H-0764.1	

HOUSE BILL 1941

57th Legislature

2001 Regular Session

By Representatives Doumit and Dunshee

State of Washington

Read first time 02/09/2001. Referred to Committee on Local Government & Housing.

- AN ACT Relating to enhancing efficiency in permit processes; amending RCW 58.17.095, 36.70B.060, 36.70B.140, and 36.70B.150; adding new sections to chapter 43.21A RCW; adding a new section to chapter 47.01 RCW; adding a new section to chapter 77.55 RCW; adding a new section to chapter 36.70B RCW; adding a new section to chapter 64.40 RCW; creating new sections; and providing an expiration date.
- 7 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 8 NEW SECTION. **Sec. 1.** The legislature finds that facilitating the environmental permit process will increase citizen satisfaction and 9 10 compliance with state and local permit requirements. Lack of coordination in the processing of permit applications causes costly 11 12 delays and frustration to the applicant. The public deserves a clear, 13 predictable system for land-use decisions. The legislature also finds 14 that permit issuance can be expedited by requiring state agencies and 15 local jurisdictions to coordinate their permit processes.
- NEW SECTION. **Sec. 2.** A new section is added to chapter 43.21A RCW to read as follows:

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- 1 (1) It is the intent of this section to provide an interagency 2 forum for the discussion of significant issues related to the 3 permitting processes and use authorizations for projects that are 4 proposed on state-owned aquatic lands where there are multiple permits, 5 programs, and legal authorities involved.
- (2) It is a goal of this section to encourage all agencies and 6 7 local governments involved in issuing permits or granting use 8 authorizations for a single project on state-owned aquatic lands to 9 communicate with each other on a timely basis and early in the project 10 review process in order to maximize coordination, facilitate problem resolution, promote the effectiveness of permit decisions, and enhance 11 citizen understanding and involvement in the permit process. 12 13 also a goal of this section that all permitting or authorizing federal and state agencies, local governments, and tribal governments be 14 15 involved in coordinating their respective roles related to permits or use authorizations from the outset of any review process. 16
- 17 (3) For the purposes of this section, "aquatic lands" means 18 "aquatic lands" as defined in RCW 79.90.010.
- 19 (4) The applicant may submit a joint aquatic resource permit 20 application to the department if a project proposed for the use of 21 state-owned aquatic lands requires:
 - (a) A hydraulic project approval under chapter 77.55 RCW;
- 23 (b) A wastewater discharge permit under chapter 90.48 RCW, or a 24 federal clean water act section 401 certification; and
 - (c) A substantial development permit under chapter 90.58 RCW.
- 26 (5) If requested by the applicant, the department shall facilitate a project scoping meeting including the project applicant, the 27 department, the department of natural resources, the department of fish 28 29 and wildlife, and the local governments in whose jurisdiction the 30 project is proposed. Federal agencies and tribal governments that either issue or may require a permit or that may require a use 31 authorization for the project shall each be invited to name a 32 33 representative to participate in the coordinated permit review process 34 for proposed projects on state-owned aquatic lands. All participating 35 agencies are encouraged to remain in communication for purposes of coordination throughout the permit review processes until final permit 36 37 decisions are made.
- 38 (6) The purpose of the scoping meeting is to share perspectives and 39 identify the issues and information needs of concern to each

