

**SSB 5964** - H COMM AMD

By Committee on Local Government

1 Strike everything after the enacting clause and insert the  
2 following:

3 **"Sec. 1.** RCW 36.70B.140 and 1995 c 347 s 418 are each amended to  
4 read as follows:

5 (1) A local government by ordinance or resolution may exclude the  
6 following project permits from the provisions of RCW 36.70B.060  
7 through 36.70B.090 and 36.70B.110 through 36.70B.130: Landmark  
8 designations, street vacations, or other approvals relating to the  
9 use of public areas or facilities, or other project permits, whether  
10 administrative or quasi-judicial, that the local government by  
11 ordinance or resolution has determined present special circumstances  
12 that warrant a review process different from that provided in RCW  
13 36.70B.060 through 36.70B.090 and 36.70B.110 through 36.70B.130.

14 (2) A local government by ordinance or resolution also may  
15 exclude the following project permits from the provisions of RCW  
16 36.70B.060 and 36.70B.110 through 36.70B.130: Lot line or boundary  
17 adjustments and building and other construction permits, or similar  
18 administrative approvals, categorically exempt from environmental  
19 review under chapter 43.21C RCW, or for which environmental review  
20 has been completed in connection with other project permits.

21 (3) A local government must, by ordinance or resolution, exclude  
22 project permits for interior alterations within a residential unit  
23 that is located on a lot with four or fewer residential units from  
24 site plan review, provided that the interior alterations do not  
25 result in the following:

26 (a) Additional sleeping quarters or bedrooms;

27 (b) Nonconformity with federal emergency management agency  
28 substantial improvement thresholds; or

29 (c) Increase the total square footage or valuation of the  
30 structure thereby requiring upgraded fire access or fire suppression  
31 systems.

1       (4) For purposes of this section, "interior alterations" include  
2 construction activities that do not modify the existing site layout  
3 or its current use, and involve no exterior work adding to the  
4 building footprint.

5       (5) Nothing in this section precludes a city or county from using  
6 means other than site plan review to ensure that interior alterations  
7 do not increase nonconformity with local zoning or development  
8 regulations.

9       NEW SECTION. Sec. 2. A new section is added to chapter 36.70B  
10 RCW to read as follows:

11       (1) Subject to the availability of funds appropriated for this  
12 specific purpose, the department of commerce must establish a  
13 consolidated permit review grant program. The department may award  
14 grants to any local government that provides, by ordinance,  
15 resolution, or other action, a commitment to the following building  
16 permit review consolidation requirements:

17       (a) Issuing final decisions on permit applications for projects  
18 involving less than 5,000 square feet of building area within 45  
19 business days or 90 calendar days, whichever period is longer. For  
20 the purposes of this section, "business days" do not include any day  
21 in which the local government is awaiting information, documentation,  
22 clarification, or other necessary action from the applicant before  
23 the processing of the application can resume.

24       (i) To achieve permit review within the stated time frame, a  
25 local government must provide consolidated review for building permit  
26 applications. This may include an initial technical peer review of  
27 the application for conformity with the requirements of RCW  
28 36.70B.070 by all departments, divisions, and sections of the local  
29 government with jurisdiction over the project.

30       (ii) A local government may contract with a third-party business  
31 to conduct the consolidated permit review or as additional inspection  
32 staff. Any funds expended for such a contract may be eligible for  
33 reimbursement under this act;

34       (b) Establishing an application fee structure that would allow  
35 the jurisdiction to continue providing consolidated permit review  
36 within the 45 business day or 90 calendar day time frame.

37       (i) A local government may consult with local building  
38 associations to develop a reasonable fee system.

1 (ii) A local government must determine, no later than August 1,  
2 2023, the specific fee structure needed to provide permit review  
3 within the timeline specified in this subsection (1)(b).

4 (2) A jurisdiction that is awarded a grant under this section  
5 must provide a quarterly report to the department of commerce. The  
6 report must include the average and maximum time for permit review  
7 during the jurisdiction's participation in the grant program.

8 (3) If a jurisdiction is unable to successfully meet the terms  
9 and conditions of the grant, the jurisdiction must enter a 90 day  
10 probationary period. If the jurisdiction is not able to meet the  
11 requirements of this section by the end of the probationary period,  
12 the jurisdiction is no longer eligible to receive grants under this  
13 section.

14 (4) For the purposes of this section, "residential permit" means  
15 a permit issued by a city or county that satisfies the conditions of  
16 RCW 19.27.015(5) and is within the scope of the international  
17 residential code, as adopted in accordance with chapter 19.27 RCW.

18 NEW SECTION. **Sec. 3.** A new section is added to chapter 36.70B  
19 RCW to read as follows:

20 Subject to the availability of funds appropriated for this  
21 specific purpose, the department of commerce must establish a grant  
22 program for local governments to update their permit review process  
23 from paper filing systems to software systems capable of processing  
24 digital permit applications, virtual inspections, electronic review,  
25 and capacity for video storage.

26 NEW SECTION. **Sec. 4.** A new section is added to chapter 36.70B  
27 RCW to read as follows:

28 (1) Subject to the availability of amounts appropriated for this  
29 specific purpose, the department of commerce must convene a digital  
30 permitting process work group to examine potential license and  
31 permitting software for local governments to encourage streamlined  
32 and efficient permit review.

33 (2) The department of commerce, in consultation with the  
34 association of Washington cities and Washington state association of  
35 counties, shall appoint members to the work group representing groups  
36 including but not limited to:

- 37 (a) Cities and counties;
- 38 (b) Building industries; and

1 (c) Building officials.

2 (3) The department of commerce must convene the first meeting of  
3 the work group by August 1, 2022. The department must submit a final  
4 report to the governor and the appropriate committees of the  
5 legislature by August 1, 2023. The final report must:

6 (a) Evaluate the existing need for digital permitting systems;  
7 (b) Review barriers preventing local jurisdictions from accessing  
8 or adopting digital permitting systems;  
9 (c) Evaluate the benefits and costs associated with a statewide  
10 permitting software system; and  
11 (d) Provide budgetary, administrative policy, and legislative  
12 recommendations to increase the adoption of or establish a statewide  
13 system of digital permit review."

14 Correct the title.

EFFECT: Strikes the underlying bill and makes the following changes:

(1) Provides that the project permits for interior alterations that must be excluded from site plan review are those for alterations within a residential unit located on a lot with four or fewer residential units.

(2) Provides that cities and counties are not precluded from using means other than site review to ensure that interior alterations do not increase nonconformity with zoning or development regulations.

(3) Replaces residential permit applications with permit applications for projects involving less than 5,000 square feet of building area as the type of permits that must be processed within the provided deadlines in order for a local government to qualify for the Consolidated Permit Review Grant Program.

(4) Provides that the deadline by which the permits must be processed is the longer of 45 business days or 90 calendar days, with days during which the local government is waiting for a response or other action from the applicant not counting toward the 45 business days.

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