

HOUSE BILL REPORT

HB 2670

As Reported By House Committee On:
Government Reform & Land Use

Title: An act relating to eliminating grant and loan preferences for growth management act planning.

Brief Description: Eliminating grant and loan preferences for growth management act planning.

Sponsors: Representatives McMorris, Sump, Mulliken, Schoesler, Chandler, Reams, Honeyford, Sheahan and Buck.

Brief History:

Committee Activity:

Government Reform & Land Use: 2/2/98, 2/5/98 [DP].

HOUSE COMMITTEE ON GOVERNMENT REFORM & LAND USE

Majority Report: Do pass. Signed by 7 members: Representatives Reams, Chairman; Cairnes, Vice Chairman; Sherstad, Vice Chairman; Bush; Mielke; Mulliken and Thompson.

Minority Report: Without recommendation. Signed by 4 members: Representatives Romero, Ranking Minority Member; Lantz, Assistant Ranking Minority Member; Fisher and Gardner.

Staff: Joan Elgee (786-7135).

Background: The Growth Management Act (GMA) was enacted in 1990 and 1991. The GMA establishes requirements for all counties in the state, and imposes additional requirements for the faster growing counties. A city follows the lead of the county in which it is located. Counties and cities that are subject to all the requirements of the GMA are typically referred to as counties and cities planning under the GMA.

The basic GMA planning requirements are the:

- Adoption of a **county-wide planning policy**, which is a framework from which comprehensive plans are developed. The policy must address, among other things, the siting of public capital facilities of a county-wide or statewide nature.

- Designation of **urban growth areas**;
- Adoption of a **comprehensive plan**; and
- Adoption of **development regulations** implementing the comprehensive plan.

The Legislature has enacted several provisions to give counties and cities planning under the GMA additional sources of revenue to finance capital facilities. Counties and cities may impose a .25 percent excise tax on the sale or transfer of real estate to finance capital facilities and projects. Counties and cities may also impose impact fees on development activities to finance specified improvements.

The Legislature has also specified that when a state agency is considering awarding grants or loans for a county or city to finance public facilities, it must consider whether the county or city is a party to a county wide planning policy under the GMA relating to the type of public facilities for which the grant or loan is sought. The agency must give additional preference to the county or city if such a county wide planning policy exists. Similarly, when an agency considers grants or loans to a special district for public facilities it must also consider whether the county or city in whose planning jurisdiction the special district is located is a party to a county wide planning policy relating to the public facilities for which the grant or loan is sought.

Grants in which this preference applies include grants from the Interagency Committee for Outdoor Recreation and the Public Works Trust Fund.

Summary of Bill: The preference state agencies must grant to counties and cities that are parties to a county wide planning policy under the GMA when awarding grants or loans to finance public facilities is eliminated.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: These funds should be available to all jurisdictions. Pend Oreille County did not receive a block grant because it had not adopted a comprehensive plan. Okanogan County lost out on an IAC grant. The preference punishes those who through no fault of their own aren't under GMA. Cities have little control over whether they are within GMA.

Testimony Against: The provision is confusing. Does it only apply to those within the GMA?

Testified: Representative McMorris, prime sponsor (pro); Karla Kay Fullerton, Washington Cattlemen's Association (pro); William Grimes (pro); Jodi Walker, Building

Industry Association of Washington (pro); and Steve Clagett, 1,000 Friends of Washington (con).