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- participant with regard to the proposed project, and jointly develop a
 strategy for coordinating permitting and issuance of use authorization
 issues. This project scoping process shall be concluded within sixty
- 3 issues. This project scoping process shall be concluded within sixty
- 4 days of the date of receipt of the joint aquatic resource permit 5 application by the permit assistance center.
- 6 (a) During this review, the participating agencies shall identify:
- 7 (i) The specific information needs and issues of concern and their 8 significance to each participant with regard to the permitting 9 processes involved;
- 10 (ii) Any statutory or regulatory conflicts that might arise 11 relating to differing legal authorities and roles of the agencies 12 issuing the permit or use authorization of the project;
- (iii) Any state or local jurisdiction or private sector liability that might result from permitting or issuing a use authorization for the project; and
- 16 (iv) Any natural resources, including federal or state listed 17 species, that might be adversely affected by the permitting or 18 authorizing decision.
- 19 (b) Following this project scoping review, the outcome shall be 20 documented in written form and furnished to the applicant, and be 21 available to the public.
- (c) Upon completion of this review, the permitting and authorizing agencies and governments shall proceed according to their respective statutes. Nothing in this section may prevent the parties from reconvening later in the course of the permitting or use authorization process.
- NEW SECTION. **Sec. 3.** A new section is added to chapter 47.01 RCW to read as follows:
- 29 The legislature recognizes that the department is working with 30 state and federal agencies to address transportation construction and maintenance program impacts so that these programs 31 requirements of the federal clean water act and the consultation 32 33 requirements of the federal endangered species act. The legislature 34 supports the department's efforts in this regard and encourages the department to work collaboratively with local governments and other 35 36 interested parties during these consultations, and to provide local governments and other interested parties with opportunity to 37 participate in this process to the extent practicable. 38

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- 1 The department shall report by December 1st of each year to the
- 2 legislature the status of any programmatic consultation developed under
- 3 this section.
- 4 NEW SECTION. Sec. 4. A new section is added to chapter 43.21A RCW
- 5 to read as follows:
- 6 The legislature recognizes that the department is working with
- 7 state and federal agencies to coordinate the permitting requirements of
- 8 the federal clean water act and the consultation requirements of the
- 9 federal endangered species act. The legislature supports the
- 10 department's efforts in this regard and encourages the department to
- 11 work collaboratively with local governments and other interested
- 12 parties during these consultations, and to provide local governments
- 13 and other interested parties with opportunity to participate in this
- 14 process to the extent practicable.
- The department shall report by December 1st of each year to the
- 16 legislature the status of any programmatic consultation developed under
- 17 this section.
- 18 **Sec. 5.** RCW 58.17.095 and 1986 c 233 s 1 are each amended to read
- 19 as follows:
- 20 (1) A county, city, or town may adopt an ordinance providing for
- 21 the administrative review of a preliminary plat without a public
- 22 hearing ((by adopting an ordinance providing for such administrative
- 23 review)). The ordinance may specify a threshold number of lots in a
- 24 subdivision above which a public hearing must be held, and may specify
- 25 other factors which necessitate the holding of a public hearing. ((The
- 26 administrative review process shall include))
- 27 (2) If the county, city, or town has not adopted consolidated
- 28 permitting procedures and time frames as provided in chapter 36.70B
- 29 RCW, it shall conduct administrative review of preliminary plats
- 30 consistent with the following minimum conditions:
- 31 $((\frac{1}{1}))$ <u>(a)</u> The notice requirements of RCW 58.17.090 shall be
- 32 followed, except that the publication shall be made within ten days of
- 33 the filing of the application. Additionally, at least ten days after
- 34 the filing of the application notice both shall be: $((\frac{a}{a}))$ (i) Posted
- 35 on or around the land proposed to be subdivided in at least five
- 36 conspicuous places designed to attract public awareness of the
- 37 proposal; and $((\frac{b}{b}))$ (ii) mailed to the owner of each lot or parcel of

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property located within at least three hundred feet of the site. The applicant shall provide the county, city, or town with a list of such property owners and their addresses. The notice shall include notification that no public hearing will be held on the application, except as provided by this section. The notice shall set out the procedures and time limitations for persons to require a public hearing and make comments.

 $((\frac{2}{2}))$ (b) Any person shall have a period of twenty days from the date of the notice to comment upon the proposed preliminary plat. All comments received shall be provided to the applicant. The applicant has seven days from receipt of the comments to respond thereto.

(((3))) (c) A public hearing on the proposed subdivision shall be held if any person files a request for a hearing with the county, city, or town within twenty-one days of the publishing of such notice. If such a hearing is requested, notice requirements for the public hearing shall be in conformance with RCW 58.17.090, and the ninety-day period for approval or disapproval of the proposed subdivision provided for in RCW 58.17.140 shall commence with the date of the filing of the request for a public hearing. Any hearing ordered under this subsection shall be conducted by the planning commission or hearings officer as required by county or city ordinance.

