
SUBSTITUTE SENATE BILL 6669

State of Washington

64th Legislature

2016 Regular Session

By Senate Ways & Means (originally sponsored by Senators Brown and Braun)

READ FIRST TIME 03/04/16.

1 AN ACT Relating to consolidating business assistance programs and
2 services; amending RCW 43.42.005, 43.42.010, 43.42.030, 43.42.090,
3 43.42.092, 43.42.095, 43.42.100, 34.05.320, 43.30.550, 43.42A.030,
4 43.88.585, 43.155.070, 43.157.020, 43.157.030, 43.160.060, 47.80.090,
5 77.55.181, 43.330.040, 43.330.050, 43.330.060, 43.330.090, and
6 43.330.440; reenacting and amending RCW 34.05.328; creating a new
7 section; and providing an effective date.

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

9 **PART I**

10 **OFFICE FOR REGULATORY INNOVATION AND ASSISTANCE**

11 **Sec. 1.** RCW 43.42.005 and 2010 c 162 s 1 are each amended to
12 read as follows:

13 (1) The legislature finds that: The health and safety of its
14 citizens and environment are of vital interest to the state's long-
15 term quality of life; Washington state is a national leader in
16 protecting its environment; and Washington state has a vibrant and
17 diverse economy that is dependent on the state maintaining high
18 environmental standards. Further, the legislature finds that a
19 complex and confusing network of environmental and land use laws and
20 business regulations can create obstacles to sustainable growth.

1 It is the intent of the legislature to promote accountability,
2 timeliness, and predictability for citizens, business, and state,
3 federal, and local permitting agencies, and to provide collaboration
4 and coordination, information, and assistance on the regulatory
5 process through the creation of the office ((øf)) for regulatory
6 innovation and assistance in the ((~~governor's office~~)) department of
7 commerce.

8 (2) The office ((øf)) for regulatory innovation and assistance is
9 created to work to continually improve the function of environmental
10 and business regulatory processes by identifying conflicts and
11 overlap in the state's rules, statutes, and operational practices; to
12 ensure ongoing coordination among regulatory agencies, reducing costs
13 for both government and business; the office is to provide project
14 proponents and business owners with active assistance for all
15 permitting, licensing, and other regulatory procedures required for
16 completion of specific projects; and the office is to ensure that
17 citizens, businesses, and local governments have access to, and clear
18 information regarding, regulatory processes for permitting and
19 business regulation, including state rules, permit and license
20 requirements, and agency rule-making processes.

21 (3) The legislature declares that the purpose of this chapter is
22 to provide direction, practical resources, and a range of innovative
23 and optional service delivery options for improving the regulatory
24 process and for providing assistance through the regulatory process
25 on individual projects in furtherance of the state's goals of
26 governmental transparency and accountability.

27 (4) The legislature intends that establishing an office ((øf))
28 for regulatory innovation and assistance will provide these services
29 without abrogating or limiting the authority of any agency to make
30 decisions on permits, licenses, regulatory requirements, or agency
31 rule making. The legislature further intends that the office ((øf))
32 for regulatory innovation and assistance shall have authority to
33 provide services but shall not have any authority to make decisions
34 on permits.

35 **Sec. 2.** RCW 43.42.010 and 2012 c 196 s 1 are each amended to
36 read as follows:

37 (1) The office ((øf)) for regulatory innovation and assistance is
38 created as a program in the ((~~office of financial management and must~~
39 ~~be administered by the office of the governor~~)) department of

1 commerce to help improve the regulatory system and assist citizens,
2 businesses, and project proponents. The department of commerce may
3 not charge agency overhead and indirect costs against amounts
4 appropriated for the office.

5 ~~(2) ((The governor must appoint a director. The director may~~
6 ~~employ a deputy director and a confidential secretary and such staff~~
7 ~~as are necessary, or contract with another state agency pursuant to~~
8 ~~chapter 39.34 RCW for support in carrying out the purposes of this~~
9 ~~chapter.~~

10 ~~(3))~~) The office must offer to:

11 (a) Act as the central point of contact for the project proponent
12 in communicating about defined issues;

13 (b) Conduct project scoping as provided in RCW 43.42.050;

14 (c) Verify that the project proponent has all the information
15 needed to correctly apply for all necessary permits;

16 (d) Provide general coordination services;

17 (e) Coordinate the efficient completion among participating
18 agencies of administrative procedures, such as collecting fees or
19 providing public notice;

20 (f) Maintain contact with the project proponent and the permit
21 agencies to promote adherence to agreed schedules;

22 (g) Assist in resolving any conflict or inconsistency among
23 permit requirements and conditions;

24 (h) Coordinate, to the extent practicable, with relevant federal
25 permit agencies and tribal governments;

26 (i) Facilitate meetings;

27 (j) Manage a fully coordinated permit process, as provided in RCW
28 43.42.060; and

29 (k) Help local jurisdictions comply with the requirements of
30 chapter 36.70B RCW.

31 ~~((4))~~) (3) The office must also:

32 (a) Provide information to local jurisdictions about best
33 permitting practices, methods to improve communication with, and
34 solicit early involvement of, state agencies when needed, and
35 effective means of assessing and communicating expected project
36 timelines and costs;

37 (b) Maintain and furnish information as provided in RCW
38 43.42.040; and

1 (c) Provide the following by September 1, 2009, and biennially
2 thereafter, to the governor and the appropriate committees of the
3 legislature:

4 (i) A performance report including:

5 (A) Information regarding use of the office's voluntary cost-
6 reimbursement services as provided in RCW 43.42.070;

7 (B) The number and type of projects or initiatives where the
8 office provided services including the key agencies with which the
9 office partnered;

10 (C) Specific information on any difficulty encountered in
11 providing services or implementing programs, processes, or assistance
12 tools; and

13 (D) Trend reporting that allows comparisons between statements of
14 goals and performance targets and the achievement of those goals and
15 targets; and

16 (ii) Recommendations on system improvements including, but not
17 limited to, recommendations on improving environmental permitting by
18 making it more time efficient and cost-effective for all participants
19 in the process.

20 (4) Subject to amounts appropriated for this specific purpose,
21 the office must also develop a long-term strategy for identifying and
22 prioritizing multiagency regulatory processes that can be streamlined
23 through better coordination. The long-term strategy for identifying
24 and prioritizing multiagency regulatory processes that can be
25 streamlined through better coordination must be based on the
26 potential for mutual benefits for industry and the public, as
27 determined by a group made up of representatives from businesses,
28 state agencies, local governments, tribal governments, and other
29 relevant stakeholders consulting with the office. The group must work
30 collaboratively with the office to consider the importance of these
31 processes to the state, as well as consider the potential costs and
32 savings to affected entities. The office must report to the governor
33 and the economic development committees of the legislature annually
34 on the progress of prioritized regulatory processes being streamlined
35 through coordination.

36 **Sec. 3.** RCW 43.42.030 and 2009 c 97 s 3 are each amended to read
37 as follows:

38 The definitions in this section apply throughout this chapter
39 unless the context clearly requires otherwise.

1 (1) "Director" means the director of the (~~office of regulatory~~
2 ~~assistance~~) department of commerce or the director's designee.

3 (2) "Fully coordinated permit process" means a comprehensive
4 coordinated permitting assistance approach supported by a written
5 agreement between the project proponent, the office ((~~of~~)) for
6 regulatory innovation and assistance, and the agencies participating
7 in the fully coordinated permit process.

8 (3) "General coordination services" means services that bring
9 interested parties together to explore opportunities for cooperation
10 and to resolve conflicts. General coordination services may be
11 provided as a stand-alone event or as an element of broader project
12 assistance, nonproject-related interagency coordination, or policy
13 and planning teamwork.

14 (4) "Office" means the office ((~~of~~)) for regulatory innovation
15 and assistance established in RCW 43.42.010.

16 (5) "Permit" means any permit, license, certificate, use
17 authorization, or other form of governmental review or approval
18 required in order to construct, expand, or operate a project in the
19 state of Washington.

20 (6) "Permit agency" means any state, local, or federal agency
21 authorized by law to issue permits.

22 (7) "Project" means any activity, the conduct of which requires a
23 permit or permits from one or more permit agencies.

24 (8) "Project proponent" means a citizen, business, or any entity
25 applying for or seeking a permit or permits in the state of
26 Washington.

27 (9) "Project scoping" means the identification of relevant issues
28 and information needs of a project proponent and the permitting
29 agencies, and reaching a common understanding regarding the process,
30 timing, and sequencing for obtaining applicable permits.

31 **Sec. 4.** RCW 43.42.090 and 2010 c 162 s 2 are each amended to
32 read as follows:

33 (1) The legislature finds that the state of Washington has
34 implemented a number of successful measures to streamline,
35 coordinate, and consolidate the multiparty, multijurisdictional
36 permitting and regulatory decision-making process. The office ((~~of~~))
37 for regulatory innovation and assistance was developed and
38 implemented at a time when the state faced a crisis in its economic
39 competitiveness. The multiagency permitting team for transportation

1 was developed and implemented at a time when the state's
2 transportation system faced a crisis in public confidence concerning
3 transportation project delivery. The legislature further finds that
4 the state of Washington is now facing an economic and financial
5 crisis that requires immediate action to spur economic development
6 and the creation of jobs without sacrificing the quality of the
7 state's environment.

8 (2) The legislature intends to:

9 (a) Draw from and extend the benefits of proven permit
10 streamlining solutions to future project proponents and aid the
11 state's recovery by authorizing optional multiagency permitting teams
12 modeled after the multiagency permitting team developed and
13 implemented for state transportation projects. It is the purpose of
14 chapter 162, Laws of 2010 to provide willing permit applicants and
15 project proponents with permit coordination and integrated regulatory
16 decision-making services on a cost-reimbursed basis; and

17 (b) Phase-in a revenue-neutral permit streamlining approach to
18 expedite permit and regulatory decision making while ensuring a high
19 level of environmental protection.

