SSB 5748 - H COMM AMD By Committee on Capital Budget

ADOPTED 04/15/2019

- 1 Strike everything after the enacting clause and insert the 2 following:
- 3 "NEW SECTION. Sec. 1. A new section is added to chapter 43.330 4 RCW to read as follows:
 - (1) The defense community compatibility account is created in the state treasury. Revenues to the account consist of appropriations by the legislature, private contributions, and all other sources deposited in the account.
 - (2) (a) Expenditures from the account may only be used for grants to local governments or entities who have entered into an agreement with a military installation in the state under the United States department of defense readiness and environmental protection integration program for purposes of the programs established in subsection (3) of this section, including administrative expenses. Priority must be given for grant applications accompanied by express support from nonprofit community or neighborhood-based organizations, public development authorities, federally recognized Indian tribes in the state, or other community partners. Only the director or the director's designee, may authorize expenditures. In order for the director or the director's designee to authorize an expenditure for the purpose identified in subsection (3) of this section, both federal and applicant funds must be committed to the same purposes or project as the state expenditure.
 - (b) An applicant must submit an application to the department in order to be eligible for funding under this subsection, and the department may not expend money on a project for which an applicant has not applied to the department to carry out the project.
 - (3)(a) The department may expend moneys from the account to provide state funds for projects identified by applicants to address incompatible development connected to Washington state military installations. For purposes of this section, "incompatible

- development" includes land development and military operations that impact the economy, environment, or quality of life opportunities for local communities.
 - (b) The department must evaluate and rank applications using objective criteria such as a community cost-benefit analysis, must consider recommendations from a citizens advisory commission comprised of representatives of community stakeholders impacted by military installations or their operations, must hold public hearings at least ninety days prior to any funding decision, and may consider the degree to which each project is compatible with the criteria established in the United States department of defense's readiness and environmental protection integration program.
 - (c) Eligible projects may include:

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- 14 (i) Acquisition of real property or real property interests to 15 eliminate an existing incompatible use;
- 16 (ii) Projects to jointly assist in the recovery or protection of 17 endangered species dependent on military installation property for 18 habitat;
- 19 (iii) Projects or programs to increase the availability of 20 housing affordable to enlisted military personnel and nonmilitary 21 residents in the local community;
- 22 (iv) Projects to retrofit existing uses to increase their 23 compatibility with existing or future military operations;
 - (v) Projects to enable local communities heavily dependent on a nearby military installation to diversify the local economy so as to reduce the economic dependence on the military base;
 - (vi) Projects that aid communities to replace jobs lost in the event of a reduction of the military presence; and
- (vii) Projects that improve or enhance aspects of the local economy, environment, or quality of life impacted by the presence of military activities.
 - (4) The department may adopt rules to implement this section.
- NEW SECTION. Sec. 2. A new section is added to chapter 43.330 RCW to read as follows:
- 35 (1) The department must produce a biennial report identifying a 36 list of projects to address incompatible developments near military 37 installations.
- 38 (a) The list must include a description of each project, the 39 estimated cost of the project, the amount of recommended state Code Rev/KS:eab 2 H-2543.3/19 3rd draft

- funding, and the amount of any federal or local funds documented to be available to be used for the project.
 - (b) Projects on the list must be prioritized with consideration given to:
 - (i) The recommendations of the recent United States department of defense base realignment and closure (BRAC) processes, joint land use studies, or other federally initiated land use processes; and
 - (ii) Whether a branch of the United States armed forces has identified the project as increasing the viability of military installations for current or future missions.
 - (c) The department may consult with the commanders of United States military installations in Washington to understand impacts and identify the viability of community identified projects to reduce incompatibility.
 - (2) The department must submit the report to appropriate committees of the house of representatives and the senate, including the joint committee on veterans' and military affairs and the house of representatives capital budget committee, by January 1, 2020, and every two years thereafter."
- 20 Correct the title.

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- <u>EFFECT:</u> (1) The requirement that legislative appropriations coming from revenues from businesses with military defense revenues exceeding \$10 million and that serve military defense industry is removed.
- (2) "Community" partners is added to grant application priority providers.
- (3) "Project" is added to "same purposes" criteria for purposes of authorizing expenditure.
- (4) "Connected to Washington state military installations" is clarified for incompatible development.
- (5) Incompatible development will include land development and military operations that impact the economy, environment, or quality of life for local communities.
- (6) "Operations" is added to military installations for a requirement to hold public hearings.
- (7) Instead of requiring the Department of Commerce to consult with US military installation commanders to identify eligible projects, the department "may" consult with military installations to understand and identify impacts of community identified projects to reduce incompatibility.
- (8) The House Capital Budget Committee is added to the list of entities that the department must submit a report to every two years.