:** Do not pass.

Signed by Senator Fraser.

**Staff:** Kari Guy (786-7437)

**Background:** The State Environmental Policy Act (SEPA) requires local governments and state agencies to prepare a detailed statement on the environmental impact of any proposed legislation or major action. Major actions are defined by rule as project or nonproject actions that are likely to have significant adverse environmental impacts. The act specifies certain actions that are exempt from SEPA review, and directs the Department of Ecology to adopt rules to specify additional categories of governmental actions that should be exempt from SEPA review.

<u>Land Use Decisions</u>: The Department of Ecology SEPA rules include flexible threshold exemptions for minor new construction. The rule specifies minimum thresholds for exemptions, and allows cities and counties to raise the exemption to the maximum level by ordinance or resolution. The minimum and maximum exemption levels established for minor new construction activities include the following:

- (1) The construction of a residential structure of four to 20 dwelling units;
- (2) The construction of an office or commercial structure of 4,000 to 12,000 square feet, and associated parking;
- (3) The construction of a parking lot for 20 to 40 automobiles; and

(4) Landfill or excavation of 500 cubic yards.

In addition to the categorical exemptions for minor new construction, an exemption is provided for the approval of a short subdivision. A short subdivision is the division of land into four or fewer lots. The legislative authority of a city or town may increase the number of lots in a short subdivision to a maximum of nine.

<u>Watershed Plans</u>: Watershed plans adopted by local governments may be considered a major action requiring SEPA review.

**Summary of Bill:** <u>Land Use Decisions</u>: Decisions pertaining to the following actions are exempt from the State Environmental Policy Act within urban growth areas:

- (1) The construction of a residential structure of ten or fewer dwelling units;
- (2) The construction of an office or commercial structure of 8,000 square feet, and associated parking;
- (3) The construction of a parking lot for 40 or fewer automobiles;
- (4) Fill or excavation of 500 cubic yards over the lifetime of the fill or excavation; and
- (5) Division of land into nine or fewer lots.

The legislative authority of a city or county may raise the exemption for residential structures to 20 dwelling units, and for an office or commercial structure to 12,000 square feet.

<u>Watershed Plans</u>: Decisions pertaining to preparation and adoption of watershed plans addressing water quality that are developed by counties or conservation districts outside of the Puget Sound area are exempt from SEPA review if the following conditions are met:

- (1) The plan must be developed by a watershed management committee which includes representatives from cities and counties; federal Indian reservations; special purpose districts; interest groups; landowners; and state and federal agencies; and
- (2) At least one public hearing on the plan is held within the planning area.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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

**Testimony For:** Many jurisdictions are not currently meeting the 120-day time requirements for permit issuance. SEPA exemptions will decrease the time required to process permits, provide certainty to developers, and can provide lower cost housing. Critical area regulations will still apply, so environmental protection will not be threatened.

**Testimony Against:** Changing the threshold for SEPA exemptions will reduce flexibility for local governments. This will reduce the ability to use SEPA process to address cumulative environmental impacts. The Department of Ecology is initiating a comprehensive review of SEPA categorical exemptions; this should be addressed through the rule-making process.

**Testified:** PRO: John Woodring, WA Association of Realtors; CON: Stan Biles, DNR; Steve Wehrly, Muckelshoot Tribe; Mike Ryherd, 1,000 Friends of Washington; Peter Birch, Department of Fish and Wildlife, Tom Nark, Ecology; Jodi Walker, BIAW; Patrick Hewes.