

SENATE BILL REPORT

SB 6355

As of February 2, 2014

Title: An act relating to projects of statewide significance for economic development and transportation.

Brief Description: Concerning projects of statewide significance for economic development and transportation.

Sponsors: Senators Hobbs, Sheldon, Hatfield and King.

Brief History:

Committee Activity: Trade & Economic Development: 1/30/14.

SENATE COMMITTEE ON TRADE & ECONOMIC DEVELOPMENT

Staff: Jeff Olsen (786-7428)

Background: In 1997 a process was enacted to expedite the development of industrial projects of statewide significance. In 2009, the Legislature changed the statute and industrial projects of statewide significance were renamed projects of statewide significance. Such projects must meet capital investment or job creation requirements. The job creation requirements are full-time employment of at least 50 people in rural counties or at least 100 people in urban counties. Border-crossing projects and private projects investing in manufacturing or research and development may be designated as projects of statewide significance. Projects that will provide net environmental benefit or will further commercialization of innovations may also be so designated.

An application for designation as a project of statewide significance must be submitted to the Department of Commerce. The application must include a letter of approval from jurisdictions where a project is located and must commit to providing the local staff necessary to expedite the completion of a project. Counties and cities requesting a project's designation as one of statewide significance must ensure the participation of local officials on the public-private team expediting a project's completion.

Counties and cities with projects must enter into agreements with the Office of Regulatory Assistance (ORA) and local project managers to expedite the processes necessary for the design and construction of projects. ORA must provide facilitation and coordination services to expedite completion of industrial projects of statewide significance. The project

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proponents may provide the funding necessary for the local jurisdiction to hire the staff required to expedite the process.

Summary of Bill: Private development projects that invest in construction materials transportation, development of a renewable resource, or environmental conservation or efficiency may be designated as projects of statewide significance.

Job creation requirements are changed to full-time employment of at least 30 people in rural counties, at least 70 people in urban counties, or at least 70 people if the project creates jobs in both rural and urban counties.

The agreement between ORA and cities or counties must include provisions relating to completing a coordinated and comprehensive review of a project of statewide significance. The application process is changed. Upon a proponent's application, responsible local jurisdictions must provide a letter stating whether the jurisdiction joins the request for designation and whether they have or will hire staff to expedite the processes necessary to the completion of the project. An approval letter from the local legislative authority is no longer required.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: This bill clarifies the letter of approval process, and unlike a similar bill from last year, this bill does not include any relation to coal train issues. This is a permit streamlining bill, and the costs of the review are paid by the permit applicant. Snohomish County and the City of Everett used this process for the Boeing 777X process. A request to use this process was made five years ago in Jefferson County; however, the county felt it was unable to use the process as a co-applicant. This bill clarifies existing statutes on projects of statewide significance. Project proponents must go through the same environmental and permit process at the local level as other projects. For certain large projects the permit process can be cumbersome, and this process can bring all of the agencies together to streamline the process. The current process is vague, and this bill clarifies the involvement of local governments in the process.

CON: The environmental community is concerned about improving the permitting process. The gravel project, or pit to pier project, in Hood Canal involves significant environmental and marine traffic concerns. Generally, the environmental benefits of a project are tied to the project, and in the bill it is broadened to include state or regional benefits. Local governments should be empowered to provide their input on projects of statewide significance.

Persons Testifying: PRO: Mike Ennis, Assn. of WA Business; Josh Swanson, International Union of Operating Engineers; Mike Tracy, Thorndyke Resources.

CON: Darcy Nonemacher, WA Environmental Council.