FINAL BILL REPORT 2SSB 6027

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Synopsis as Enacted

Brief Description: Concerning floating residences.

Sponsors: Senate Committee on Ways & Means (originally sponsored by Senators Pedersen, Carlyle, Warnick, Van De Wege, Hunt, Rolfes, Short and Honeyford).

Senate Committee on Agriculture, Water, Natural Resources & Parks Senate Committee on Ways & Means House Committee on Environment & Energy

Background: Shoreline Management Act—Floating Homes and Floating On-Water Residences. Replace or remodeled floating on-water residences must be similar to the original residence in size and height. The Shoreline Management Act (SMA) requires development of local shoreline master programs, which must be consistent with guidelines adopted by the Department of Ecology. Each local government must establish a program for administering and enforcing a shoreline permit system.

The SMA provides that all permitted or legally established floating homes as of January 1, 2011 must be considered a conforming preferred use under local shoreline regulations. This means development and shoreline master program regulations may only impose reasonable conditions and mitigation that will not effectively preclude actions such as maintenance, repair, replacement, and remodeling of floating homes.

A floating home means a single-family dwelling unit constructed on a float, that is moored, anchored, or otherwise secured in water, and is not a vessel, even though it may be capable of being towed. A floating on-water residence established prior to July 1, 2014, must be considered a conforming use and accommodated through reasonable shoreline master program regulations, permit conditions, or mitigation that will not effectively preclude maintenance, repair, replacement, and remodeling of existing floating on-water residences and their moorages by rendering these actions impracticable. A floating on-water residence means any floating structure other than a floating home:

- designed or used primarily as a residence on water and has detachable utilities; and
- whose owner or primary occupant has held an ownership interest in space in a marina, or has held a lease or sublease to use space in a marina, since a date prior to July 1, 2014.

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

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Aquatic Lands—Water-Dependent Uses and Water-Oriented Uses. The Legislature delegated management of state-owned aquatic lands to the Department of Natural Resources (DNR), with directions to encourage public use and access, foster water-dependent uses, ensure environmental protection, and utilize renewable resources. The management of state-owned aquatic lands must preserve and enhance water-dependent uses. Water-dependent uses must be favored over other uses in state-owned aquatic land planning and when resolving conflicts between competing lease applications. In cases of conflict between water-dependent uses, priority must be given to uses which enhance renewable resources, waterborne commerce, and navigational and biological capacity of water, and to statewide interests as distinguished from local interests. DNR is further instructed to charge a rent to the users of state-owned aquatic lands, with different standards applying to different use types. Non-water dependent uses are charged fair market value for use of land. Water-dependent uses are charged rent according to a statutory formula.

Water-dependent uses, defined as uses that cannot logically exist except on water, are assessed rent associated with upland values. Generally, water-dependent users, such as marinas, must pay rent based on a percentage of the assessed value of the nearest upland parcel. After an initial rent amount is determined, DNR is directed to apply a real capitalization rate every four years. Water-oriented uses, as the term is defined in aquatic lands provisions, is defined as uses that historically have been dependent on a waterfront location, but with existing technology could be located away from the waterfront. Examples specified in the definition include watercraft sales, fish processing, and houseboats.

For the purposes of determining rent, water-oriented uses must be classified as water-dependent uses if the activity either is conducted on state-owned aquatic lands leased on October 1, 1984, or was actually conducted on the state-owned aquatic lands for at least three years before October 1, 1984. If, after October 1, 1984, the activity is changed to a use other than a water-dependent use, the activity must be classified as a nonwater-dependent use.

Summary: The definition of floating on-water residence under the SMA is amended to specify that floating on-water residence also means a vessel:

- designed or used primarily as a residence on water and has detachable utilities; and
- whose owner or primary occupant has held an ownership interest in space in a marina, or has held a lease or sublease to use space in a marina, since a date prior to July 1, 2014.

A substantial development permit is not required when replacing or remodeling a floating onwater residence if the size of the existing residence is not materially exceeded. A substantial development permit is required when the replacement or remodel of a floating on-water residence materially exceeds the size of the existing residence. All replacements or remodels of floating on-water residences that add 120 or more square feet to the living space must also include an on-board gray-water containment system or a waste-water connection that disposes of gray water to a waste-water disposal system.

Under provisions governing aquatic lands, the definitions of water-oriented use and water-dependent use are amended. The definition of water-oriented use removes houseboats as an example of a water-oriented use and adds a floating home as defined in the SMA as an

example of a water-oriented use. The definition of water-dependent use is amended to include a vessel or any other floating structure, other than a floating home as defined in the SMA:

- designed or used primarily as a residence on water and has detachable utilities; and
- whose owner or primary occupant has held an ownership interest in a marina, or has held a lease or sublease to use space in a marina, since a date prior to July 1, 2014.

Any rulemaking necessary due to changes to the definition of water-dependent use is not subject to an environmental impact statement under the State Environmental Policy Act.

Votes on Final Passage:

2020 Session Senate 46 0 House 96 0 (House amended) Senate 48 0 (Senate concurred)

Votes on Veto Override:

2021 Session Senate 48 0 House 93 3

Effective: July 25, 2021