20 **Sec. 5.** RCW 43.42.092 and 2010 c 162 s 3 are each amended to
21 read as follows:

22 (1)(a) The office ((~~of~~)) for regulatory innovation and assistance
23 is authorized to develop and advertise the availability of optional
24 multiagency permitting teams to provide coordinated permitting and
25 integrated regulatory decision making starting in the Puget Sound
26 basin.

27 (b) New expenses associated with operating the optional
28 multiagency permitting teams must be recovered by the office ((~~of~~))
29 for regulatory innovation and assistance using existing state cost-
30 reimbursement and interagency cost-sharing authorities as applicable.
31 The cost-reimbursement process is subject to the requirements and
32 limitations set forth in RCW 43.42.070. Initial administrative costs
33 and other costs that may not be recoverable through cost-
34 reimbursement or cost-sharing mechanisms may be covered by funds from
35 the multiagency permitting team account created in RCW 43.42.095.

36 (c) The director of the office ((~~of~~)) for regulatory innovation
37 and assistance must solicit donations and such other funds as the
38 director deems appropriate from public and private sources for the
39 purposes of covering the initial administrative costs and other costs

1 associated with operation of optional multiagency permitting teams
2 which are not recoverable through cost-reimbursement or cost-sharing
3 mechanisms. All such solicited funds must be placed in the
4 multiagency permitting team account created in RCW 43.42.095.

5 (2) Optional multiagency permitting teams must be:

6 (a) Mobile, capable of traveling or working together as teams,
7 initially throughout the Puget Sound basin;

8 (b) Located initially in central Puget Sound;

9 (c) Staffed by appropriate senior-level permitting and regulatory
10 decision-making personnel representing the Washington state
11 departments of ecology, fish and wildlife, and natural resources and
12 having expertise in regulatory issues relating to the project; and

13 (d) Managed by the office ((øf)) for regulatory innovation and
14 assistance through a team leader responsible for:

15 (i) Managing or monitoring team activities to ensure the
16 cost-reimbursement schedule and agreement is followed;

17 (ii) Developing and maintaining partnerships and working
18 relationships with local, state, tribal, and federal organizations
19 not core to the optional multiagency permitting teams that can be
20 called upon to join the team on a project-by-project basis;

21 (iii) Developing, defining, and providing a set of coordinated
22 permitting and integrated decision-making services consistent with
23 those set forth in subsection (3) of this section;

24 (iv) Developing and executing funding agreements with applicants,
25 project proponents, regulatory agencies, and others as necessary to
26 ensure the financial viability of the optional multiagency permitting
27 teams;

28 (v) Measuring and regularly reporting on team performance,
29 results and outcomes achieved, including improved: Permitting
30 predictability, interagency early project coordination, interagency
31 accessibility, interagency relationships, project delivery, and
32 environmental results, including the avoidance or prevention of
33 environmental harm and the effectiveness of mitigation;

34 (vi) Conducting outreach, marketing, and advertising of team
35 services and team availability, focusing initially on projects such
36 as large-scale public, private, and port development projects with
37 complex aquatics, wetland, or other environmental impacts;
38 environmental cleanup, restoration, and enhancement projects;
39 aquaculture projects; and energy, power generation, and utility
40 projects;

1 (vii) Implementing issue and dispute resolution protocols;
2 (viii) Incorporating and using virtual tools for online
3 collaboration to support permitting and regulatory coordination and
4 expedited decision making; and
5 (ix) Extending and subsequently implementing the optional
6 multiagency permitting team approach to other significant geographic
7 regions of the state.

8 (3) The optional multiagency permitting teams must at a minimum
9 work with the office ((ef)) for regulatory innovation and assistance
10 to provide the following core services:

11 (a) Project scoping, as set forth in RCW 43.42.050 (1) through
12 (4), to help applicants identify applicable permits and regulatory
13 approvals;

14 (b) A preapplication coordination service, which may be combined
15 with project scoping, to help applicants understand applicable
16 requirements and plan out with the assistance of the regulatory
17 agencies an optimally sequenced permitting and regulatory decision-
18 making strategy and approach for the overall project;

19 (c) Fully coordinated project review as set forth in RCW
20 43.42.060 to set schedules and agreed-upon time frames for the
21 applicant and regulatory decision makers consistent with statutory
22 requirements and with regard to available agency resources and to
23 track, monitor, and report progress made in meeting those schedules
24 and time frames;

25 (d) Mitigation coordination to help applicants and regulatory
26 agencies collaborate on and implement mitigation obligations within a
27 watershed context so superior environmental results can be achieved
28 when impacts cannot be avoided or further minimized.

29 (4) Local and federal permitting and regulatory personnel should
30 be incorporated into the optional multiagency permitting teams
31 whenever possible and at least on a project-by-project basis. Moneys
32 recouped through state cost-reimbursement and interagency cost-
33 sharing authorities, or as otherwise solicited for deposit into the
34 multiagency permitting team account created in RCW 43.42.095, may
35 also be used to cover local and federal participation.

36 (5) The optional multiagency permitting teams will provide
37 services for complex projects requiring multiple permits and
38 regulatory approvals and having multiple points of regulatory
39 jurisdiction. The optional multiagency permitting teams are not
40 intended to support state transportation projects capable of being

1 serviced by multiagency permitting teams specifically established for
2 state transportation projects. Use of the optional multiagency
3 permitting teams for a fully coordinated permit process must be
4 allowed unless the office ((of)) for regulatory innovation and
5 assistance notifies a project proponent in writing of other means of
6 effective and efficient project review that are available and are
7 recommended.

8 **Sec. 6.** RCW 43.42.095 and 2012 c 196 s 5 are each amended to
9 read as follows:

10 The multiagency permitting team account is created in the custody
11 of the state treasurer. All receipts from cost-reimbursement
12 agreements authorized in RCW 43.42.070 and solicitations authorized
13 in RCW 43.42.092 must be deposited into the account. Expenditures
14 from the account may be used only for covering staffing, consultant,
15 technology, and other administrative costs of multiagency permitting
16 teams and other costs associated with multiagency project review and
17 management that may arise. Only the director of the ((office of
18 ~~regulatory assistance~~)) department of commerce or the director's
19 designee may authorize expenditures from the account. The account is
20 subject to allotment procedures under chapter 43.88 RCW, but an
21 appropriation is not required for expenditures.

22 **Sec. 7.** RCW 43.42.100 and 2012 c 196 s 8 are each amended to
23 read as follows:

24 Within available funds, the office ((of)) for regulatory
25 innovation and assistance may certify permit processes at the local
26 level as streamlined processes. In developing the certification
27 program, the director must work with local jurisdictions to establish
28 the criteria and the process for certification. Jurisdictions with
29 permit processes certified as streamlined may receive priority in
30 receipt of state funds for infrastructure projects.

31 **Sec. 8.** RCW 34.05.320 and 2012 c 210 s 2 are each amended to
32 read as follows:

33 (1) At least twenty days before the rule-making hearing at which
34 the agency receives public comment regarding adoption of a rule, the
35 agency shall cause notice of the hearing to be published in the state
36 register. The publication constitutes the proposal of a rule. The
37 notice shall include all of the following:

1 (a) A title, a description of the rule's purpose, and any other
2 information which may be of assistance in identifying the rule or its
3 purpose;

4 (b) Citations of the statutory authority for adopting the rule
5 and the specific statute the rule is intended to implement;

6 (c) A short explanation of the rule, its purpose, and anticipated
7 effects, including in the case of a proposal that would modify
8 existing rules, a short description of the changes the proposal would
9 make, and a statement of the reasons supporting the proposed action;

10 (d) The agency personnel, with their office location and
11 telephone number, who are responsible for the drafting,
12 implementation, and enforcement of the rule;

13 (e) The name of the person or organization, whether private,
14 public, or governmental, proposing the rule;

15 (f) Agency comments or recommendations, if any, regarding
16 statutory language, implementation, enforcement, and fiscal matters
17 pertaining to the rule;

18 (g) Whether the rule is necessary as the result of federal law or
19 federal or state court action, and if so, a citation to such law or
20 court decision;

21 (h) When, where, and how persons may present their views on the
22 proposed rule;

23 (i) The date on which the agency intends to adopt the rule;

24 (j) A copy of the small business economic impact statement
25 prepared under chapter 19.85 RCW, or a copy of the school district
26 fiscal impact statement under RCW 28A.305.135 in the case of the
27 state board of education, or an explanation for why the agency did
28 not prepare the statement;

29 (k) A statement indicating whether RCW 34.05.328 applies to the
30 rule adoption; and

31 (l) If RCW 34.05.328 does apply, a statement indicating that a
32 copy of the preliminary cost-benefit analysis described in RCW
33 34.05.328(1)(c) is available.

34 (2)((+a)) Upon filing notice of the proposed rule with the code
35 reviser, the adopting agency shall have copies of the notice on file
36 and available for public inspection. Except as provided in (b) of
37 this subsection, the agency shall forward three copies of the notice
38 to the rules review committee.

39 ~~((b) A pilot of at least ten agencies, including the departments~~
40 ~~of labor and industries, fish and wildlife, revenue, ecology,~~

1 ~~retirement systems, and health, shall file the copies required under~~
2 ~~this subsection, as well as under RCW 34.05.350 and 34.05.353, with~~
3 ~~the rules review committee electronically for a period of four years~~
4 ~~from June 10, 2004. The office of regulatory assistance shall~~
5 ~~negotiate the details of the pilot among the agencies, the~~
6 ~~legislature, and the code reviser.))~~

7 (3) No later than three days after its publication in the state
8 register, the agency shall cause either a copy of the notice of
9 proposed rule adoption, or a summary of the information contained on
10 the notice, to be mailed to each person, city, and county that has
11 made a request to the agency for a mailed copy of such notices. An
12 agency may charge for the actual cost of providing a requesting party
13 mailed copies of these notices.

14 (4) In addition to the notice required by subsections (1) and (2)
15 of this section, an institution of higher education shall cause the
16 notice to be published in the campus or standard newspaper of the
17 institution at least seven days before the rule-making hearing.

