
SENATE BILL 5964

State of Washington

67th Legislature

2022 Regular Session

By Senators Mullet, Kuderer, Gildon, and Saldaña

Read first time 01/31/22. Referred to Committee on Housing & Local Government.

1 AN ACT Relating to consolidated local permit review processes;
2 amending RCW 36.70B.140; adding new sections to chapter 36.70B RCW;
3 and making appropriations.

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

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

7 (1) A local government by ordinance or resolution may exclude the
8 following project permits from the provisions of RCW 36.70B.060
9 through 36.70B.090 and 36.70B.110 through 36.70B.130: Landmark
10 designations, street vacations, or other approvals relating to the
11 use of public areas or facilities, or other project permits, whether
12 administrative or quasi-judicial, that the local government by
13 ordinance or resolution has determined present special circumstances
14 that warrant a review process different from that provided in RCW
15 36.70B.060 through 36.70B.090 and 36.70B.110 through 36.70B.130.

16 (2) A local government by ordinance or resolution also may
17 exclude the following project permits from the provisions of RCW
18 36.70B.060 and 36.70B.110 through 36.70B.130: Lot line or boundary
19 adjustments and building and other construction permits, or similar
20 administrative approvals, categorically exempt from environmental

1 review under chapter 43.21C RCW, or for which environmental review
2 has been completed in connection with other project permits.

3 (3) A local government must, by ordinance or resolution, exclude
4 project permits for interior alterations from site plan review,
5 provided that the interior alterations do not result in the
6 following:

7 (a) Additional sleeping quarters or bedrooms;

8 (b) Nonconformity with federal emergency management agency
9 substantial improvement thresholds; or

10 (c) Increase the total square footage of the structure thereby
11 requiring upgraded fire access or fire suppression systems.

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

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

18 (1) Subject to the availability of funds appropriated for this
19 specific purpose, the department of commerce must establish a
20 consolidated permit review grant program. The department may award
21 grants to any local government that provides, by ordinance,
22 resolution, or other action, a commitment to the following building
23 permit review consolidation requirements:

24 (a) Issuing final decisions for residential permit applications
25 within 45 business days or 90 calendar days.

26 (i) To achieve permit review within the stated time frame, a
27 local government must provide consolidated review for building permit
28 applications. This may include an initial technical peer review of
29 the application for conformity with the requirements of RCW
30 36.70B.070 by all departments, divisions, and sections of the local
31 government with jurisdiction over the project.

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

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

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

3 (ii) A local government must determine, no later than August 1,
4 2023, the specific fee structure needed to provide permit review
5 within the timeline specified in this subsection (1)(b).

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

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

16 NEW SECTION. **Sec. 3.** The sum of \$40,000,000, or as much thereof
17 as may be necessary, is appropriated for the fiscal year ending June
18 30, 2023, from the general fund to the department of commerce for the
19 purposes of section 2 of this act.

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

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

28 NEW SECTION. **Sec. 5.** The sum of \$10,000,000, or as much thereof
29 as may be necessary, is appropriated for the fiscal year ending June
30 30, 2023, from the general fund to the department of commerce for the
31 purposes of section 4 of this act.

32 NEW SECTION. **Sec. 6.** A new section is added to chapter 36.70B
33 RCW to read as follows:

34 (1) Subject to the availability of amounts appropriated for this
35 specific purpose, the department of commerce must convene a digital
36 permitting process work group to examine potential license and

1 permitting software for local governments to encourage streamlined
2 and efficient permit review.

3 (2) The department of commerce, in consultation with the
4 association of Washington cities and Washington state association of
5 counties, shall appoint members to the work group representing groups
6 including but not limited to:

7 (a) Cities and counties; and

8 (b) Building industries.

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

13 (a) Evaluate the existing need for digital permitting systems;

14 (b) Review barriers preventing local jurisdictions from accessing
15 or adopting digital permitting systems;

16 (c) Evaluate the benefits and costs associated with a statewide
17 permitting software system; and

18 (d) Provide budgetary, administrative policy, and legislative
19 recommendations to increase the adoption of or establish a statewide
20 system of digital permit review.

21 NEW SECTION. **Sec. 7.** The sum of \$200,000, or as much thereof as
22 may be necessary, is appropriated for the fiscal year ending June 30,
23 2023, from the general fund to the department of commerce for the
24 purposes of section 6 of this act.

--- END ---