



Washington
Department of
**FISH and
WILDLIFE**

Hydraulic Code Rules Chapter 220-660 WAC

Incorporating elements of 2SHB 1579 into HPA rules

WAC 220-660-050 - Procedures - Hydraulic Project Approvals
WAC 220-660-370 - Bank Protection in saltwater areas
WAC 220-660-460 - Informal appeal of administrative actions
WAC 220-660-470 - Formal appeal of administrative actions
WAC 220-660-480 - Compliance with HPA Provisions

Regulatory Analysis

Incorporating:

Small Business Economic Impact Statement

Cost-Benefit Analysis

Least Burdensome Alternatives Analysis

Administrative Procedure Act Determinations

Sources of Information Used

Washington Department of Fish and Wildlife
Habitat Program
Protection Division
Olympia, Washington

DRAFT December 15, 2019

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Mission
of the
Washington Department of Fish and Wildlife

*To preserve, protect and perpetuate fish, wildlife, and ecosystems
while providing sustainable fish and wildlife
recreational and commercial opportunities.*

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SECTION 1: Introduction

The state Legislature gave the Washington Department of Fish and Wildlife (WDFW) the responsibility to preserve, protect, and perpetuate all fish and shellfish resources of the state. To help achieve this mandate, the Legislature passed a state law in 1943 called “Protection of Fish Life.” Now titled “Construction Projects in State Waters” and codified as chapter 77.55 Revised Code of Washington (RCW), the entire text of the statute can be found at:

<http://app.leg.wa.gov/RCW/default.aspx?cite=77.55> .

Under the authority of Chapter 77.55 RCW, WDFW issues a construction permit called a Hydraulic Project Approval (HPA). The sole purpose of the HPA is to protect fish life from construction and other work that uses, diverts, obstructs, or changes the natural flow or bed of state waters. HPAs are site-specific, meaning that provisions are tailored to the site conditions and species that might be affected by each particular project. The HPA contains provisions that a permittee must follow in order to mitigate¹ impacts to fish life caused by the project.

WDFW promulgates rules to implement chapter 77.55 RCW under chapter 220-660 Washington Administrative Code (WAC) - *Hydraulic Code Rules*. This WAC chapter establishes regulations for administration of the HPA program. The Hydraulic Code Rules set forth definitions, administrative procedures for obtaining an HPA, steps for HPA appeals and civil compliance, and criteria generally used by WDFW to review and condition hydraulic projects to protect fish life.

This report presents Washington Department of Fish and Wildlife (WDFW) analyses and determinations pursuant to chapter 34.05 RCW - Administrative Procedure Act (APA) - , and chapter 19.85 RCW - Regulatory Fairness Act (RFA), for proposed amendments to Hydraulic Code Rules in chapter 220-660 WAC. This document is organized as follows:

SECTION 1: Introduction

SECTION 2: Describe the proposed rule and its history

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SECTION 8: Small Business Economic Impact Statement

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¹ “Mitigation” is defined in WAC 220-660-030(100) to mean sequentially avoiding impacts, minimizing impacts, and compensating for remaining unavoidable impacts to fish life or habitat that supports fish life.

SECTION 10: Remaining APA Determinations

SECTION 11: Sources of Information Used

Documents relating to this rule making activity are available on WDFW's HPA rule making web page at <https://wdfw.wa.gov/licenses/environmental/hpa/rulemaking> .

SECTION 2: Describe the proposed rule and its history

Rule amendments are proposed as necessary to implement elements of 2SHB 1579² - a bill passed by the legislature during the 2019 legislative session. This bill implements recommendations of the Southern Resident Orca Task Force (task force) related to increasing chinook abundance. The bill adds a procedure for potential applicants to request a preapplication determination about whether a project proposed landward of the ordinary high water line (OHWL) requires a Hydraulic Project Approval (HPA). The bill also enhanced authority for WDFW's civil compliance program and repealed a statute relating to marine beach front protective bulkheads or rockwalls for single-family residences.

2.1: Specific Objectives for this Rule Making

In order to implement 2SHB 1579, WDFW's objectives in this rule making include the following:

- Add a procedure for prospective applicants to request and receive a determination about whether a project proposed landward of the OHWL requires an HPA;
- Add language clarifying that WDFW can disapprove a new applications if the applicant has failed to pay a penalty, respond to a stop-work order, or respond to a notice to comply;
- Strike language from rule that references the repealed marine beach front protective bulkheads or rockwalls statute (RCW 77.55.141);
- Require saltwater bank protection location benchmarks to be recorded on plans as part of a complete HPA application;
- Clarify the compliance sequence, from technical assistance to compliance inspections, and add new compliance tools:
 - Stop Work Orders;
 - Notice to Comply;
 - Notice of Civil Penalty; and
- Provide a penalty schedule and specify signature authority for certain compliance tools, as directed by 2SHB 1579.