18 **Sec. 9.** RCW 34.05.328 and 2011 c 298 s 21 and 2011 c 149 s 1 are
19 each reenacted and amended to read as follows:

20 (1) Before adopting a rule described in subsection (5) of this
21 section, an agency must:

22 (a) Clearly state in detail the general goals and specific
23 objectives of the statute that the rule implements;

24 (b) Determine that the rule is needed to achieve the general
25 goals and specific objectives stated under (a) of this subsection,
26 and analyze alternatives to rule making and the consequences of not
27 adopting the rule;

28 (c) Provide notification in the notice of proposed rule making
29 under RCW 34.05.320 that a preliminary cost-benefit analysis is
30 available. The preliminary cost-benefit analysis must fulfill the
31 requirements of the cost-benefit analysis under (d) of this
32 subsection. If the agency files a supplemental notice under RCW
33 34.05.340, the supplemental notice must include notification that a
34 revised preliminary cost-benefit analysis is available. A final cost-
35 benefit analysis must be available when the rule is adopted under RCW
36 34.05.360;

37 (d) Determine that the probable benefits of the rule are greater
38 than its probable costs, taking into account both the qualitative and

1 quantitative benefits and costs and the specific directives of the
2 statute being implemented;

3 (e) Determine, after considering alternative versions of the rule
4 and the analysis required under (b), (c), and (d) of this subsection,
5 that the rule being adopted is the least burdensome alternative for
6 those required to comply with it that will achieve the general goals
7 and specific objectives stated under (a) of this subsection;

8 (f) Determine that the rule does not require those to whom it
9 applies to take an action that violates requirements of another
10 federal or state law;

11 (g) Determine that the rule does not impose more stringent
12 performance requirements on private entities than on public entities
13 unless required to do so by federal or state law;

14 (h) Determine if the rule differs from any federal regulation or
15 statute applicable to the same activity or subject matter and, if so,
16 determine that the difference is justified by the following:

17 (i) A state statute that explicitly allows the agency to differ
18 from federal standards; or

19 (ii) Substantial evidence that the difference is necessary to
20 achieve the general goals and specific objectives stated under (a) of
21 this subsection; and

22 (i) Coordinate the rule, to the maximum extent practicable, with
23 other federal, state, and local laws applicable to the same activity
24 or subject matter.

25 (2) In making its determinations pursuant to subsection (1)(b)
26 through (h) of this section, the agency must place in the rule-making
27 file documentation of sufficient quantity and quality so as to
28 persuade a reasonable person that the determinations are justified.

29 (3) Before adopting rules described in subsection (5) of this
30 section, an agency must place in the rule-making file a rule
31 implementation plan for rules filed under each adopting order. The
32 plan must describe how the agency intends to:

33 (a) Implement and enforce the rule, including a description of
34 the resources the agency intends to use;

35 (b) Inform and educate affected persons about the rule;

36 (c) Promote and assist voluntary compliance; and

37 (d) Evaluate whether the rule achieves the purpose for which it
38 was adopted, including, to the maximum extent practicable, the use of
39 interim milestones to assess progress and the use of objectively
40 measurable outcomes.

1 (4) After adopting a rule described in subsection (5) of this
2 section regulating the same activity or subject matter as another
3 provision of federal or state law, an agency must do all of the
4 following:

5 (a) Coordinate implementation and enforcement of the rule with
6 the other federal and state entities regulating the same activity or
7 subject matter by making every effort to do one or more of the
8 following:

9 (i) Deferring to the other entity;

10 (ii) Designating a lead agency; or

11 (iii) Entering into an agreement with the other entities
12 specifying how the agency and entities will coordinate implementation
13 and enforcement.

14 If the agency is unable to comply with this subsection (4)(a),
15 the agency must report to the legislature pursuant to (b) of this
16 subsection;

17 (b) Report to the joint administrative rules review committee:

18 (i) The existence of any overlap or duplication of other federal
19 or state laws, any differences from federal law, and any known
20 overlap, duplication, or conflict with local laws; and

21 (ii) Make recommendations for any legislation that may be
22 necessary to eliminate or mitigate any adverse effects of such
23 overlap, duplication, or difference.

24 (5)(a) Except as provided in (b) of this subsection, this section
25 applies to:

26 (i) Significant legislative rules of the departments of ecology,
27 labor and industries, health, revenue, social and health services,
28 and natural resources, the employment security department, the forest
29 practices board, the office of the insurance commissioner, and to the
30 legislative rules of the department of fish and wildlife implementing
31 chapter 77.55 RCW; and

32 (ii) Any rule of any agency, if this section is voluntarily made
33 applicable to the rule by the agency, or is made applicable to the
34 rule by a majority vote of the joint administrative rules review
35 committee within forty-five days of receiving the notice of proposed
36 rule making under RCW 34.05.320.

37 (b) This section does not apply to:

38 (i) Emergency rules adopted under RCW 34.05.350;

39 (ii) Rules relating only to internal governmental operations that
40 are not subject to violation by a nongovernment party;

1 (iii) Rules adopting or incorporating by reference without
2 material change federal statutes or regulations, Washington state
3 statutes, rules of other Washington state agencies, shoreline master
4 programs other than those programs governing shorelines of statewide
5 significance, or, as referenced by Washington state law, national
6 consensus codes that generally establish industry standards, if the
7 material adopted or incorporated regulates the same subject matter
8 and conduct as the adopting or incorporating rule;

9 (iv) Rules that only correct typographical errors, make address
10 or name changes, or clarify language of a rule without changing its
11 effect;

12 (v) Rules the content of which is explicitly and specifically
13 dictated by statute;

14 (vi) Rules that set or adjust fees under the authority of RCW
15 19.02.075 or that set or adjust fees or rates pursuant to legislative
16 standards, including fees set or adjusted under the authority of RCW
17 19.80.045;

18 (vii) Rules of the department of social and health services
19 relating only to client medical or financial eligibility and rules
20 concerning liability for care of dependents; or

21 (viii) Rules of the department of revenue that adopt a uniform
22 expiration date for reseller permits as authorized in RCW 82.32.780
23 and 82.32.783.

24 (c) For purposes of this subsection:

25 (i) A "procedural rule" is a rule that adopts, amends, or repeals
26 (A) any procedure, practice, or requirement relating to any agency
27 hearings; (B) any filing or related process requirement for making
28 application to an agency for a license or permit; or (C) any policy
29 statement pertaining to the consistent internal operations of an
30 agency.

31 (ii) An "interpretive rule" is a rule, the violation of which
32 does not subject a person to a penalty or sanction, that sets forth
33 the agency's interpretation of statutory provisions it administers.

34 (iii) A "significant legislative rule" is a rule other than a
35 procedural or interpretive rule that (A) adopts substantive
36 provisions of law pursuant to delegated legislative authority, the
37 violation of which subjects a violator of such rule to a penalty or
38 sanction; (B) establishes, alters, or revokes any qualification or
39 standard for the issuance, suspension, or revocation of a license or

1 permit; or (C) adopts a new, or makes significant amendments to, a
2 policy or regulatory program.

3 (d) In the notice of proposed rule making under RCW 34.05.320, an
4 agency must state whether this section applies to the proposed rule
5 pursuant to (a)(i) of this subsection, or if the agency will apply
6 this section voluntarily.

7 (6) By (~~January 31, 1996, and by~~) January 31st of each even-
8 numbered year (~~thereafter~~), the office (~~of~~) for regulatory
9 innovation and assistance, after consulting with state agencies,
10 counties, and cities, and business, labor, and environmental
11 organizations, must report to the governor and the legislature
12 regarding the effects of this section on the regulatory system in
13 this state. The report must document:

14 (a) The rules proposed to which this section applied and to the
15 extent possible, how compliance with this section affected the
16 substance of the rule, if any, that the agency ultimately adopted;

17 (b) The costs incurred by state agencies in complying with this
18 section;

19 (c) Any legal action maintained based upon the alleged failure of
20 any agency to comply with this section, the costs to the state of
21 such action, and the result;

22 (d) The extent to which this section has adversely affected the
23 capacity of agencies to fulfill their legislatively prescribed
24 mission;

25 (e) The extent to which this section has improved the
26 acceptability of state rules to those regulated; and

27 (f) Any other information considered by the office of financial
28 management to be useful in evaluating the effect of this section.

29 **Sec. 10.** RCW 43.30.550 and 2012 1st sp.s. c 1 s 208 are each
30 amended to read as follows:

31 (1) By December 31, 2013, the department must make examples of
32 complete, high quality forest practices applications and the
33 resulting approvals readily available to the public on its internet
34 site, as well as the internet site of the office (~~of~~) for
35 regulatory innovation and assistance established in RCW 43.42.010.
36 The department must maximize assistance to the public and interested
37 parties by seeking to make readily available examples from forest
38 practices that generate significant permitting activity or frequent
39 questions.

1 (2) The department must regularly review and update the examples
2 required to be made available on the internet under subsection (1) of
3 this section.

4 (3) The department must obtain the written permission of an
5 applicant before making publicly available that applicant's
6 application or approval under this section and must work
7 cooperatively with the applicant to ensure that no personal or
8 proprietary information is made available.

9 **Sec. 11.** RCW 43.42A.030 and 2014 c 68 s 4 are each amended to
10 read as follows:

11 (1) To provide meaningful customer service that informs project
12 planning and decision making by the citizens and businesses served,
13 each agency must make available to permit applicants the following
14 information through a link from the agency's web site to the office's
15 web site, as provided in subsection (4) of this section:

16 (a) A list of the types of permit assistance available and how
17 such assistance may be accessed;

18 (b) An estimate of the time required by the agency to process a
19 permit application and issue a decision;

20 (c) Other tools to help applicants successfully complete a
21 thorough application, such as:

22 (i) Examples of model completed applications;

23 (ii) Examples of approved applications, appropriately redacted to
24 remove sensitive information; and

25 (iii) Checklists for ensuring a complete application.

