

CERTIFICATION OF ENROLLMENT

SENATE BILL 5324

68th Legislature
2023 Regular Session

Passed by the Senate April 17, 2023
Yeas 48 Nays 0

President of the Senate

Passed by the House April 6, 2023
Yeas 97 Nays 0

**Speaker of the House of
Representatives**

Approved

Governor of the State of Washington

CERTIFICATE

I, Sarah Bannister, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 5324** as passed by the Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

**Secretary of State
State of Washington**

SENATE BILL 5324

AS AMENDED BY THE HOUSE

Passed Legislature - 2023 Regular Session

State of Washington 68th Legislature 2023 Regular Session

By Senators Conway, Nobles, Lovick, Fortunato, Hunt, Wagoner, Randall, and C. Wilson; by request of Department of Commerce

Read first time 01/12/23. Referred to Committee on State Government & Elections.

1 AN ACT Relating to the defense community compatibility account;
2 and amending RCW 43.330.515 and 43.330.520.

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

4 **Sec. 1.** RCW 43.330.515 and 2019 c 404 s 1 are each amended to
5 read as follows:

6 (1) The defense community compatibility account is created in the
7 state treasury. Revenues to the account consist of appropriations by
8 the legislature, private contributions, and all other sources
9 deposited in the account.

10 (2)(a) Expenditures from the account may only be used for grants
11 to local governments, federally recognized Indian tribes, or entities
12 who have entered into an agreement with a military installation in
13 the state under the United States department of defense readiness and
14 environmental protection integration program for purposes of the
15 programs established in subsection (3) of this section, including
16 administrative expenses. (~~Priority must be given for grant
17 applications accompanied by express support from nonprofit community
18 or neighborhood-based organizations, public development authorities,
19 federally recognized Indian tribes in the state, or other community
20 partners.~~) Only the director or the director's designee((~~r~~)) may
21 authorize expenditures. In order for the director or the director's

1 designee to authorize an expenditure for the purpose identified in
2 subsection (3) of this section, both (~~federal~~) nonstate and
3 applicant funds must be committed to the same purposes or project as
4 the state expenditure.

5 (b) An applicant must submit an application to the department in
6 order to be eligible for funding under this subsection, and the
7 department may not expend money on a project for which an applicant
8 has not applied to the department to carry out the project.

9 (3)(a) The department may expend moneys from the account to
10 provide state funds for capital projects identified by applicants to
11 address incompatible development connected to Washington state
12 military installations. For purposes of this section, "incompatible
13 development" includes land development and military operations that
14 impact the economy, environment, or quality of life opportunities for
15 local communities.

16 (b) The department must evaluate and rank applications using
17 objective criteria such as a community cost-benefit analysis, must
18 consider recommendations from a citizens advisory commission
19 comprised of representatives of community stakeholders impacted by
20 military installations or their operations, must hold public hearings
21 at least ninety days prior to any funding decision, and may consider
22 the degree to which each project is compatible with the criteria
23 established in the United States department of defense's readiness
24 and environmental protection integration program. When ranking
25 applications, the department must give priority to grant
26 applications:

27 (i) That have secured federal or other nonstate funding for the
28 project;

29 (ii) That leverage a higher proportion of federal or other
30 nonstate funding;

31 (iii) In which the federal grant requires state match in a timely
32 manner; or

33 (iv) Accompanied by express support from nonprofit community or
34 neighborhood-based organizations, public development authorities,
35 federally recognized Indian tribes in the state, or other community
36 partners.

37 (c) Eligible projects may include:

38 (i) Acquisition of real property or real property interests to
39 eliminate an existing incompatible use;

1 (ii) Projects to jointly assist in the recovery or protection of
2 endangered species dependent on military installation property for
3 habitat;

4 (iii) Projects (~~(or programs)~~) to increase the availability of
5 housing affordable to enlisted military personnel and nonmilitary
6 residents in the local community;

7 (iv) Projects to retrofit existing uses to increase their
8 compatibility with existing or future military operations;

9 (v) Projects to enable local communities heavily dependent on a
10 nearby military installation to diversify the local economy so as to
11 reduce the economic dependence on the military base;

12 (vi) Projects that aid communities to replace jobs lost in the
13 event of a reduction of the military presence; and

14 (vii) Projects that improve or enhance aspects of the local
15 economy, environment, or quality of life impacted by the presence of
16 military activities.

17 (4) The department may adopt rules to implement this section.

18 **Sec. 2.** RCW 43.330.520 and 2021 c 332 s 7039 are each amended to
19 read as follows:

20 (1) The department must produce a biennial report identifying a
21 list of projects to address incompatible developments near military
22 installations.

23 (a) The list must include a description of each project, the
24 estimated cost of the project, the amount of recommended state
25 funding, and the amount of any federal or local funds documented to
26 be available to be used for the project.

27 (b) Projects on the list must be prioritized with consideration
28 given to:

29 (i) The recommendations of the recent United States department of
30 defense base realignment and closure (BRAC) processes, joint land use
31 studies, or other federally initiated land use processes; and

32 (ii) Whether a branch of the United States armed forces has
33 identified the project as increasing the viability of military
34 installations for current or future missions.

35 (c) The department may consult with the commanders of United
36 States military installations in Washington to understand impacts and
37 identify the viability of community identified projects to reduce
38 incompatibility.

1 (2) The department must submit the report to appropriate
2 committees of the house of representatives and the senate, including
3 the joint committee on veterans' and military affairs and the house
4 of representatives capital budget committee, by (~~January 1, 2020~~)
5 November 1, 2024, and every two years thereafter.

6 (~~(3) For the 2021-2023 fiscal biennium, the department shall~~
7 ~~develop the report in subsection (2) of this section by November 1,~~
8 ~~2022, rather than by January 1, 2022.~~)

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