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**HOUSE BILL 1449**

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**State of Washington**

**68th Legislature**

**2023 Regular Session**

**By** Representatives Alvarado and Hutchins

1 AN ACT Relating to amending reporting requirements for the  
2 project permit application processing timeline; and amending RCW  
3 36.70B.020, 36.70B.080, and 36.70A.500.

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

5 **Sec. 1.** RCW 36.70B.020 and 1995 c 347 s 402 are each amended to  
6 read as follows:

7 Unless the context clearly requires otherwise, the definitions in  
8 this section apply throughout this chapter.

9 (1) "Closed record appeal" means an administrative appeal on the  
10 record to a local government body or officer, including the  
11 legislative body, following an open record hearing on a project  
12 permit application when the appeal is on the record with no or  
13 limited new evidence or information allowed to be submitted and only  
14 appeal argument allowed.

15 (2) "Local government" means a county, city, or town.

16 (3) "Open record hearing" means a hearing, conducted by a single  
17 hearing body or officer authorized by the local government to conduct  
18 such hearings, that creates the local government's record through  
19 testimony and submission of evidence and information, under  
20 procedures prescribed by the local government by ordinance or  
21 resolution. An open record hearing may be held prior to a local

1 government's decision on a project permit to be known as an "open  
2 record predecision hearing." An open record hearing may be held on an  
3 appeal, to be known as an "open record appeal hearing," if no open  
4 record predecision hearing has been held on the project permit.

5 (4) "Project permit" or "project permit application" means any  
6 land use or environmental permit (~~or license~~) required from a local  
7 government for a project action, including but not limited to  
8 (~~building permits,~~) subdivisions, binding site plans, planned unit  
9 developments, conditional uses, shoreline substantial development  
10 permits, site plan review, permits or approvals required by critical  
11 area ordinances, site-specific rezones authorized by a comprehensive  
12 plan or subarea plan, but excluding the adoption or amendment of a  
13 comprehensive plan, subarea plan, or development regulations except  
14 as otherwise specifically included in this subsection.

15 (5) "Public meeting" means an informal meeting, hearing,  
16 workshop, or other public gathering of people to obtain comments from  
17 the public or other agencies on a proposed project permit prior to  
18 the local government's decision. A public meeting may include, but is  
19 not limited to, a design review or architectural control board  
20 meeting, a special review district or community council meeting, or a  
21 scoping meeting on a draft environmental impact statement. A public  
22 meeting does not include an open record hearing. The proceedings at a  
23 public meeting may be recorded and a report or recommendation may be  
24 included in the local government's project permit application file.

25 **Sec. 2.** RCW 36.70B.080 and 2004 c 191 s 2 are each amended to  
26 read as follows:

27 (1) Development regulations adopted pursuant to RCW 36.70A.040  
28 must establish and implement time periods for local government  
29 actions for each type of project permit application and provide  
30 timely and predictable procedures to determine whether a completed  
31 project permit application meets the requirements of those  
32 development regulations. The time periods for local government  
33 actions for each type of complete project permit application or  
34 project type should not exceed one hundred twenty days, unless the  
35 local government makes written findings that a specified amount of  
36 additional time is needed to process specific complete project permit  
37 applications or project types.

38 The development regulations must, for each type of permit  
39 application, specify the contents of a completed project permit

1 application necessary for the complete compliance with the time  
2 periods and procedures.

3 (2) (a) Counties subject to the requirements of RCW 36.70A.215 and  
4 the cities within those counties that have populations of at least  
5 twenty thousand must, for each type of permit application, identify  
6 the total number of project permit applications for which decisions  
7 are issued according to the provisions of this chapter. For each type  
8 of project permit application identified, these counties and cities  
9 must establish and implement a deadline for issuing a notice of final  
10 decision as required by subsection (1) of this section and minimum  
11 requirements for applications to be deemed complete under RCW  
12 36.70B.070 as required by subsection (1) of this section.

