Regulatory Streamlining — Regulatory Roadmap

Washington State
Department of
Commerce

Update to the Legislature per RCW 43.330.440(9)

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REPORT TO THE LEGISLATURE

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Acknowledgments

Table of Contents

Executive Summary

Overview

Legislative Requirements:
RCW 43.330.440(9) directs Commerce to: "submit a report on the outcomes of the projects to the economic development committees of the legislature by January 15th of each calendar year, from 2015 through 2020. The department must include in the reports any streamlining recommendations identified in the projects that require statutory changes for implementation and any potentially replicable models, approaches, and tools that could be applied to other sectors and geographical areas.

Enacted in 2013, HB 1818 directed Commerce to lead partnerships of state agencies, local agencies, businesses and nonprofits to streamline the business regulatory process. The legislation provides the opportunity to improve the business experience of understanding and complying with regulatory requirements that can be unclear, redundant or conflicting. For some time, the business community has been requesting this type of multi-jurisdictional approach from the perspective of the business owner.

In collaboration with partner jurisdictions, Commerce has piloted Regulatory Roadmaps for restaurant startups, manufacturing siting feasibility and residential construction since 2014. The pilots have presented solid learning opportunities to help the agency and its partners understand how to effectively provide regulatory information that will help businesses efficiently navigate a sea of regulatory requirements at the state, county and city level.

The initial concept entailed the production and use of downloadable spreadsheets on city websites. These were time- and labor-intensive and did not lend themselves to ready adoption of Regulatory Roadmaps by other jurisdictions. Anecdotal feedback shows there is a demand for this type of streamlined roadmap at the county and city level, but these "one-off" sites are difficult to resource, manage and update. The lack of standardization among jurisdictions, as well as different web platforms, required extensive and often incomplete customization.

To improve the experience and create some measure of scalability, Commerce started work in early 2018 on Regulatory Roadmap 2.0, an online portal that automates many of the processes found in the spreadsheets.

Commerce partnered with Pierce County and the city of Sumner to launch the prototype as they had interest, compatible technologies and available development resources. The Departments of Ecology, Labor and Industries, Clean Air Agency, local fire departments, water utility companies, etc. provided additional information and data streams. This new Manufacturing Regulatory Roadmap portal is anticipated to roll out to the public in early 2020.   Commerce anticipates maturing the functionality of the portal over time so that jurisdictions across the state can use it.

Key Findings or Highlights

- The portal incorporates multi-jurisdictional and multi-agency information in a single place for manufacturers looking to site a new facility or expansion (see screen capture elsewhere in this report).

- The Roadmap 2.0 portal creates a more predictable and efficient experience, removing much of the guesswork for businesses that want to grow and expand by allowing greater online access to regulatory requirements in a specific jurisdiction.

- The site is business-centric, putting business needs at the center of the process. It is based on what businesses need to accomplish and consider rather than focusing on the permitting and licensing process itself.

- Regulatory Roadmaps for specific industries have been guided by input from businesses and industry stakeholders to navigate regulatory requirements and create transparency. The new portal is designed to provide preliminary regulatory information to reduce costs and time and better prepare manufacturers for regulatory requirements that are likely to impact their siting decisions.

Conclusions

Commerce's goal is to reach larger segments of the business community, especially small businesses, so they can access a single, authoritative place to understand and plan their projects. Successful implementation will yield a competitive advantage for the state, providing assistance that does not dilute regulatory requirements themselves. This will provide predictability and help businesses avoid resubmissions and delays. Commerce will be able to judge success by site usage analytics, partner feedback, and feedback from site users.

The key is to provide business tools from the perspective of the business owner that incorporate multi-jurisdictional and multi-agency information in an easy-to-understand format, identifying regulatory thresholds where possible. Commerce continues to collaborate with local and state governments as well as businesses in developing this online portal to streamline the regulatory process while removing redundancies and uncertainties.