26 (2) Each agency shall update at reasonable intervals the
27 information it posts pursuant to this section.

28 (3)(a) Agencies must post the information required under
29 subsection (1) of this section for all permits as soon as
30 practicable, and no later than the deadlines established in this
31 section.

32 (b) The agency shall post the permit inventory for that agency
33 and the information required under subsection (1)(a) and (c) of this
34 section no later than June 30, 2014.

35 (c) The agency shall post the estimates of application completion
36 and permit decision times required under subsection (1)(b) of this
37 section based on actual data for calendar year 2015 by March 1, 2016,
38 and update this information for the previous calendar year, by March
39 1st of each year thereafter.

1 (d) Agencies must consider the customer experience in ensuring
2 all permit assistance information is simple to use, easy to access,
3 and designed in a customer-friendly manner.

4 (4) To ensure agencies can post the required information online
5 with minimal expenditure of agency resources, the office of the chief
6 information officer shall, in consultation with the office ((øf)) for
7 regulatory innovation and assistance, establish a central repository
8 of this information, hosted on the office ((øf)) for regulatory
9 innovation and assistance's web site. Each agency shall include at
10 least one link to the central repository from the agency's web site.
11 Agencies shall place the link or links in such locations as the
12 agency deems will be most customer-friendly and maximize
13 accessibility of the information to users of the web site.

14 (5) The office shall ensure the searchability of the information
15 posted on the central repository, applying industry best practices
16 such as search engine optimization, to ensure that the permit
17 performance and assistance information is readily findable and
18 accessible by members of the public.

19 **Sec. 12.** RCW 43.88.585 and 2013 c 63 s 1 are each amended to
20 read as follows:

21 (1) By January 1, 2014, the office of financial management shall
22 compile, maintain, and periodically update an inventory of all fees
23 imposed by state agencies and institutions of higher education
24 pursuant to statute or administrative rule. At a minimum, the
25 inventory shall identify the agency or institution collecting the
26 fee, the purpose of the fee, the current amount of the fee, the
27 amount of the fee over the previous five years, and the statutory
28 authority for the fee. The office of financial management may
29 aggregate or consolidate fee information when there is commonality
30 among the fee payers or the purposes for which the fee is paid.

31 (2) To facilitate the fee inventory under this section, each
32 state agency and institution of higher education shall report the
33 information required under subsection (1) of this section to the
34 office of financial management and shall update the information at
35 least every two years.

36 (3) The fee inventory under this section shall be incorporated
37 into the state expenditure information web site maintained by the
38 legislative evaluation and accountability program committee under RCW
39 44.48.150.

1 (4) The office of financial management shall convene a work group
2 consisting of representatives from the legislative evaluation and
3 accountability program committee, the office ((of)) for regulatory
4 innovation and assistance, the department of licensing, the
5 department of labor and industries, the department of transportation,
6 and the department of health to develop a process to facilitate more
7 frequent updates to the inventory and to recommend changes to
8 increase public accessibility.

9 (5) For purposes of this section, "fee" means any charge, fixed
10 by law or administrative rule, for the benefit of a service or to
11 cover the cost of a regulatory program or the costs of administering
12 a program for which the fee payer benefits. "Fee" does not include
13 taxes; penalties or fines; intergovernmental charges; commercial
14 charges; pension or health care contributions or rates; industrial,
15 unemployment, or other state-operated insurance programs; or
16 individualized cost recoveries.

17 **Sec. 13.** RCW 43.155.070 and 2015 3rd sp.s. c 3 s 7033 are each
18 amended to read as follows:

19 (1) To qualify for financial assistance under this chapter the
20 board must determine that a local government meets all of the
21 following conditions:

22 (a) The city or county must be imposing a tax under chapter 82.46
23 RCW at a rate of at least one-quarter of one percent;

24 (b) The local government must have developed a capital facility
25 plan; and

26 (c) The local government must be using all local revenue sources
27 which are reasonably available for funding public works, taking into
28 consideration local employment and economic factors.

29 (2) Except where necessary to address a public health need or
30 substantial environmental degradation, a county, city, or town
31 planning under RCW 36.70A.040 may not receive financial assistance
32 under this chapter unless it has adopted a comprehensive plan,
33 including a capital facilities plan element, and development
34 regulations as required by RCW 36.70A.040. This subsection does not
35 require any county, city, or town planning under RCW 36.70A.040 to
36 adopt a comprehensive plan or development regulations before
37 requesting or receiving financial assistance under this chapter if
38 such request is made before the expiration of the time periods
39 specified in RCW 36.70A.040. A county, city, or town planning under

1 RCW 36.70A.040 that has not adopted a comprehensive plan and
2 development regulations within the time periods specified in RCW
3 36.70A.040 may apply for and receive financial assistance under this
4 chapter if the comprehensive plan and development regulations are
5 adopted as required by RCW 36.70A.040 before executing a contractual
6 agreement for financial assistance with the board.

7 (3) In considering awarding financial assistance for public
8 facilities to special districts requesting funding for a proposed
9 facility located in a county, city, or town planning under RCW
10 36.70A.040, the board must consider whether the county, city, or town
11 planning under RCW 36.70A.040 in whose planning jurisdiction the
12 proposed facility is located has adopted a comprehensive plan and
13 development regulations as required by RCW 36.70A.040.

14 (4) The board must develop a priority process for public works
15 projects as provided in this section. The intent of the priority
16 process is to maximize the value of public works projects
17 accomplished with assistance under this chapter. The board must
18 attempt to assure a geographical balance in assigning priorities to
19 projects. The board must consider at least the following factors in
20 assigning a priority to a project:

21 (a) Whether the local government receiving assistance has
22 experienced severe fiscal distress resulting from natural disaster or
23 emergency public works needs;

24 (b) Except as otherwise conditioned by RCW 43.155.110, whether
25 the entity receiving assistance is a Puget Sound partner, as defined
26 in RCW 90.71.010;

27 (c) Whether the project is referenced in the action agenda
28 developed by the Puget Sound partnership under RCW 90.71.310;

29 (d) Whether the project is critical in nature and would affect
30 the health and safety of a great number of citizens;

31 (e) Whether the applicant's permitting process has been certified
32 as streamlined by the office ((of)) for regulatory innovation and
33 assistance;

34 (f) Whether the applicant has developed and adhered to guidelines
35 regarding its permitting process for those applying for development
36 permits consistent with section 1(2), chapter 231, Laws of 2007;

37 (g) The cost of the project compared to the size of the local
38 government and amount of loan money available;

39 (h) The number of communities served by or funding the project;

1 (i) Whether the project is located in an area of high
2 unemployment, compared to the average state unemployment;

3 (j) Whether the project is the acquisition, expansion,
4 improvement, or renovation by a local government of a public water
5 system that is in violation of health and safety standards, including
6 the cost of extending existing service to such a system;

7 (k) Except as otherwise conditioned by RCW 43.155.120, and
8 effective one calendar year following the development of model
9 evergreen community management plans and ordinances under RCW
10 35.105.050, whether the entity receiving assistance has been
11 recognized, and what gradation of recognition was received, in the
12 evergreen community recognition program created in RCW 35.105.030;

13 (l) The relative benefit of the project to the community,
14 considering the present level of economic activity in the community
15 and the existing local capacity to increase local economic activity
16 in communities that have low economic growth; and

17 (m) Other criteria that the board considers advisable.

18 (5) For the 2015-2017 fiscal biennium, in place of the criteria,
19 ranking, and submission processes for construction loan lists
20 provided in subsections (4) and (7) of this section:

21 (a) The board must develop a process for numerically ranking
22 applications for construction loans submitted by local governments.
23 The board must consider, at a minimum and in any order, the following
24 factors in assigning a numerical ranking to a project:

25 (i) Whether the project is critical in nature and would affect
26 the health and safety of many people;

27 (ii) The extent to which the project leverages nonstate funds;

28 (iii) The extent to which the project is ready to proceed to
29 construction;

30 (iv) Whether the project is located in an area of high
31 unemployment, compared to the average state unemployment;

32 (v) Whether the project promotes the sustainable use of resources
33 and environmental quality;

34 (vi) Whether the project consolidates or regionalizes systems;

35 (vii) Whether the project encourages economic development through
36 mixed-use and mixed income development consistent with chapter 36.70A
37 RCW;

38 (viii) Whether the system is being well-managed in the present
39 and for long-term sustainability;

1 (ix) Achieving equitable distribution of funds by geography and
2 population;

3 (x) The extent to which the project meets the following state
4 policy objectives:

5 (A) Efficient use of state resources;

6 (B) Preservation and enhancement of health and safety;

7 (C) Abatement of pollution and protection of the environment;

8 (D) Creation of new, family-wage jobs, and avoidance of shifting
9 existing jobs from one Washington state community to another;

10 (E) Fostering economic development consistent with chapter 36.70A
11 RCW;

12 (F) Efficiency in delivery of goods and services, public transit,
13 and transportation;

14 (G) Avoidance of additional costs to state and local governments
15 that adversely impact local residents and small businesses; and

16 (H) Reduction of the overall cost of public infrastructure; and

17 (xi) Other criteria that the board considers necessary to achieve
18 the purposes of this chapter.

19 (b) Before November 1, 2016, the board must develop and submit to
20 the appropriate fiscal committees of the senate and house of
21 representatives a ranked list of qualified public works projects
22 which have been evaluated by the board and are recommended for
23 funding by the legislature. The maximum amount of funding that the
24 board may recommend for any jurisdiction is ten million dollars per
25 biennium. For each project on the ranked list, as well as for
26 eligible projects not recommended for funding, the board must
27 document the numerical ranking that was assigned.

28 (6) Existing debt or financial obligations of local governments
29 may not be refinanced under this chapter. Each local government
30 applicant must provide documentation of attempts to secure additional
31 local or other sources of funding for each public works project for
32 which financial assistance is sought under this chapter.