13 (b) Counties and cities subject to the requirements of this  
14 subsection also must prepare annual performance reports that include,  
15 at a minimum, the following information for each type of project  
16 permit application identified in accordance with the requirements of  
17 (a) of this subsection:

18 (i) Total number of complete applications received during the  
19 year;

20 (ii) Number of complete applications received during the year for  
21 which a notice of final decision was issued before the deadline  
22 established under this subsection;

23 (iii) Number of applications received during the year for which a  
24 notice of final decision was issued after the deadline established  
25 under this subsection;

26 (iv) Number of applications received during the year for which an  
27 extension of time was mutually agreed upon by the applicant and the  
28 county or city;

29 (v) Variance of actual performance, excluding applications for  
30 which mutually agreed time extensions have occurred, to the deadline  
31 established under this subsection during the year; and

32 (vi) The mean processing time and the number standard deviation  
33 from the mean.

34 (c) Counties and cities subject to the requirements of this  
35 subsection must:

36 (i) Provide notice of and access to the annual performance  
37 reports through the county's or city's website; (~~and~~)

38 (ii) Post electronic facsimiles of the annual performance reports  
39 through the county's or city's website. Postings on a county's or  
40 city's website indicating that the reports are available by

1 contacting the appropriate county or city department or official do  
2 not comply with the requirements of this subsection.

3 If a county or city subject to the requirements of this  
4 subsection does not maintain a website, notice of the reports must be  
5 given by reasonable methods, including but not limited to those  
6 methods specified in RCW 36.70B.110(4); and

7 (iii) Provide an annual report to the department of commerce no  
8 later than December 15th detailing each instance in which it took the  
9 county or city longer than the time frame identified in subsection  
10 (1) of this section to issue a permit in response to a project permit  
11 application in the prior year. For each such instance, the county or  
12 city must explain the reason for the length of time required to  
13 process the project permit application.

14 (3) Nothing in this section prohibits a county or city from  
15 extending a deadline for issuing a decision for a specific project  
16 permit application for any reasonable period of time mutually agreed  
17 upon by the applicant and the local government.

18 (4) The department of ~~((community, trade, and economic~~  
19 ~~development))~~ commerce shall work with the counties and cities to  
20 review the potential implementation costs of the requirements of  
21 subsection (2) of this section. The department, in cooperation with  
22 the local governments, shall prepare a report summarizing the  
23 projected costs, together with recommendations for state funding  
24 assistance for implementation costs, and provide the report to the  
25 governor and appropriate committees of the senate and house of  
26 representatives by January 1, 2005.

27 (5)(a) The department of commerce shall develop and maintain a  
28 website that compiles the data provided to the department by counties  
29 and cities pursuant to subsection (2)(c)(iii) of this section. The  
30 data presented on the website must be accessible by, at a minimum, a  
31 list view of jurisdictions, a map view of jurisdictions, and a list  
32 view of types of project permit applications.

33 (b) A county or city subject to the reporting requirements of  
34 subsection (2)(c)(iii) of this section is ineligible to receive  
35 grants from the growth management planning and environmental review  
36 fund under RCW 36.70A.500 unless the county or city has certified to  
37 the department, and the department has confirmed, that the county or  
38 city is in compliance with the reporting requirements.

1           **Sec. 3.** RCW 36.70A.500 and 2012 1st sp.s. c 1 s 310 are each  
2 amended to read as follows:

3           (1) The department of commerce shall provide management services  
4 for the growth management planning and environmental review fund  
5 created by RCW 36.70A.490. The department shall establish procedures  
6 for fund management. The department shall encourage participation in  
7 the grant or loan program by other public agencies. The department  
8 shall develop the grant or loan criteria, monitor the grant or loan  
9 program, and select grant or loan recipients in consultation with  
10 state agencies participating in the grant or loan program through the  
11 provision of grant or loan funds or technical assistance.