² Laws of 2019, chapter 290; Codified as RCWs 77.55.400 through 77.55.470.

2.2: Describe the proposed rule

Table 1 presents the proposed rule amendments incorporating elements of 2SHB 1579 (Proposals). The table presents changes listed in sequential order by WAC section and subsection.

Table 1 WDFW 2019 2SHB 1579 Rule Change Proposals presented by section and subsection number

(WAC Subsection) and Change	Description
WAC 220-660-050 - Procedures	
220-660-050(13)(b)	Strikes reference to repealed statute pursuant to 2SHB 1579 section 14.
220-660-050 (18)	Adds the process prescribed in 2SHB 1579 for preapplication determination regarding whether proposed work requires an HPA.
220-660-050 (19)	Adds 2SHB 1579 provisions for disapproving an application submitted by a person who has failed to comply with a formal compliance order issued by WDFW.
WAC 220-660-370 Bank protection in saltwater areas	
220-660-370 (introductory language) and (3), (4), (5)	Strikes language referencing RCW 77.55.141 regarding single-family-residence marine beach front protective bulkheads or rockwalls, which was repealed by 2SHB 1579, section 14. This has the effect of requiring the least impacting technically feasible alternative for every saltwater bank protection project.
220-660-370 (6)	Adds a requirement that benchmarks be established and shown in the plans submitted as part of the HPA application.
WAC 220-660-460 - Informal appeal of administrative actions	
220-660-460	Incorporates statutory definition of “project proponent” set forth in 2SHB 1579.
220-660-460 (2)	Adds clarification that the informal appeal process is not available for challenges to informal Correction Requests conveyed to a project proponent.
220-660-460 (3)	Adds conditions under which an informal appeal is available for certain administrative actions.
220-660-460 (4)	Clarifies the types of Department actions taken under ch. 220-660 WAC that could be reviewed in an informal appeal.
220-660-460 (6)	Specifies that a copy of the specific department administrative action potentially subject to an informal appeal must be submitted with a request for informal appeal.
WAC 220-660-470 - Formal appeal of administrative actions	
220-660-470	Incorporates statutory definition of “project proponent” set forth in 2SHB 1579.
220-660-470 (2)	Adds clarification that the formal appeal process is not available for challenges to informal Correction Requests conveyed to a project proponent.

(WAC Subsection) and Change	Description
220-660-470 (3)	Adds conditions under which a formal appeal is available for certain administrative actions.
220-660-470 (6)	Clarifies the types of Department actions taken under ch. 220-660 WAC that could be reviewed in a formal appeal.
WAC 220-660-480 - Compliance with HPA Provisions	
220-660-480 (introduction)	Adds summary of project proponents' obligations under chapter 77.55 RCW and the types of actions the Department can take in response to violations of chapter 77.55 RCW or chapter 220-660 WAC. Incorporates statutory definition of "project proponent" set forth in 2SHB 1579.
220-660-480 (1)	Minor language changes clarifying intent and adopting plain language without changing meaning.
220-660-480 (2)	Renames the notice conveyed to project proponents under this section, deletes material that has been moved to another section, and adds language that clarifies conditions under which formal compliance actions, such as a Stop Work Order, Notice to Comply, or Notice of Civil Penalty, can be conveyed to a project proponent during a technical assistance visit. Language is gleaned from both 2SHB 1579 and chapter 43.05 RCW.
220-660-480 (3)	Renames the notice conveyed to project proponents under this section, deletes material that has been moved to other sections, and adds language that clarifies conditions under which formal compliance actions, such as a Stop Work Order, Notice to Comply, or Notice of Civil Penalty, can be conveyed to a project proponent during a compliance inspection.
220-660-480 (4)	Subsection 4 is replaced with a subsection describing an informal Correction Request.
220-660-480 (5)	Subsection 5 is replaced with a subsection describing details regarding the issuance and contents of a Stop Work Order.
220-660-480 (6)	Subsection 6 is replaced with a subsection describing details regarding the issuance and contents of a Notice to Comply.
220-660-480 (7)	Subsection 7 is replaced with a subsection describing details regarding the issuance and contents of a Notice of Civil Penalty. Includes details regarding how the penalty is paid and consequences for not paying. Also includes reference to waivers for first-time paperwork violations by a small business. Language is gleaned from 2SHB 1579 and RCW 34.05.110.
220-660-480 (8)	Subsection 8 is replaced with a subsection containing considerations for setting the amount of a civil penalty for violations of chapter 77.55 RCW and chapter 220-660 WAC.
220-660-480 (9)	Subsection 6 becomes subsection 9 - Criminal penalty - without language changes.