Introduction

Background

For the past several years, Commerce has been piloting Regulatory Roadmap navigation sites in collaboration with businesses and regulatory agencies. Commerce received funding to develop the Regulatory Roadmap pilots for 1) manufacturing site feasibility, 2) starting a restaurant and 3) starting a residential construction business.

In 2014 and 2015, a partnership between the state, the City of Seattle and King County was established to help restaurateurs navigate the requirements for starting a food service business. Based on the success of this pilot, Commerce attempted to adapt the regulatory assistance tools and techniques developed for the restaurant industry to other locales and sectors, including manufacturing.

Between 2016 and late 2018, Commerce expanded its Regulatory Roadmaps pilot into manufacturing and construction, providing a set of tools to address specific pain points for these industries.

Pilot Roadmaps to Date:

Restaurant Startup Roadmaps
- City of Seattle
- City of Spokane
- City of Spokane Valley
- City of Tacoma (partial)

Manufacturing Site Feasibility Roadmaps
- City of Arlington
- City of Marysville
- City of Lynnwood

Residential Construction Roadmap
- City of Kennewick

Through these pilots, it has become apparent that a different platform is necessary to make it possible to scale across jurisdictions and industries while increasing operational efficiencies. Significant staff resources at Commerce have been required to adapt each Regulatory Roadmap to a specific municipal partner, in part because each city's regulatory environment is different and because the underlying technologies used in the development of their websites vary widely.

Update on the Regulatory Roadmap Program

What's Next?

Commerce's goal is to meet jurisdiction and business demand for Regulatory Roadmaps by developing a more efficient application that can be launched easily for any jurisdiction or region. In its fully operational form, the web-based portal will provide businesses with the ability to "test drive" different jurisdictions so they can assess location-specific siting feasibilities within a single application. With additional funding, jurisdictions would be able to update their regulatory environment through a back-office feature on the portal, allowing Commerce to take on an administrator/manager role instead of one focused on labor-intensive manual updates.

Known as Regulatory Roadmap 2.0, the portal is a partnership between Commerce and its launch partners, Pierce County and the City of Sumner. Other jurisdictions in the county may become partners following launch, depending on available staffing and resources.

Focused on manufacturing siting feasibility, the portal allows users to select a jurisdiction and type of manufacturing use, which, in turn, displays regulatory requirements for that business type. The prototype includes zoning maps that show allowable zones for specific types of manufacturing uses and lays out additional considerations, tools and preliminary permitting information. This new Roadmap portal is scheduled to be rolled out to the public in January 2020.

The next steps for the prototype include:

- Conduct user feedback to identify potential enhancement opportunities.

- Implement enhancement based on priority of business requirements from the manufacturing community and resource availability.

- Gather user analytics to identify additional improvements ensure information is regularly updated.

- Collaborate with partner jurisdictions and interested stakeholders to communicate the platform and its value proposition.

Exhibit 1: Screen Capture of the new online portal, which walks users through the steps: 1) identifying needs, 2) assessing area feasibility through use of interactive zoning map, 3) reviewing critical conditions, 4) identifying specific requirements of selected properties, 5) reviewing permitting needs and 6) next steps of providing additional resources.

Conclusion

Launch of Prototype
Commerce is excited to launch our web-based portal prototype in early 2020. With the launch, we will be able to collect user analytics to make further adjustments based on user feedback and site functionality.

The new portal is designed to be scalable across multiple jurisdictions throughout the state and for multiple business use cases. Commerce staff has had the opportunity to work with the content of the first two jurisdictions, refining the process accordingly. While the initial work to input a jurisdiction into the system is still somewhat labor-intensive for Commerce staff, the hope is that as we learn more about the way jurisdictions communicate their requirements to us, we will be able to streamline and automate the content management processes further with appropriate resourcing. This includes a sustainable shared-cost funding model, available staff at the partner level, additional funds to build self-service capabilities into a back-office function and further market research and outreach to reach the target audiences earlier in the site selection and permitting process.