
HOUSE BILL 1296

State of Washington

68th Legislature

2023 Regular Session

By Representatives Peterson, Tharinger, Senn, Bateman, Lekanoff, Ramel, Reed, Pollet, and Leavitt; by request of Office of the Governor

Read first time 01/13/23. Referred to Committee on Local Government.

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

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 or valuation of the
11 structure thereby requiring upgraded fire access or fire suppression
12 systems.

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

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

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

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

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

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

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

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 subsection (1)(b) of this section.

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

20 NEW SECTION. **Sec. 3.** 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. 4.** A new section is added to chapter 36.70B
29 RCW to read as follows:

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

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

1 (a) Cities and counties;
2 (b) Building industries; and
3 (c) Building officials.
4 (3) The department of commerce must convene the first meeting of
5 the work group by August 1, 2023. The department must submit a final
6 report to the governor and the appropriate committees of the
7 legislature by August 1, 2024. The final report must:
8 (a) Evaluate the existing need for digital permitting systems;
9 (b) Review barriers preventing local jurisdictions from accessing
10 or adopting digital permitting systems;
11 (c) Evaluate the benefits and costs associated with a statewide
12 permitting software system; and
13 (d) Provide budgetary, administrative policy, and legislative
14 recommendations to increase the adoption of or establish a statewide
15 system of digital permit review.

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