

HOUSE BILL REPORT

SSB 6359

As Passed House - Amended:
March 1, 2012

Title: An act relating to modifying provisions related to the office of regulatory assistance.

Brief Description: Modifying provisions related to the office of regulatory assistance.

Sponsors: Senate Committee on Economic Development, Trade & Innovation (originally sponsored by Senators Eide, Kastama, Kilmer and McAuliffe).

Brief History:

Committee Activity:

State Government & Tribal Affairs: 2/16/12, 2/20/12 [DPA];

General Government Appropriations & Oversight: 2/22/12, 2/23/12 [DPA(SGTA)].

Floor Activity:

Passed House - Amended: 3/1/12, 58-38.

**Brief Summary of Substitute Bill
(As Amended by House)**

- Makes changes to services provided by the Office of Regulatory Assistance.

HOUSE COMMITTEE ON STATE GOVERNMENT & TRIBAL AFFAIRS

Majority Report: Do pass as amended. Signed by 7 members: Representatives Hunt, Chair; Appleton, Vice Chair; Darneille, Dunshee, Hurst, McCoy and Miloscia.

Minority Report: Do not pass. Signed by 4 members: Representatives Taylor, Ranking Minority Member; Overstreet, Assistant Ranking Minority Member; Alexander and Condotta.

Staff: Marsha Reilly (786-7135).

HOUSE COMMITTEE ON GENERAL GOVERNMENT APPROPRIATIONS & OVERSIGHT

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Majority Report: Do pass as amended by Committee on State Government & Tribal Affairs. Signed by 8 members: Representatives Hudgins, Chair; Miloscia, Vice Chair; Moscoso, Vice Chair; Blake, Fitzgibbon, Ladenburg, Pedersen and Van De Wege.

Minority Report: Do not pass. Signed by 5 members: Representatives McCune, Ranking Minority Member; Taylor, Assistant Ranking Minority Member; Ahern, Armstrong and Wilcox.

Staff: Wendy Polzin (786-7137).

Background:

The Office of Regulatory Assistance (ORA) provides environmental permitting assistance in navigating the permit process and provides assistance to citizens and businesses by helping to identify licensing and permitting requirements. The ORA also assists with the regulatory process by identifying conflicts and overlap in the state's rules, statutes, and operational practices. Specifically, the ORA:

- provides information regarding permits, including the average turnaround time from the date of application to the date of decision, information required for an agency to make a decision on a permit or regulatory requirement, an estimate of the maximum amount of costs in fees, the type of studies that may be expected, and timing of expected public processes;
- maintains and furnishes information to assist citizens, businesses, and project proponents through a service center;
- provides project scoping services, meaning the identification of relevant issues and information needs of the proponent and the permitting agencies; and
- implements, as requested, multiagency permitting teams to provide coordinated permitting and integrated regulatory decision-making.

The ORA is authorized to enter into cost-reimbursement agreements with a project proponent to recover reasonable costs incurred in providing project scoping, coordinating a permit process, and implementing multiagency permitting teams.

The ORA is required to submit a biennial report to the Governor and the appropriate committees of the Legislature. The report must include information on cost-reimbursement services; the numbers and types of projects in which assistance was provided and the resolution of conflicts on such projects; and the agencies involved on specific projects. Recommendations on system improvements must also be included in the report.

Summary of Amended Bill:

As part of its services, the ORA must provide information to local jurisdictions regarding best permitting practices, methods to improve communication with state agencies, and effective means of assessing and communicating expected project timelines and costs.

For project scoping services, the Director of the ORA may require a state or local agency to attend a project scoping meeting in order to identify the relevant issues and information

needs of a permit applicant. Under a fully coordinated permit process, each participating agency must designate a single point of contact for coordinating with the ORA.

The following applies to a project under a cost-reimbursement agreement:

- the agreement must require the ORA, the permit applicant, and participating agencies to develop and update a project work plan that the ORA must post online and share with each party to the agreement;
- the agreement must identify the proposed project, the desired outcomes, and maximum cost for work under the agreement;
- each agency participating in the agreement must give priority to the project without reducing or eliminating any regulatory requirements during the review process;
- reasonable reimbursement cost is either determined based on time and materials with a contract maximum or a flat rate based on required staffing hours;
- the agreement may include deliverables and schedules for invoicing and reimbursements; and
- advance payment may be required for some or all of the cost-reimbursement agreement; the release of payments to the participating agencies is held until the invoice is approved by the permit applicant.

Upon request, the ORA must verify whether the agencies have met the obligations contained in the project work plan and cost-reimbursement agreement. Notification and an explanation must be given to the ORA if any party is unable to meet its obligations under the agreement. The ORA must notify all parties to the agreement and work collaboratively to resolve the issue.

All cost-reimbursement agreement and solicitation receipts must be deposited into the multiagency permitting team account. Expenditures from the account may only be used for administrative purposes of the multiagency permitting teams including staffing, consulting, technology, and other administrative costs.

The ORA may establish a certification process for local government permitting. In developing the program the Director of the ORA is required to work with local jurisdictions to establish criteria and the process for certifying a permit process as streamlined. Once certified, a local jurisdiction will receive priority when applying for state infrastructure funding. The certification program must be offered within existing funds.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony (State Government & Tribal Affairs):

(In support) This bill helps the ORA by giving some direct authority to require attendance at meetings. It amends the cost-reimbursement provisions and this will take on more importance as the economy improves. The provisions will ensure that projects can get

upfront staffing and be given some level of priority as agencies deal with cutbacks. These provisions allow agencies to backfill staff.

While changes are made to the ORA annual report, the changes are primarily a rewriting of the provisions. The annual report will continue to be a useful tool. The bill allows the ORA to certify local government permit processes and streamlined processes. However, a clarifying amendment would allow for more flexibility.

(Opposed) None.

Staff Summary of Public Testimony (General Government Appropriations & Oversight):

(In support) The Office of Regulatory Assistance (ORA) plans, and is able, to absorb the costs shown in the fiscal note. The bill primarily rewrites existing statutes. The amendments adopted in the policy committee allow for flexibility for the ORA to implement policy. A new fiscal note is in the works.

(Opposed) None.

Persons Testifying (State Government & Tribal Affairs): Faith Lumsden, Office of Regulatory Assistance.

Persons Testifying (General Government Appropriations & Oversight): Faith Lumsden, Office of Regulatory Assistance.

Persons Signed In To Testify But Not Testifying (State Government & Tribal Affairs): None.

Persons Signed In To Testify But Not Testifying (General Government Appropriations & Oversight): None.