

HOUSE BILL REPORT

HB 1769

As Reported by House Committee On:
Local Government
Appropriations

Title: An act relating to timelines and funding for implementation of guidelines for shoreline master programs.

Brief Description: Establishing a schedule of time limits under which local governments must develop or amend shoreline master plans.

Sponsors: Representatives Romero, Cooper, Dunshee, Linville and Edwards; by request of Governor Locke.

Brief History:

Committee Activity:

Local Government: 2/27/03, 3/5/03 [DPS];

Appropriations: 3/8/03 [DPS(LG)].

Brief Summary of Substitute Bill

- Replaces the Shoreline Management Act (SMA) provision requiring local governments to develop or amend shoreline master programs within 24 months after the adoption of guidelines by the Department of Ecology (DOE) with a schedule established by the Legislature.
- Eliminates the limits on grants authorized and administered by the DOE to local governments for shoreline master program development.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 6 members: Representatives Romero, Chair; Upthegrove, Vice Chair; Jarrett, Assistant Ranking Minority Member; Berkey, Clibborn, and Moeller.

Minority Report: Do not pass. Signed by 4 members: Representatives Schindler, Ranking Minority Member; Ahern, Ericksen and Mielke.

Staff: Ethan Moreno (786-7386).

Background:

The Shoreline Management Act (SMA) governs the uses of state shorelines. The SMA requires all counties and cities with shorelines of the state to adopt master programs which regulate land use activities in shoreline areas of the state.

The SMA also requires the Department of Ecology (DOE) to adopt state shoreline master program guidelines for local governments to use when developing their master programs. Local governments must develop or amend shoreline master programs within 24 months after the adoption of guidelines by the DOE.

The DOE is authorized to make and administer grants of legislatively appropriated funds to local governments for developing master programs. Grants must not be made in an amount in excess of the recipient's contribution to the estimated cost of the program.

Summary of Substitute Bill:

The SMA provision requiring local governments to develop or amend shoreline master programs within 24 months after the adoption of guidelines by the DOE is replaced with a staggered schedule established by the Legislature. The initial completion for developing or amending master programs under the established schedule would occur on or before December 1, 2005, and continue through December 1, 2014. Counties and cities designated as "early adopters" must develop or amend their master programs according to a separate specified schedule. Following the initial round developing and amending of master programs, counties and cities are required to amend master programs every seven years.

Substitute Bill Compared to Original Bill:

The substitute bill establishes a statutory schedule for developing and amending shoreline master programs by local governments following the adoption of state shoreline guidelines by the DOE. The substitute bill also includes provisions for developing and amending master programs before the established schedule.

Amendatory language stating legislative intent and other provisions for the act is removed.

Appropriation: None.**Fiscal Note:** Available.**Effective Date of Substitute Bill:** The bill takes effect 90 days after adjournment of

session in which bill is passed.

Testimony For: This bill replaces the insufficient 24-month requirement in present law with a staggered schedule for updating master programs. This bill represents a major step forward toward resolving difficult issues. This bill should move forward and allow negotiations with cities and counties to continue. The staggered timeframe of this bill represents a reasonable approach to scheduling master program updates. The Governor's budget includes \$2 million for the initial master program updates. The language of the bill represents both a negotiated settlement and good public policy.

Testimony Against: This bill addresses complicated issues, references a schedule and rules that do not exist, and has unknown associated costs. This bill will be expensive to implement and may represent a transfer of burden— from the state to cities. A dedicated fund to cover the costs of developing or amending master programs would offer assurances to local governments. The capacity to comply with the provisions of this bill will not exist without full funding two years prior to completion of master program updates.

Testified: Jay Manning, Washington Environmental Council; Gary Chandler and Kristen Sawin, Association of Washington Business; Tom Fitzsimmons, Department of Ecology; Ron Schultz, Office of the Governor; and Willy O'Neil, Association of General Contractors of Washington.

(Against) Dave Williams, Association of Washington Cities; Robert Mack, Cities of Bellevue, Lakewood, Tacoma, and Spokane; and Scott Merriman, Washington State Association of Counties.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Local Government be substituted therefor and the substitute bill do pass. Signed by 21 members: Representatives Sommers, Chair; Fromhold, Vice Chair; Alexander, Buck, Cody, Conway, Cox, DeBolt, Dunshee, Grant, Hunter, Kagi, Kenney, Kessler, Linville, McDonald, McIntire, Miloscia, Pflug, Ruderman and Schual-Berke.

Minority Report: Do not pass. Signed by 6 members: Representatives Sehlin, Ranking Minority Member; Pearson, Assistant Ranking Minority Member; Boldt, Clements, Sump and Talcott.

Staff: Patricia Linehan (786-7178).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Local Government:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: The bill establishes a reasonable time schedule for local governments to update their shoreline master programs and eliminates the 50 percent match requirement for local governments. This bill is the legislative piece needed to move forward with shoreline guidelines as a result of the settlement with the Association of Washington Businesses (AWB) and the Washington Environmental Council, who are lead plaintiffs. Local governments are concerned about funding. This legislation extends the current two year schedule for local governments to adopt their revised shoreline master programs. The Governor's proposed 2003-05 budget provides \$2 million to get those plans implemented in the next biennium. It is not often that the environmental community and the AWB and the other litigation parties settle on an issue of this magnitude, so we urge you to pass this bill and keep negotiations open. An item in this bill that will help with some of the fiscal concerns is allowing some early adoption jurisdictions to begin early adoption, so that additional fiscal considerations can be identified.

(With concerns) Serious discussions regarding a funding resolution are currently taking place. Without funding, there would be opposition to this bill. If funding is not provided along with this obligation, then litigation is expected. The \$20 million cost estimates identified in the fiscal note are probably low, because this is going to be an expensive undertaking. These costs were based upon a set of guidelines that were from a previous time and the true costs are still unknown.

Testimony Against: None.

Testified: (In support) Clifford Traismar, Washington Environmental Council, Washington Conservation Voters; Kristen Sawin, Association of Washington Business; Willy O'Neil, Association of General Contractors of Washington; and Ted Sterdevant, Department of Ecology.

(With concerns) Scott Merriman, Association of Washington Counties; and Dave Williams, Association of Washington Cities.