33 (7) Before November 1st of each even-numbered year, the board
34 must develop and submit to the appropriate fiscal committees of the
35 senate and house of representatives a description of the loans made
36 under RCW 43.155.065, 43.155.068, and subsection (10) of this section
37 during the preceding fiscal year and a prioritized list of projects
38 which are recommended for funding by the legislature, including one
39 copy to the staff of each of the committees. The list must include,
40 but not be limited to, a description of each project and recommended

1 financing, the terms and conditions of the loan or financial
2 guarantee, the local government jurisdiction and unemployment rate,
3 demonstration of the jurisdiction's critical need for the project and
4 documentation of local funds being used to finance the public works
5 project. The list must also include measures of fiscal capacity for
6 each jurisdiction recommended for financial assistance, compared to
7 authorized limits and state averages, including local government
8 sales taxes; real estate excise taxes; property taxes; and charges
9 for or taxes on sewerage, water, garbage, and other utilities.

10 (8) The board may not sign contracts or otherwise financially
11 obligate funds from the public works assistance account before the
12 legislature has appropriated funds for a specific list of public
13 works projects. The legislature may remove projects from the list
14 recommended by the board. The legislature may not change the order of
15 the priorities recommended for funding by the board.

16 (9) Subsection (8) of this section does not apply to loans made
17 under RCW 43.155.065, 43.155.068, and subsection (10) of this
18 section.

19 (10) Loans made for the purpose of capital facilities plans are
20 exempted from subsection (8) of this section.

21 (11) To qualify for loans or pledges for solid waste or recycling
22 facilities under this chapter, a city or county must demonstrate that
23 the solid waste or recycling facility is consistent with and
24 necessary to implement the comprehensive solid waste management plan
25 adopted by the city or county under chapter 70.95 RCW.

26 (12) After January 1, 2010, any project designed to address the
27 effects of storm water or wastewater on Puget Sound may be funded
28 under this section only if the project is not in conflict with the
29 action agenda developed by the Puget Sound partnership under RCW
30 90.71.310.

31 (13) During the 2015-2017 fiscal biennium, for projects involving
32 repair, replacement, or improvement of a wastewater treatment plant
33 or other public works facility for which an investment grade
34 efficiency audit is obtainable, the public works board must require
35 as a contract condition that the project sponsor undertake an
36 investment grade efficiency audit. The project sponsor may finance
37 the costs of the audit as part of its public works assistance account
38 program loan.

39 (14)(a) For public works assistance account application rounds
40 conducted during the 2015-2017 fiscal biennium, the board must

1 implement policies and procedures designed to maximize local
2 government use of federal funds to finance local infrastructure
3 including, but not limited to, drinking water and clean water state
4 revolving funds operated by the state departments of health and
5 ecology. Projects that are eligible for the drinking water and clean
6 water state revolving funds may receive public works board
7 preconstruction loans. Projects that are eligible for the drinking
8 water and clean water state revolving funds are not eligible for
9 public works board construction loans. For purposes of this
10 subsection "eligible for drinking water and clean water state
11 revolving funds" means:

12 (i) Projects that have applied to the state revolving funds and
13 are awaiting a funding decision;

14 (ii) Projects that have been rejected for funding solely due to
15 not meeting readiness requirements; and

16 (iii) Projects that have not applied, but would likely be
17 eligible if the project applied and met the project readiness
18 requirements.

19 (b) For all construction loan projects proposed to the
20 legislature for funding during the 2015-2017 fiscal biennium, the
21 board must base interest rates on the average daily market interest
22 rate for tax-exempt municipal bonds as published in the bond buyer's
23 index for the period from sixty to thirty days before the start of
24 the application cycle. For projects with a repayment period between
25 five and twenty years, the rate must be sixty percent of the market
26 rate. For projects with a repayment period under five years, the rate
27 must be thirty percent of the market rate. The board must also
28 provide reduced interest rates, extended repayment periods, or
29 forgivable principal loans for projects that meet financial hardship
30 criteria as measured by the affordability index or similar standard
31 measure of financial hardship.

32 **Sec. 14.** RCW 43.157.020 and 2009 c 421 s 3 are each amended to
33 read as follows:

34 Counties and cities with development projects designated as
35 projects of statewide significance within their jurisdictions shall
36 enter into an agreement with the office ((of)) for regulatory
37 innovation and assistance and the project managers of projects of
38 statewide significance for expediting the completion of projects of
39 statewide significance. The agreement shall require:

- 1 (1) Expedited permit processing for the design and construction
2 of the project;
- 3 (2) Expedited environmental review processing;
- 4 (3) Expedited processing of requests for street, right-of-way, or
5 easement vacations necessary for the construction of the project;
- 6 (4) Participation of local officials on the team assembled under
7 the requirements of RCW 43.157.030(2)(b); and
- 8 (5) Such other actions or items as are deemed necessary by the
9 office ((of)) for regulatory innovation and assistance for the design
10 and construction of the project.

11 **Sec. 15.** RCW 43.157.030 and 2009 c 421 s 4 are each amended to
12 read as follows:

13 (1) The department of ((community, trade, and economic
14 development)) commerce shall:

15 (a) Develop an application for designation of development
16 projects as projects of statewide significance. The application must
17 be accompanied by a letter of approval from the legislative authority
18 of any jurisdiction that will have the proposed project of statewide
19 significance within its boundaries. No designation of a project as a
20 project of statewide significance shall be made without such letter
21 of approval. The letter of approval must state that the jurisdiction
22 joins in the request for the designation of the project as one of
23 statewide significance and has or will hire the professional staff
24 that will be required to expedite the processes necessary to the
25 completion of a project of statewide significance. The development
26 project proponents may provide the funding necessary for the
27 jurisdiction to hire the professional staff that will be required to
28 so expedite. The application shall contain information regarding the
29 location of the project, the applicant's average employment in the
30 state for the prior year, estimated new employment related to the
31 project, estimated wages of employees related to the project,
32 estimated time schedules for completion and operation, and other
33 information required by the department; and

34 (b) Designate a development project as a project of statewide
35 significance if the department determines:

36 (i) After review of the application under criteria adopted by
37 rule, the development project will provide significant economic
38 benefit to the local or state economy, or both, the project is
39 aligned with the state's comprehensive plan for economic development

1 under RCW 43.162.020, and, by its designation, the project will not
2 prevent equal consideration of all categories of proposals under RCW
3 43.157.010; and

4 (ii) The development project meets or will meet the requirements
5 of RCW 43.157.010 regarding designation as a project of statewide
6 significance.

7 (2) The office ((ef)) for regulatory innovation and assistance
8 shall assign a project facilitator or coordinator to each project of
9 statewide significance to:

10 (a) Assist in the scoping and coordinating functions provided for
11 in chapter 43.42 RCW;

12 (b) Assemble a team of state and local government and private
13 officials to help meet the planning, permitting, and development
14 needs of each project, which team shall include those responsible for
15 planning, permitting and licensing, infrastructure development,
16 workforce development services including higher education,
17 transportation services, and the provision of utilities; and

18 (c) Work with each team member to expedite their actions in
19 furtherance of the project.

20 **Sec. 16.** RCW 43.160.060 and 2014 c 112 s 108 are each amended to
21 read as follows:

22 (1) The board is authorized to make direct loans to political
23 subdivisions of the state and to federally recognized Indian tribes
24 for the purposes of assisting the political subdivisions and
25 federally recognized Indian tribes in financing the cost of public
26 facilities, including development of land and improvements for public
27 facilities, project-specific environmental, capital facilities, land
28 use, permitting, feasibility, and marketing studies and plans;
29 project design, site planning, and analysis; project debt and revenue
30 impact analysis; as well as the construction, rehabilitation,
31 alteration, expansion, or improvement of the facilities. A grant may
32 also be authorized for purposes designated in this chapter, but only
33 when, and to the extent that, a loan is not reasonably possible,
34 given the limited resources of the political subdivision or the
35 federally recognized Indian tribe and the finding by the board that
36 financial circumstances require grant assistance to enable the
37 project to move forward. However, no more than twenty-five percent of
38 all financial assistance approved by the board in any biennium may

1 consist of grants to political subdivisions and federally recognized
2 Indian tribes.

3 (2) Application for funds must be made in the form and manner as
4 the board may prescribe. In making grants or loans the board must
5 conform to the following requirements:

6 (a) The board may not provide financial assistance:

7 (i) For a project the primary purpose of which is to facilitate
8 or promote a retail shopping development or expansion.

9 (ii) For any project that evidence exists would result in a
10 development or expansion that would displace existing jobs in any
11 other community in the state.

12 (iii) For a project the primary purpose of which is to facilitate
13 or promote gambling.

14 (iv) For a project located outside the jurisdiction of the
15 applicant political subdivision or federally recognized Indian tribe.

16 (b) The board may only provide financial assistance:

17 (i) For a project demonstrating convincing evidence that a
18 specific private development or expansion is ready to occur and will
19 occur only if the public facility improvement is made that:

20 (A) Results in the creation of significant private sector jobs or
21 significant private sector capital investment as determined by the
22 board; and

23 (B) Will improve the opportunities for the successful
24 maintenance, establishment, or expansion of industrial or commercial
25 plants or will otherwise assist in the creation or retention of long-
26 term economic opportunities;

27 (ii) For a project that cannot meet the requirement of (b)(i) of
28 this subsection but is a project that:

29 (A) Results in the creation of significant private sector jobs or
30 significant private sector capital investment as determined by the
31 board;

32 (B) Is part of a local economic development plan consistent with
33 applicable state planning requirements;

34 (C) Can demonstrate project feasibility using standard economic
35 principles; and

36 (D) Is located in a rural community as defined by the board, or a
37 rural county;

38 (iii) For site-specific plans, studies, and analyses that address
39 environmental impacts, capital facilities, land use, permitting,
40 feasibility, marketing, project engineering, design, site planning,

1 and project debt and revenue impacts, as grants not to exceed fifty
2 thousand dollars.

3 (c) The board must develop guidelines for local participation and
4 allowable match and activities.

