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**Natural Resources, Ecology &  
Parks Committee**

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**HB 1103**

**Brief Description:** Authorizing forest products operations of statewide significance.

**Sponsors:** Representatives DeBolt, B. Sullivan, Blake, Holmquist, Linville, Hinkle, Ericksen, Sump, Alexander, Crouse, Chase, Orcutt, Buck, Kessler, Haler, Kristiansen and Haigh.

**Brief Summary of Bill**

- Allows the certification of forest products operations of statewide significance, and provides these operations with expedited permitting, certain tax exemptions, and an exemption from the Growth Management Act.

**Hearing Date:** 2/18/05

**Staff:** Jason Callahan (786-7117).

**Background:**

The Department of Community, Trade, and Economic Development (DCTED) may certify certain business ventures as industrial operations of statewide significance. To qualify as an industrial operation of statewide significance, the business must be a joint project with adjacent states or provinces involving both public and private investments, or a private industrial manufacturing or research operation with private capital investments.

Only operations begun after 1996 can qualify as an industrial operation of statewide significance. Even then, the operation must have a capital investment level reaching a certain level. The size of capital investment required depends on the population size of the county where the operation is located. Operations in smaller counties need a smaller capital investment to qualify.

Counties that contain an industrial operation of statewide significance must enter into an agreement with the Office of Permit Assistance and the operation's project manager. The agreement must outline a track for expedited completion of the project, including expedited permit processing, expedited environmental review, and expedited easement vacations.

**Summary of Bill:**

Certification of forest products operations of statewide significance

The DCTED may certify certain timber businesses as forest products operations of statewide significance. To qualify as a forest products operations of statewide significance, the business must be a wholly new industrial operation that processes or mills only timber that has been harvested from forest land in Washington.

#### Expedited permitting

Counties, cities, and state agencies with permitting authority over a forest products operations of statewide significance must enter into an expedited permit agreement with the Office of Permit Assistance and the project manager of the forest products operation. The agreement must guarantee the issuance of any permit with 90 days of application. If the 90-day mark is not met, then a permit will automatically be issued with no conditions or modifications.

#### Taxes

Forest products operations of statewide significance, once certified by the DCTED, are not required to pay sales taxes or use taxes for materials or labor used in the construction and operation of the timber mill.

In addition, trucks used primarily for hauling logs to a forest products operation of statewide significance are not required to pay the weight fees assessed by the Department of Licensing.

#### Growth Management Act

The provisions of the Growth Management Act do not apply to the siting or operation of a forest products operation of statewide significance.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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