12           (2) A grant or loan may be awarded to a county or city that is  
13 required to or has chosen to plan under RCW 36.70A.040 and that is  
14 qualified pursuant to this section. The grant or loan shall be  
15 provided to assist a county or city in paying for the cost of  
16 preparing an environmental analysis under chapter 43.21C RCW, that is  
17 integrated with a comprehensive plan, subarea plan, plan element,  
18 countywide planning policy, development regulation, monitoring  
19 program, or other planning activity adopted under or implementing  
20 this chapter that:

21           (a) Improves the process for project permit review while  
22 maintaining environmental quality; or

23           (b) Encourages use of plans and information developed for  
24 purposes of complying with this chapter to satisfy requirements of  
25 other state programs.

26           (3) In order to qualify for a grant or loan, a county or city  
27 shall:

28           (a) Demonstrate that it will prepare an environmental analysis  
29 pursuant to chapter 43.21C RCW and subsection (2) of this section  
30 that is integrated with a comprehensive plan, subarea plan, plan  
31 element, countywide planning policy, development regulations,  
32 monitoring program, or other planning activity adopted under or  
33 implementing this chapter;

34           (b) Address environmental impacts and consequences, alternatives,  
35 and mitigation measures in sufficient detail to allow the analysis to  
36 be adopted in whole or in part by applicants for development permits  
37 within the geographic area analyzed in the plan;

38           (c) Demonstrate that procedures for review of development permit  
39 applications will be based on the integrated plans and environmental  
40 analysis;

1 (d) Include mechanisms to monitor the consequences of growth as  
2 it occurs in the plan area and to use the resulting data to update  
3 the plan, policy, or implementing mechanisms and associated  
4 environmental analysis;

5 (e) Demonstrate substantial progress towards compliance with the  
6 requirements of this chapter. A county or city that is more than six  
7 months out of compliance with a requirement of this chapter is deemed  
8 not to be making substantial progress towards compliance; and

9 (f) Provide local funding, which may include financial  
10 participation by the private sector.

11 (4) In awarding grants or loans, the department shall give  
12 preference to proposals that include one or more of the following  
13 elements:

14 (a) Financial participation by the private sector, or a public/  
15 private partnering approach;

16 (b) Identification and monitoring of system capacities for  
17 elements of the built environment, and to the extent appropriate, of  
18 the natural environment;

19 (c) Coordination with state, federal, and tribal governments in  
20 project review;

21 (d) Furtherance of important state objectives related to economic  
22 development, protection of areas of statewide significance, and  
23 siting of essential public facilities;

24 (e) Programs to improve the efficiency and effectiveness of the  
25 permitting process by greater reliance on integrated plans and  
26 prospective environmental analysis;

27 (f) Programs for effective citizen and neighborhood involvement  
28 that contribute to greater likelihood that planning decisions can be  
29 implemented with community support;

30 (g) Programs to identify environmental impacts and establish  
31 mitigation measures that provide effective means to satisfy  
32 concurrency requirements and establish project consistency with the  
33 plans; or

34 (h) Environmental review that addresses the impacts of increased  
35 density or intensity of comprehensive plans, subarea plans, or  
36 receiving areas designated by a city or town under the regional  
37 transfer of development rights program in chapter 43.362 RCW.

38 (5) If the local funding includes funding provided by other state  
39 functional planning programs, including open space planning and

1 watershed or basin planning, the functional plan shall be integrated  
2 into and be consistent with the comprehensive plan.

3 (6) State agencies shall work with grant or loan recipients to  
4 facilitate state and local project review processes that will  
5 implement the projects receiving grants or loans under this section.

6 (7) The department may not award a grant from the growth  
7 management planning and environmental review fund to a county or city  
8 unless the county or city has certified to the department, and the  
9 department has confirmed, that the county or city is in compliance  
10 with the reporting requirements in RCW 36.70B.080(2)(c)(iii) or that  
11 the city or county is not subject to the reporting requirements in  
12 RCW 36.70B.080(2)(c)(iii).

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