5 (d) An application must demonstrate local match and local
6 participation, in accordance with guidelines developed by the board.

7 (e) An application must be approved by the political subdivision
8 and supported by the local associate development organization or
9 local workforce development council or approved by the governing body
10 of the federally recognized Indian tribe.

11 (f) The board may allow de minimis general system improvements to
12 be funded if they are critically linked to the viability of the
13 project.

14 (g) An application must demonstrate convincing evidence that the
15 median hourly wage of the private sector jobs created after the
16 project is completed will exceed the countywide median hourly wage.

17 (h) The board must prioritize each proposed project according to:

18 (i) The relative benefits provided to the community by the jobs
19 the project would create, not just the total number of jobs it would
20 create after the project is completed, but also giving consideration
21 to the unemployment rate in the area in which the jobs would be
22 located;

23 (ii) The rate of return of the state's investment, including, but
24 not limited to, the leveraging of private sector investment,
25 anticipated job creation and retention, and expected increases in
26 state and local tax revenues associated with the project;

27 (iii) Whether the proposed project offers a health insurance plan
28 for employees that includes an option for dependents of employees;

29 (iv) Whether the public facility investment will increase
30 existing capacity necessary to accommodate projected population and
31 employment growth in a manner that supports infill and redevelopment
32 of existing urban or industrial areas that are served by adequate
33 public facilities. Projects should maximize the use of existing
34 infrastructure and provide for adequate funding of necessary
35 transportation improvements;

36 (v) Whether the applicant's permitting process has been certified
37 as streamlined by the office ((ef)) for regulatory innovation and
38 assistance; and

39 (vi) Whether the applicant has developed and adhered to
40 guidelines regarding its permitting process for those applying for

1 development permits consistent with section 1(2), chapter 231, Laws
2 of 2007.

3 (i) A responsible official of the political subdivision or the
4 federally recognized Indian tribe must be present during board
5 deliberations and provide information that the board requests.

6 (3) Before any financial assistance application is approved, the
7 political subdivision or the federally recognized Indian tribe
8 seeking the assistance must demonstrate to the community economic
9 revitalization board that no other timely source of funding is
10 available to it at costs reasonably similar to financing available
11 from the community economic revitalization board.

12 **Sec. 17.** RCW 47.80.090 and 2012 c 229 s 592 are each amended to
13 read as follows:

14 (1) A regional transportation planning organization containing
15 any county with a population in excess of one million in
16 collaboration with representatives from the department of ecology,
17 the department of commerce, local governments, and the office ((øø))
18 for regulatory innovation and assistance must seek federal or private
19 funding for the planning for, deployment of, or regulations
20 concerning electric vehicle infrastructure. These efforts should
21 include:

22 (a) Development of short-term and long-term plans outlining how
23 state, regional, and local government construction may include
24 electric vehicle infrastructure in publicly available off-street
25 parking and government fleet vehicle parking, including what ratios
26 of charge spots to parking may be appropriate based on location or
27 type of facility or building;

28 (b) Consultations with the state building code council and the
29 department of labor and industries to coordinate the plans with state
30 standards for new residential, commercial, and industrial buildings
31 to ensure that the appropriate electric circuitry is installed to
32 support electric vehicle infrastructure;

33 (c) Consultation with the workforce development council and the
34 student achievement council to ensure the development of appropriate
35 educational and training opportunities for citizens of the state in
36 support of the transition of some portion of vehicular transportation
37 from combustion to electric vehicles;

38 (d) Development of an implementation plan for counties with a
39 population greater than five hundred thousand with the goal of having

1 public and private parking spaces, in the aggregate, be ten percent
2 electric vehicle ready by December 31, 2018; and

3 (e) Development of model ordinances and guidance for local
4 governments for siting and installing electric vehicle
5 infrastructure, in particular battery charging stations, and
6 appropriate handling, recycling, and storage of electric vehicle
7 batteries and equipment.

8 (2) These plans and any recommendations developed as a result of
9 the consultations required by this section must be submitted to the
10 legislature by December 31, 2010, or as soon as reasonably
11 practicable after the securing of any federal or private funding.
12 Priority will be given to the activities in subsection (1)(e) of this
13 section and any ordinances or guidance that is developed will be
14 submitted to the legislature, the department of commerce, and
15 affected local governments prior to December 31, 2010, if completed.

16 (3) The definitions in this subsection apply throughout this
17 section unless the context clearly requires otherwise.

18 (a) "Battery charging station" means an electrical component
19 assembly or cluster of component assemblies designed specifically to
20 charge batteries within electric vehicles, which meet or exceed any
21 standards, codes, and regulations set forth by chapter 19.28 RCW and
22 consistent with rules adopted under RCW 19.27.540.

23 (b) "Battery exchange station" means a fully automated facility
24 that will enable an electric vehicle with a swappable battery to
25 enter a drive lane and exchange the depleted battery with a fully
26 charged battery through a fully automated process, which meets or
27 exceeds any standards, codes, and regulations set forth by chapter
28 19.28 RCW and consistent with rules adopted under RCW 19.27.540.

29 (c) "Electric vehicle infrastructure" means structures,
30 machinery, and equipment necessary and integral to support an
31 electric vehicle, including battery charging stations, rapid charging
32 stations, and battery exchange stations.

33 (d) "Rapid charging station" means an industrial grade electrical
34 outlet that allows for faster recharging of electric vehicle
35 batteries through higher power levels, which meets or exceeds any
36 standards, codes, and regulations set forth by chapter 19.28 RCW and
37 consistent with rules adopted under RCW 19.27.540.

38 **Sec. 18.** RCW 77.55.181 and 2014 c 120 s 1 are each amended to
39 read as follows:

1 (1)(a) In order to receive the permit review and approval process
2 created in this section, a fish habitat enhancement project must meet
3 the criteria under this section and must be a project to accomplish
4 one or more of the following tasks:

5 (i) Elimination of human-made or caused fish passage barriers,
6 including culvert repair and replacement;

7 (ii) Restoration of an eroded or unstable stream bank employing
8 the principle of bioengineering, including limited use of rock as a
9 stabilization only at the toe of the bank, and with primary emphasis
10 on using native vegetation to control the erosive forces of flowing
11 water; or

12 (iii) Placement of woody debris or other instream structures that
13 benefit naturally reproducing fish stocks.

14 (b) The department shall develop size or scale threshold tests to
15 determine if projects accomplishing any of these tasks should be
16 evaluated under the process created in this section or under other
17 project review and approval processes. A project proposal shall not
18 be reviewed under the process created in this section if the
19 department determines that the scale of the project raises concerns
20 regarding public health and safety.

21 (c) A fish habitat enhancement project must be approved in one of
22 the following ways in order to receive the permit review and approval
23 process created in this section:

24 (i) By the department pursuant to chapter 77.95 or 77.100 RCW;

25 (ii) By the sponsor of a watershed restoration plan as provided
26 in chapter 89.08 RCW;

27 (iii) By the department as a department-sponsored fish habitat
28 enhancement or restoration project;

29 (iv) Through the review and approval process for the jobs for the
30 environment program;

31 (v) Through the review and approval process for conservation
32 district-sponsored projects, where the project complies with design
33 standards established by the conservation commission through
34 interagency agreement with the United States fish and wildlife
35 service and the natural resource conservation service;

36 (vi) Through a formal grant program established by the
37 legislature or the department for fish habitat enhancement or
38 restoration;

1 (vii) Through the department of transportation's environmental
2 retrofit program as a stand-alone fish passage barrier correction
3 project;

4 (viii) Through a local, state, or federally approved fish barrier
5 removal grant program designed to assist local governments in
6 implementing stand-alone fish passage barrier corrections;

7 (ix) By a city or county for a stand-alone fish passage barrier
8 correction project funded by the city or county; and

9 (x) Through other formal review and approval processes
10 established by the legislature.

11 (2) Fish habitat enhancement projects meeting the criteria of
12 subsection (1) of this section are expected to result in beneficial
13 impacts to the environment. Decisions pertaining to fish habitat
14 enhancement projects meeting the criteria of subsection (1) of this
15 section and being reviewed and approved according to the provisions
16 of this section are not subject to the requirements of RCW
17 43.21C.030(2)(c).

18 (3)(a) A permit is required for projects that meet the criteria
19 of subsection (1) of this section and are being reviewed and approved
20 under this section. An applicant shall use a joint aquatic resource
21 permit application form developed by the office ((øf)) for regulatory
22 innovation and assistance to apply for approval under this chapter.
23 On the same day, the applicant shall provide copies of the completed
24 application form to the department and to each appropriate local
25 government.

26 (b) Local governments shall accept the application as notice of
27 the proposed project. The department shall provide a fifteen-day
28 comment period during which it will receive comments regarding
29 environmental impacts.

30 (c) Within forty-five days, the department shall either issue a
31 permit, with or without conditions, deny approval, or make a
32 determination that the review and approval process created by this
33 section is not appropriate for the proposed project. The department
34 shall base this determination on identification during the comment
35 period of adverse impacts that cannot be mitigated by the
36 conditioning of a permit.

37 (d) If the department determines that the review and approval
38 process created by this section is not appropriate for the proposed
39 project, the department shall notify the applicant and the
40 appropriate local governments of its determination. The applicant may

1 reapply for approval of the project under other review and approval
2 processes.

3 (e) Any person aggrieved by the approval, denial, conditioning,
4 or modification of a permit under this section may appeal the
5 decision as provided in RCW 77.55.021(8).

6 (4) No local government may require permits or charge fees for
7 fish habitat enhancement projects that meet the criteria of
8 subsection (1) of this section and that are reviewed and approved
9 according to the provisions of this section.

10 (5) No civil liability may be imposed by any court on the state
11 or its officers and employees for any adverse impacts resulting from
12 a fish enhancement project permitted by the department under the
13 criteria of this section except upon proof of gross negligence or
14 willful or wanton misconduct.

