
HOUSE BILL 1899

State of Washington 59th Legislature 2005 Regular Session

By Representatives Chase, Appleton and B. Sullivan

Read first time 02/09/2005. Referred to Committee on State Government Operations & Accountability.

1 AN ACT Relating to establishing a community mitigation program; and
2 adding new sections to chapter 43.31 RCW.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 NEW SECTION. **Sec. 1.** The legislature recognizes that publicly
5 funded projects often benefit local communities, but they can also
6 result in adverse economic impacts on local businesses and citizens.
7 The legislature finds that these impacts are not generally identified,
8 quantified, or assessed in project siting decisions. Further, the
9 legislature finds that individual businesses, citizens, and communities
10 should not bear an inequitable burden of siting public projects and
11 that appropriate mitigation should be provided. Therefore, the
12 legislature finds that during the design and development of public
13 project proposals, the economic impacts to local businesses, citizens,
14 and communities must be analyzed and addressed.

15 NEW SECTION. **Sec. 2.** For the purposes of this chapter, the
16 following definitions apply:

17 (1) "Department" means the department of community, trade, and
18 economic development.

1 (2) "Major project" means proposals for publicly funded projects
2 that are in excess of one million dollars.

3 (3) "Responsible official" means the designated official
4 representing the governmental entity proposing the major project.

5 NEW SECTION. **Sec. 3.** (1) Prior to submitting permit applications
6 for major projects covered under this chapter, the responsible official
7 must make a threshold determination about whether the major project may
8 create a probable significant, adverse economic impact. An economic
9 impact statement shall be prepared on major projects having a probable
10 significant, adverse economic impact. The economic impact statement
11 may be combined with the recommendation or report on the project's
12 proposal or issued as a separate document.

13 (2) In developing an economic impact statement, all branches of
14 government of this state, including state agencies, municipal and
15 public corporations, and counties shall:

16 (a) Include in every major project proposal, a detailed statement
17 regarding:

18 (i) The economic impact of the proposed major project;

19 (ii) Any adverse economic effects which cannot be avoided should
20 the major project be completed; and

21 (iii) Alternatives to the proposed major project;

22 (b) Identify and develop methods and procedures, in consultation
23 with the department of revenue and the department of community, trade,
24 and economic development, which will ensure that appropriate economic
25 and financial indicators are given appropriate consideration in
26 decision making;

27 (c) Consult with and obtain the comments of any public agency with
28 special expertise regarding any economic impact involved, prior to
29 completing any detailed statement;

30 (d) Study, develop, and describe appropriate alternatives to
31 recommended courses of action in any proposal.

32 (3) An economic impact statement is only required to analyze those
33 probable adverse economic impacts which are significant. Beneficial
34 economic impacts may also be discussed. The responsible official shall
35 consult with agencies and the public to identify such impacts and limit
36 the scope of an economic impact statement. These impacts may include,
37 but are not limited to:

1 (a) The economic impacts on the regional or local economy such as
2 the impact of the major project on development, tax revenues and public
3 expenditures, employment opportunities, accessibility, and retail
4 sales. Where substantial impacts on the economic viability of affected
5 municipalities are likely to occur, they should also be discussed
6 together with a summary of any efforts undertaken and agreements
7 reached for using the transportation investment to support both public
8 and private economic development plans. To the extent possible, this
9 discussion should rely upon results of coordination with and views of
10 affected state, county, and city officials.

11 (b) The impacts on the economic vitality of existing highway-
12 related businesses and the resultant impact, if any, on the local
13 economy. For example, the loss of business or employment resulting
14 from building an alternative in a new location bypassing a local
15 community.

16 (c) The impacts of the proposed action on established business
17 districts, and any opportunities to minimize or reduce these impacts by
18 the public or private sectors.

19 (4) Where appropriate, analysis under this chapter may be combined
20 with environmental analysis performed under chapter 43.21C RCW.

21 NEW SECTION. **Sec. 4.** (1) A major purpose of this act is to
22 combine economic considerations with public decisions, therefore any
23 appeal brought under this chapter must be linked to a major project
24 proposal.

25 (a) Appeals under this chapter shall be linked to decisions
26 regarding the major project and its accompanying environmental
27 determinations under chapter 43.21C RCW.

28 (b) Appeals of economic determinations made or lacking under this
29 chapter shall be commenced within the time required to appeal decisions
30 regarding project review. These appeals include, but are not limited
31 to:

- 32 (i) A determination of significance;
- 33 (ii) The adequacy of a determination of
34 significance/nonsignificance or of a final economic impact statement;
- 35 (iii) Procedural issues in making the determination; and
- 36 (iv) Substantive determinations in the decision.

1 NEW SECTION. **Sec. 5.** (1) The department shall adopt rules to
2 provide uniform procedures and guidelines to all branches of government
3 including state agencies, political subdivisions, public and municipal
4 corporations, and counties. The rule authorized in this section
5 includes, but is not limited to, the following:

6 (a) Criteria and procedures applicable to the determination of when
7 a major action has a probable significant, adverse economic impact for
8 which a detailed statement must be prepared under section 2 of this
9 act;

10 (b) Procedures for the preparation of detailed statements and other
11 economic analysis documents, including but not limited to, rules for
12 timing of economic review, obtaining comments, data, and other
13 information, and providing for and determining areas of public
14 participation which include the scope and review of draft economic
15 impact statements;

16 (c) The scope of coverage and contents of detailed statements
17 assuring that statements are simple, uniform, and as short as
18 practicable; statements are required to analyze only reasonable
19 alternatives and probable adverse economic impacts which are
20 significant, and may analyze beneficial impacts;

21 (d) Public notification procedures for actions taken and documents
22 prepared;

23 (e) The time limits within which the governmental entity
24 responsible for the major action shall comply with the provisions of
25 this act; and

26 (f) The implementation of the substantive policies and procedural
27 requirements, including appeals under this chapter.

28 (2) Rules adopted must provide for the coordination of economic
29 review with environmental review under chapter 43.21C RCW. The
30 department shall consult with the department of ecology on this aspect
31 of the rule.

32 (3) In exercising its powers, functions, and duties under this
33 section, the department may:

34 (a) Consult with the state agencies and with representatives of
35 science, industry, agriculture, labor, conservation organizations,
36 state and local governments, and other groups, as it deems advisable;
37 and

1 (b) Utilize, to the fullest extent possible, the services,
2 facilities, and information, including statistical information of
3 public and private agencies, organizations, and individuals, in order
4 to avoid duplication of effort and expense, overlap, or conflict with
5 similar activities authorized by law and performed by established
6 agencies.

7 (4) Rules adopted under this section are subject to the provisions
8 of chapter 34.05 RCW.

9 NEW SECTION. **Sec. 6.** Sections 1 through 5 of this act are each
10 added to chapter 43.31 RCW.

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