 $((\frac{4}{}))$ (d) On its own initiative within twenty-one days of the filing of the request for approval of the subdivision, the governing body, or a designated employee or official, of the county, city, or town, shall be authorized to cause a public hearing to be held on the proposed subdivision within ninety days of the filing of the request for the subdivision.

(((5))) <u>(e)</u> If the public hearing is waived as provided in this section, the planning commission or planning agency shall complete the review of the proposed preliminary plat and transmit its recommendation to the legislative body as provided in RCW 58.17.100.

(3) If the county, city, or town has adopted consolidated permitting procedures and time frames as provided in chapter 36.70B RCW, it may conduct administrative review of preliminary plats consistent with its procedures and time frames. At a minimum, local permitting procedures and time frames related to administrative review of preliminary plats shall provide for:

38 <u>(a) Notice of application by publication, posting, and mailing.</u>
39 All forms of notice shall include a prominent statement that no public

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- 1 hearing will be held on the application, except as provided by this
- 2 section. All forms of notice shall clearly state procedures and time
- 3 frames for persons to make comments on the proposal and request \underline{a}
- 4 public hearing;
- 5 (b) Written comments on the application by any person. Comments
- 6 received shall be provided to the applicant, and the applicant shall
- 7 have seven days from receipt of the comments to respond thereto;
- 8 (c) A public hearing on the application if any person files a
- 9 request for a hearing within the time frame specified. If a hearing is
- 10 requested, notice requirements for the public hearing and the time
- 11 frame for approval or disapproval of the application shall be
- 12 consistent with other local permitting procedures. Any hearing
- 13 conducted under this subsection shall be conducted by the planning
- 14 <u>commission or hearing officer as required by local ordinance;</u>
- 15 (d) A public hearing on the application if the legislative or
- 16 <u>executive branch of the county, city, or town so requests within the</u>
- 17 time frame specified;
- 18 (e) Expedited agency review and transmittal of its recommendation
- 19 on the application to the legislative body of the county, city, or
- 20 town, if there is no request for public hearing.
- 21 <u>NEW SECTION</u>. **Sec. 6.** A new section is added to chapter 77.55 RCW
- 22 to read as follows:
- 23 The legislature recognizes that the department is working with
- 24 state and federal agencies to coordinate the permitting requirements of
- 25 the federal clean water act and the consultation requirements of the
- 26 federal endangered species act. The legislature supports the
- 27 department's efforts in this regard and encourages the department to
- 28 work collaboratively with local governments and other interested
- 29 parties during these consultations, and to provide local governments
- 30 and other interested parties with opportunity to participate in this
- 31 process to the extent practicable.
- 32 The department shall report by December 1st of each year to the
- 33 legislature the status of any programmatic consultation developed under
- 34 this section.
- 35 <u>NEW SECTION</u>. **Sec. 7.** A new section is added to chapter 36.70B RCW
- 36 to read as follows:

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(1) Except as otherwise provided in subsection (2) of this section, 1 a local government planning under RCW 36.70A.040 shall issue its notice 2 of final decision on a project permit application within one hundred 4 twenty days after the local government notifies the applicant that the application is complete, as provided in RCW 36.70B.070. In determining the number of days that have elapsed after the local government has notified the applicant that the application is complete, the following periods shall be excluded:

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- 9 (a)(i) Any period during which the applicant has been requested by 10 the local government to correct plans, perform required studies, or provide additional required information. 11 The period shall be calculated from the date the local government notifies the applicant of 12 13 the need for additional information until the earlier of the date the local government determines whether the additional information 14 15 satisfies the request for information or fourteen days after the date the information has been provided to the local government. 16
- 17 (ii) If the local government determines that the information submitted by the applicant under (a)(i) of this subsection is 18 19 insufficient, it shall notify the applicant of the deficiencies and the 20 procedures under (a)(i) of this subsection shall apply as if a new request for studies had been made; 21
- (b) Any period during which an environmental impact statement is 22 being prepared following a determination of significance pursuant to 23 24 chapter 43.21C RCW, if the local government by ordinance or resolution has established time periods for completion of environmental impact 26 statements, or if the local government and the applicant in writing agree to a time period for completion of an environmental impact statement;
- 29 (c) Any period for administrative appeals of project permits, if an 30 open record appeal hearing or a closed record appeal, or both, are The local government by ordinance or resolution shall 31 establish a time period to consider and decide such appeals. The time 32 period shall not exceed: (i) Ninety days for an open record appeal 33 hearing; and (ii) sixty days for a closed record appeal. The parties 34 35 to an appeal may agree to extend these time periods; and
- (d) Any extension of time mutually agreed upon by the applicant and 36 37 the local government.
- (2) The time limits established by subsection (1) of this section 38 39 do not apply if a project permit application:

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- 1 (a) Requires an amendment to the comprehensive plan or a 2 development regulation;
- 3 (b) Requires approval of a new fully contained community as 4 provided in RCW 36.70A.350, a master planned resort as provided in RCW 36.70A.360, or the siting of an essential public facility as provided 6 in RCW 36.70A.200; or
- 7 (c) Is substantially revised by the applicant, in which case the 8 time period shall start from the date at which the revised project 9 application is determined to be complete under RCW 36.70B.070.
- 10 (3) If the local government is unable to issue its final decision 11 within the time limits provided for in this section, it shall provide 12 written notice of this fact to the project applicant. The notice shall 13 include a statement of reasons why the time limits have not been met 14 and an estimated date for issuance of the notice of final decision.
- 15 (4) This section shall apply to project permit applications filed 16 on or after September 1, 2001.
- NEW SECTION. **Sec. 8.** A new section is added to chapter 64.40 RCW to read as follows:
- A local government is not liable for damages under this chapter due to the local government's failure to make a final decision within the time limits established in section 7 of this act.
- 22 **Sec. 9.** RCW 36.70B.060 and 1995 c 347 s 407 are each amended to 23 read as follows:
- Not later than March 31, 1996, each local government planning under RCW 36.70A.040 shall establish by ordinance or resolution an integrated and consolidated project permit process that may be included in its development regulations. In addition to the elements required by RCW 36.70B.050, the process shall include the following elements:
- 29 (1) A determination of completeness to the applicant as required by 30 RCW 36.70B.070;
- 31 (2) A notice of application to the public and agencies with 32 jurisdiction as required by RCW 36.70B.110;
- 33 (3) Except as provided in RCW 36.70B.140, an optional consolidated 34 project permit review process as provided in RCW 36.70B.120. The 35 review process shall provide for no more than one consolidated open 36 record hearing and one closed record appeal. If an open record 37 predecision hearing is provided prior to the decision on a project

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- 1 permit, the process shall not allow a subsequent open record appeal 2 hearing;
- 3 (4) Provision allowing for any public meeting or required open 4 record hearing to be combined with any public meeting or open record 5 hearing that may be held on the project by another local, state, 6 regional, federal, or other agency, in accordance with provisions of 7 section 7 of this act and RCW ((36.70B.090 and)) 36.70B.110;
- 8 (5) A single report stating all the decisions made as of the date 9 of the report on all project permits included in the consolidated 10 permit process that do not require an open record predecision hearing and any recommendations on project permits that do not require an open 11 record predecision hearing. The report shall state any mitigation 12 13 required or proposed under the development regulations or the agency's authority under RCW 43.21C.060. The report may be the local permit. 14 15 If a threshold determination other than a determination of significance has not been issued previously by the local government, the report 16 17 shall include or append this determination;
- (6) Except for the appeal of a determination of significance as 18 19 provided in RCW 43.21C.075, if a local government elects to provide an 20 appeal of its threshold determinations or project permit decisions, the local government shall provide for no more than one consolidated open 21 record hearing on such appeal. The local government need not provide 22 23 for any further appeal and may provide an appeal for some but not all 24 project permit decisions. If an appeal is provided after the open 25 record hearing, it shall be a closed record appeal before a single 26 decision-making body or officer;
- (7) A notice of decision as required by RCW 36.70B.130 and issued within the time period provided in <u>section 7 of this act and RCW 36.70B.080 ((and 36.70B.090));</u>
- (8) Completion of project review by the local government, including environmental review and public review and any appeals to the local government, within any applicable time periods under ((RCW 36.70B.090)) section 7 of this act; and
- 34 (9) Any other provisions not inconsistent with the requirements of this chapter or chapter 43.21C RCW.
- 36 **Sec. 10.** RCW 36.70B.140 and 1995 c 347 s 418 are each amended to 37 read as follows:

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- (1) A local government by ordinance or resolution may exclude the 1 2 following project permits from the provisions of RCW 36.70B.060 through 3 ((36.70B.090)) 36.70B.080, section 7 of this act, and 36.70B.110 4 through 36.70B.130: Landmark designations, street vacations, or other 5 approvals relating to the use of public areas or facilities, or other project permits, whether administrative or quasi-judicial, that the 6 7 local government by ordinance or resolution has determined present special circumstances that warrant a review process different from that 8 9 provided in RCW 36.70B.060 through ((36.70B.090)) <u>36.70B.080</u>, section 10 7 of this act, and 36.70B.110 through 36.70B.130.
- 11 (2) A local government by ordinance or resolution also may exclude 12 the following project permits from the provisions of RCW 36.70B.060 and 13 36.70B.110 through 36.70B.130: Lot line or boundary adjustments and 14 building and other construction permits, or similar administrative 15 approvals, categorically exempt from environmental review under chapter 16 43.21C RCW, or for which environmental review has been completed in 17 connection with other project permits.
- 18 **Sec. 11.** RCW 36.70B.150 and 1995 c 347 s 419 are each amended to 19 read as follows:
- A local government not planning under RCW 36.70A.040 may incorporate some or all of the provisions of RCW 36.70B.060 through ((36.70B.090)) 36.70B.080, section 7 of this act, and 36.70B.110 through 36.70B.130 into its procedures for review of project permits or other project actions.
- NEW SECTION. **Sec. 12.** (1) A task force is created to review issues related to local project review processes and requirements and to provide the legislature with recommendations related to:
- 28 (a) Streamlining the process of local project review to reduce the 29 administrative and development costs and time associated with 30 development proposals;
- 31 (b) Improving coordination between federal, state, and local 32 permitting authorities related to processing development project 33 applications;
- (c) Consolidating statutes and merging standards governing local project review;

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1 (d) Providing flexibility and funding for local governments to 2 conduct comprehensive environmental review in advance of development 3 proposals; and

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- (e) Achieving a more effective and cost-efficient permit system while ensuring environmental protection and compliance with federal and state environmental laws.
- 7 (2) The task force shall consist of eight members as follows: Four 8 legislative members, appointed by the cospeakers of the house of 9 representatives and the majority and minority leaders of the senate, including one each from the two largest caucuses of the house of 10 representatives and the senate; one representative each from the 11 association of Washington cities and the Washington state association 12 of counties; and one representative each from the department of 13 community, trade, and economic development and the department of 14 15 ecology.
- (3) The task force may appoint an advisory committee to assist with 16 17 consideration of issues and to provide comment on proposals for legislative recommendations. The advisory committee should include 18 19 representatives from a variety of interest groups, including but not limited to agencies, planners, land use attorneys, tribes, developers, 20 realtors, and environmental organizations. The staff of senate 21 committee services and the office of program research of the house of 22 representatives shall provide support to the task force. 23
- 24 (4) The task force shall submit a report of its recommendations to 25 the governor and the legislature by December 1, 2001.
- NEW SECTION. Sec. 13. Sections 8 and 12 of this act expire June 30, 2002.

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