15 **PART II**
16 **DEPARTMENT OF COMMERCE**

17 **Sec. 19.** RCW 43.330.040 and 1993 c 280 s 6 are each amended to
18 read as follows:

19 (1) The director shall supervise and administer the activities of
20 the department and shall advise the governor and the legislature with
21 respect to community and economic development matters affecting the
22 state.

23 (2) In addition to other powers and duties granted to the
24 director, the director shall have the following powers and duties:

25 (a) Enter into contracts on behalf of the state to carry out the
26 purposes of this chapter;

27 (b) Act for the state in the initiation of or participation in
28 any multigovernmental program relative to the purpose of this
29 chapter;

30 (c) Accept and expend gifts and grants, whether such grants be of
31 federal or other funds;

32 (d) Appoint such deputy directors, assistant directors, and up to
33 seven special assistants as may be needed to administer the
34 department. These employees are exempt from the provisions of chapter
35 41.06 RCW;

36 (e) Prepare and submit budgets for the department for executive
37 and legislative action;

1 (f) Submit recommendations for legislative actions as are deemed
2 necessary to further the purposes of this chapter;

3 (g) Adopt rules in accordance with chapter 34.05 RCW and perform
4 all other functions necessary and proper to carry out the purposes of
5 this chapter;

6 (h) Delegate powers, duties, and functions as the director deems
7 necessary for efficient administration, but the director shall be
8 responsible for the official acts of the officers and employees of
9 the department; and

10 (i) Perform other duties as are necessary and consistent with
11 law.

12 (3) When federal or other funds are received by the department,
13 they shall be promptly transferred to the state treasurer and
14 thereafter expended only upon the approval of the director. The
15 department must track the amount of federal economic development
16 funding received and disbursed along with any required state, local,
17 or other matching requirements and annually provide such information
18 to the economic development committees of the house of
19 representatives and the senate.

20 (4) The director may request information and assistance from all
21 other agencies, departments, and officials of the state, and may
22 reimburse such agencies, departments, or officials if such a request
23 imposes any additional expenses upon any such agency, department, or
24 official.

25 (5) The director shall, in carrying out the responsibilities of
26 office, consult with governmental officials, private groups, and
27 individuals and with officials of other states. All state agencies
28 and their officials and the officials of any political subdivision of
29 the state shall cooperate with and give such assistance to the
30 department, including the submission of requested information, to
31 allow the department to carry out its purposes under this chapter.

32 (6) The director may establish additional advisory or
33 coordinating groups with the legislature, within state government,
34 with state and other governmental units, with the private sector and
35 nonprofit entities or in specialized subject areas as may be
36 necessary to carry out the purposes of this chapter.

37 (7) The internal affairs of the department shall be under the
38 control of the director in order that the director may manage the
39 department in a flexible and intelligent manner as dictated by
40 changing contemporary circumstances. Unless specifically limited by

1 law, the director shall have complete charge and supervisory powers
2 over the department. The director may create such administrative
3 structures as the director deems appropriate, except as otherwise
4 specified by law, and the director may employ such personnel as may
5 be necessary in accordance with chapter 41.06 RCW, except as
6 otherwise provided by law.

7 **Sec. 20.** RCW 43.330.050 and 2014 c 112 s 110 are each amended to
8 read as follows:

9 The department shall be responsible for promoting community and
10 economic development within the state by assisting the state's
11 communities to increase the quality of life of their citizens and
12 their economic vitality, and by assisting the state's businesses to
13 maintain and increase their economic competitiveness, while
14 maintaining a healthy environment. Community and economic development
15 efforts shall include: Efforts to increase economic opportunity;
16 local planning to manage growth; the promotion and provision of
17 affordable housing and housing-related services; providing public
18 infrastructure; business and trade development; assisting firms and
19 industrial sectors to increase their competitiveness; fostering the
20 development of minority and women-owned businesses; facilitating
21 technology development, transfer, and diffusion; community services
22 and advocacy for low-income persons; and public safety efforts. The
23 department shall have the following general functions and
24 responsibilities:

25 (1) Provide advisory assistance to the governor, other state
26 agencies, and the legislature on community and economic development
27 matters and issues;

28 (2) Assist the governor in coordinating the activities of state
29 agencies that have an impact on local government and communities;

30 (3) Cooperate with the legislature and the governor in the
31 development and implementation of strategic plans for the state's
32 community and economic development efforts;

33 (4) Solicit private and federal grants for economic and community
34 development programs and administer such programs in conjunction with
35 other programs assigned to the department by the governor or the
36 legislature. To maximize the impact of federal funding for economic
37 development, the department must coordinate with federal and state
38 public research facilities to leverage other federal funding coming
39 to the state for research, development, innovation of new

1 technologies, and transfer of technology to the private sector to
2 promote business development and jobs in Washington;

3 (5) Cooperate with and provide technical and financial assistance
4 to local governments, businesses, and community-based organizations
5 serving the communities of the state for the purpose of aiding and
6 encouraging orderly, productive, and coordinated development of the
7 state, and, unless stipulated otherwise, give additional
8 consideration to local communities and individuals with the greatest
9 relative need and the fewest resources;

10 (6) Participate with other states or subdivisions thereof in
11 interstate programs and assist cities, counties, municipal
12 corporations, governmental conferences or councils, and regional
13 planning commissions to participate with other states and provinces
14 or their subdivisions;

15 (7) Hold public hearings and meetings to carry out the purposes
16 of this chapter;

17 (8) Conduct research and analysis in furtherance of the state's
18 economic and community development efforts including maintenance of
19 current information on market, demographic, and economic trends as
20 they affect different industrial sectors, geographic regions, and
21 communities with special economic and social problems in the state;
22 ((and))

23 (9) Develop a schedule of fees for services where appropriate;
24 and

25 (10) Operate an office for regulatory innovation and assistance
26 to continually improve the function of environmental and business
27 regulatory processes by identifying conflicts and overlap in the
28 state's rules, statutes, and operational practices and to ensure
29 ongoing coordination among regulatory agencies to reduce costs for
30 both government and business.

31 **Sec. 21.** RCW 43.330.060 and 2010 c 165 s 2 are each amended to
32 read as follows:

33 (1) The department shall (a) assist in expanding the state's role
34 as an international center of trade, culture, and finance; (b)
35 promote and market the state's products and services both nationally
36 and internationally; (c) work in close cooperation with other private
37 and public international trade efforts; (d) act as a centralized
38 location for the assimilation and distribution of trade information;

1 and (e) establish and operate foreign offices promoting overseas
2 trade and commerce.

3 (2) The department shall identify and work with Washington
4 businesses that can use local, state, and federal assistance to
5 increase domestic and foreign exports of goods and services.

6 (3) The department shall work generally with small businesses and
7 other employers to facilitate resolution of siting, regulatory,
8 expansion, and retention problems. This assistance shall include but
9 not be limited to assisting in workforce training and infrastructure
10 needs, identifying and locating suitable business sites, and
11 resolving problems with government licensing and regulatory
12 requirements. The department shall identify gaps in needed services
13 and develop steps to address them including private sector support
14 and purchase of these services.

15 (4) The department shall work to increase the availability of
16 capital to small businesses by developing new and flexible investment
17 tools; by assisting in targeting and improving the efficiency of
18 existing investment mechanisms; and by assisting in the procurement
19 of managerial and technical assistance necessary to attract potential
20 investors.

21 (5) The department shall assist women and minority-owned
22 businesses in overcoming barriers to entrepreneurial success. The
23 department shall contract with public and private agencies,
24 institutions, and organizations to conduct entrepreneurial training
25 courses for minority and women-owned businesses. The instruction
26 shall be intensive, practical training courses in financing,
27 marketing, managing, accounting, and recordkeeping for a small
28 business, with an emphasis on federal, state, local, or private
29 programs available to assist small businesses. Instruction shall be
30 offered in major population centers throughout the state at times and
31 locations that are convenient for minority and women small business
32 owners.

33 (6)(a) Subject to the availability of amounts appropriated for
34 this specific purpose, by December 1, 2010, the department, in
35 conjunction with the small business development center, must prepare
36 and present to the governor and appropriate legislative committees a
37 specific, actionable plan to increase access to capital and technical
38 assistance to small businesses and entrepreneurs beginning with the
39 2011-2013 biennium. In developing the plan, the department and the
40 center may consult with the Washington state microenterprise

1 association, and with other government, nonprofit, and private
2 organizations as necessary. The plan must identify:

3 (i) Existing sources of capital and technical assistance for
4 small businesses and entrepreneurs;

5 (ii) Critical gaps and barriers to availability of capital and
6 delivery of technical assistance to small businesses and
7 entrepreneurs;

8 (iii) Workable solutions to filling the gaps and removing
9 barriers identified in (a)(ii) of this subsection; and

10 (iv) The financial resources and statutory changes necessary to
11 put the plan into effect beginning with the 2011-2013 biennium.

12 (b) With respect to increasing access to capital, the plan must
13 identify specific, feasible sources of capital and practical
14 mechanisms for expanding access to it.

15 (c) The department and the center must include, within the
16 analysis and recommendations in (a) of this subsection, any specific
17 gaps, barriers, and solutions related to rural and low-income
18 communities and small manufacturers interested in exporting.

19 (7) Subject to amounts appropriated for this specific purpose,
20 the department must develop business assistance materials to maintain
21 and grow businesses in Washington. The business assistance materials
22 must include information about Washington's business and regulatory
23 requirements and efforts to streamline and improve government
24 regulation of businesses. The department must prioritize their
25 efforts by collaborating with businesses in key economic sectors
26 identified in targeted industry sectors in RCW 43.330.090, and
27 businesses in industry sectors identified through successful pilot
28 projects conducted under RCW 43.330.440.

29 **Sec. 22.** RCW 43.330.090 and 2014 c 112 s 113 are each amended to
30 read as follows:

31 (1) The department shall work with private sector organizations,
32 industry and sector associations, federal agencies, state agencies
33 that use a sector-based approach to service delivery, local
34 governments, local associate development organizations, and higher
35 education and training institutions in the development of industry
36 sector-based strategies to diversify the economy, facilitate
37 technology transfer and diffusion, and increase value-added
38 production. The industry sectors targeted by the department may
39 include, but are not limited to, aerospace, agriculture, food

1 processing, forest products, marine services, health and biomedical,
2 software, digital and interactive media, transportation and
3 distribution, and microelectronics. The department may establish
4 sector leads as directed in the omnibus operating appropriations act.
5 The department shall, on a continuing basis, evaluate the potential
6 return to the state from devoting additional resources to an industry
7 sector-based approach to economic development and identifying and
8 assisting additional sectors.

9 (2) The department's sector-based strategies shall include, but
10 not be limited to, cluster-based strategies that focus on assisting
11 regional industry sectors and related firms and institutions that
12 meet the definition of an industry cluster in this section and based
13 on criteria identified by the working group established in this
14 chapter.

15 (3)(a) The department shall promote, market, and encourage growth
16 in the production of films and videos, as well as television
17 commercials within the state; to this end the department is directed
18 to assist in the location of a film and video production studio
19 within the state.

20 (b) The department may, in carrying out its efforts to encourage
21 film and video production in the state, solicit and receive gifts,
22 grants, funds, fees, and endowments, in trust or otherwise, from
23 tribal, local, or other governmental entities, as well as private
24 sources, and may expend the same or any income therefrom for the
25 encouragement of film and video production. All revenue received for
26 such purposes shall be deposited into the general fund.

27 (4) In assisting in the development of regional and statewide
28 industry cluster-based strategies, the department's activities shall
29 include, but are not limited to:

30 (a) Facilitating regional focus group discussions and conducting
31 studies to identify industry clusters, appraise the current
32 information linkages within a cluster, and identify issues of common
33 concern within a cluster;

34 (b) Supporting industry and cluster associations, publications of
35 association and cluster directories, development of business
36 assistance materials, and related efforts to create or expand the
37 activities of industry and cluster associations;

38 (c) Administering a competitive grant program to fund economic
39 development activities designed to further regional cluster growth.
40 In administering the program, the department shall work with the

1 workforce training and education coordinating board, the state board
2 for community and technical colleges, the employment security
3 department, business, and labor.

4 (i) The department shall seek recommendations on criteria for
5 evaluating applications for grant funds and recommend applicants for
6 receipt of grant funds. Criteria shall include not duplicating the
7 purpose or efforts of industry skill panels.

8 (ii) Applicants must include organizations from at least two
9 counties and participants from the local business community. Eligible
10 organizations include, but are not limited to, local governments,
11 economic development councils, chambers of commerce, federally
12 recognized Indian tribes, workforce development councils, and
13 educational institutions.

14 (iii) Applications must evidence financial participation of the
15 partner organizations.

16 (iv) Eligible activities include the formation of cluster
17 economic development partnerships, research and analysis of economic
18 development needs of the cluster, the development of a plan to meet
19 the economic development needs of the cluster, and activities to
20 implement the plan.

21 (v) Priority shall be given to applicants that complement
22 industry skill panels and will use the grant funds to build linkages
23 and joint projects.

24 (vi) The maximum amount of a grant is one hundred thousand
25 dollars.

26 (vii) A maximum of one hundred thousand dollars total can go to
27 King, Pierce, Kitsap, and Snohomish counties combined.

28 (viii) No more than ten percent of funds received for the grant
29 program may be used by the department for administrative costs.

30 (5) As used in this chapter, "industry cluster" means a
31 geographic concentration of interconnected companies in a single
32 industry, related businesses in other industries, including suppliers
33 and customers, and associated institutions, including government and
34 education.

35 **Sec. 23.** RCW 43.330.440 and 2013 c 324 s 2 are each amended to
36 read as follows:

37 (1) The department, in collaboration with the office ((of)) for
38 regulatory innovation and assistance and the office of accountability
39 and performance, must conduct multijurisdictional regulatory

1 streamlining projects that each impact a specific industry sector or
2 subsector within a specific geographical location. Planning for an
3 initial pilot project must begin by September 1, 2013, and the
4 initial pilot project must be underway by December 31, 2013. One or
5 more projects must be implemented in each subsequent calendar year
6 through 2019.

7 (2) The department must establish and implement a competitive
8 process and select a minimum of one applicant comprised of a public-
9 private partnership for participation in each project. The initial
10 pilot project must focus on the manufacturing sector. The department,
11 in consultation with the economic development commission, must
12 determine the sectors for subsequent projects. The criteria to be
13 used to select projects must include:

14 (a) Evidence of strong business commitment to the project;

15 (b) Evidence of strong commitment by the local government
16 jurisdictions where the project is located to allocate necessary
17 staff to the project and to streamline laws, rules, and
18 administrative process requirements both within their jurisdictions
19 and collaboratively across jurisdictions;

20 (c) Willingness to apply lean principles and tools to streamline
21 the business regulatory experience;

22 (d) Identification of a lead partner capable of providing project
23 management and coordination of partners;

24 (e) Support of the stakeholders necessary to implement the
25 project;

26 (f) A plan and capacity to complete the project within the time
27 frame; and

28 (g) A minimum of fifty percent match must be provided from
29 project partners. The match may be cash, in-kind, or a combination of
30 cash and in-kind.

31 (3) The department is encouraged to collaborate with nonprofit
32 industry organizations, the private sector, foundations, and other
33 interested entities to successfully complete each project.

34 (4) The department must pursue opportunities for nonstate funding
35 as the match to the fifty percent or more provided by project
36 partners. A maximum of fifty thousand dollars of state funds may be
37 used for a project.

38 (5) The department may contract with a third party for expertise
39 and facilitation.

1 (6) All state agencies with regulatory requirements that impact
2 the project's industry sector must participate.

3 (7) The state agencies, local jurisdictions, business partners,
4 and other participants must jointly:

5 (a) Develop a project plan to conduct a cross-jurisdictional
6 review process;

7 (b) Identify and review all laws, rules, and administrative
8 processes and requirements pertaining to the selected sector;

9 (c) Apply specific criteria to evaluate the extent to which the
10 laws, rules, and administrative processes and requirements provide
11 for consistent, clear, and efficient customer experiences while
12 continuing to maintain public health, safety, and environmental
13 standards;

14 (d) Develop an implementation plan and schedule that identifies
15 priority streamlining actions;

16 (e) Present their recommendations to the department for comment
17 and endorsement; and

18 (f) Present their recommendations to the Washington state
19 economic development commission for comment, endorsement, and
20 evaluation.

21 (8) The department must document and distribute the streamlined
22 laws, rules, processes, and other potentially replicable information,
23 derived from the projects to the association of Washington cities and
24 Washington state association of counties for distribution to their
25 membership.

26 (9) The department must develop business assistance materials
27 that incorporate best practices learned from pilot projects conducted
28 under this section.

29 (10) The department must brief the economic development
30 committees of the legislature by January 15, 2014, on the status of
31 the initial pilot project, and must submit a report on the outcomes
32 of the projects to the economic development committees of the
33 legislature by January 15th of each calendar year, from 2015 through
34 2020. The department must include in the reports any streamlining
35 recommendations identified in the projects that require statutory
36 changes for implementation and any potentially replicable models,
37 approaches, and tools that could be applied to other sectors and
38 geographical areas.

MISCELLANEOUS

NEW SECTION. **Sec. 24.** (1) The office of regulatory assistance is hereby abolished and its powers, duties, and functions are hereby transferred to the office for regulatory innovation and assistance in the department of commerce.

(2)(a) All reports, documents, surveys, books, records, files, papers, or written material in the possession of the office of regulatory assistance shall be delivered to the custody of the office for regulatory innovation and assistance. All cabinets, furniture, office equipment, motor vehicles, and other tangible property employed by the office of regulatory assistance shall be made available to the office for regulatory innovation and assistance. All funds, credits, or other assets held by the office of regulatory assistance shall be assigned to the office for regulatory innovation and assistance.

(b) Any appropriations made to the office of regulatory assistance shall, on the effective date of this section, be transferred and credited to the office for regulatory innovation and assistance.

(c) If any question arises as to the transfer of any personnel, funds, books, documents, records, papers, files, equipment, or other tangible property used or held in the exercise of the powers and the performance of the duties and functions transferred, the director of financial management shall make a determination as to the proper allocation and certify the same to the state agencies concerned.

(3) All employees of the office of regulatory assistance are transferred to the jurisdiction of the office for regulatory innovation and assistance. All employees classified under chapter 41.06 RCW, the state civil service law, are assigned to the office for regulatory innovation and assistance to perform their usual duties upon the same terms as formerly, without any loss of rights, subject to any action that may be appropriate thereafter in accordance with the laws and rules governing state civil service.

(4) All rules and all pending business before the office of regulatory assistance shall be continued and acted upon by the office for regulatory innovation and assistance. All existing contracts and obligations shall remain in full force and shall be performed by the office for regulatory innovation and assistance.

1 (5) The transfer of the powers, duties, functions, and personnel
2 of the office of regulatory assistance shall not affect the validity
3 of any act performed before the effective date of this section.

4 (6) If apportionments of budgeted funds are required because of
5 the transfers directed by this section, the director of financial
6 management shall certify the apportionments to the agencies affected,
7 the state auditor, and the state treasurer. Each of these shall make
8 the appropriate transfer and adjustments in funds and appropriation
9 accounts and equipment records in accordance with the certification.

10 (7) All classified employees of the office of regulatory
11 assistance assigned to the office for regulatory innovation and
12 assistance under this section whose positions are within an existing
13 bargaining unit description at the office for regulatory innovation
14 and assistance shall become a part of the existing bargaining unit at
15 the office for regulatory innovation and assistance and shall be
16 considered an appropriate inclusion or modification of the existing
17 bargaining unit under the provisions of chapter 41.80 RCW.

18 NEW SECTION. **Sec. 25.** This act takes effect July 1, 2016.

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