(WAC Subsection) and Change	Description
220-660-480 (10)	New subsection pursuant to 2SHB 1579 section 11 (RCW 77.55.470) clarifying that remedies in this section are not exclusive.
220-660-480 (11)	New subsection provides transparency regarding WDFW's authority under 2SHB 1579 section 9 - RCW 77.55.450 – to apply for an administrative inspection warrant.
220-660-480 (12)	New section incorporates transparency regarding first time paperwork violations by small businesses, per RCW 34.05.110.
220-660-050 220-660-370 220-660-460 220-660-470 220-660-480	Correct typographical and grammatical errors and make minor edits that do not change the effect of the rules. See Table 16

2.3: History of this Rule Making Action

Date	Event
July 28, 2019	2SHB 1579 became effective.
September 16, 2019	WDFW commenced rule making by filing a CR-101.
December 3, 2019	WDFW filed CR-102 for rule making implementing 2SHB 1579.
December 18, 2019	Public comment period begins.
January 17 or 18, 2019	Public Hearing.
January 21, 2019	Public comment period closes.

Refer to Section 6 relating to stakeholder outreach, which provides a timeline of outreach milestones related to this rule making activity.

2.3.1: History of 2SHB 1579

Southern Resident Killer Whale Task Force.

In 2018, Governor Inslee issued Executive Order 18-02 which, among other things, created the Southern Resident Killer Whale Task Force (Task Force). Executive Order 18-02 directed the Task Force to identify, prioritize, and support the implementation of a plan to address three threats to southern resident orca whales as identified by the Executive Order: (1) prey availability; (2) contaminants; and (3) disturbance from vessel noise.

The Task Force issued its report and recommendations on November 16, 2018. In its report, the Task Force recommended application and enforcement of laws that protect salmon and forage fish habitat. This included the recommendation that WDFW, together with the Washington Departments of Natural Resources (DNR) and Ecology, strongly apply and enforce existing habitat protection and water quality regulations and provide WDFW, DNR, and Ecology with the capacity

for implementation and enforcement of violations. The Task Force specifically recommended that WDFW be equipped with civil enforcement tools equivalent to those of local governments, Ecology, and DNR, to ensure compliance with chapter 77.55 RCW and chapter 220-660 WAC.

2019 legislative session

Second Substitute House Bill (2SHB) 1579 (Laws of 2019, c. 290) implements recommendations of the Task Force related to increasing chinook abundance. It was sponsored by the House Committee on Appropriations (originally sponsored by Representatives Fitzgibbon, Peterson, Lekanoff, Doglio, Macri, Stonier, Tharinger, Stanford, Jinkins, Robinson, Pollet, Valdez, Cody, Kloba, Slatter, Frame and Davis; by request of Office of the Governor) and endorsed by House Committee on Rural Development, Agriculture, & Natural Resources, House Committee on Appropriations, Senate Committee on Agriculture, Water, Natural Resources & Parks, and Senate Committee on Ways & Means.

The original bill was focused on implementing Task Force recommendations by providing tools to protect salmon habitat when development permits are issued along marine and freshwater shorelines. Strengthening the Hydraulic Code Statute helps ensure development projects that affect Chinook salmon and their habitats do no harm. The bill set a maximum civil penalty amount of \$10,000 per violation of chapter 77.55 RCW or chapter 220-660 WAC.

On April 10, 2019, the Senate amended 2 SHB 1579 through a striker amendment, which added an entirely new section providing for the construction of three river management demonstration suction dredging projects “to test the effectiveness and costs of river management strategies and techniques.” (Section 13 of the bill). These demonstration projects were not among the Task Force’s November 16, 2018, recommendations. The striker amendment also made the maximum penalty amount for violations of the Hydraulic Code Statute contingent upon the passage of the newly added section. More specifically, the amended provided that if the new section passed, penalty amounts would be capped at \$10,000 per violation, but if it did not pass, penalty amounts would be capped at \$100 per violation of chapter 77.55 RCW or chapter 220-660 WAC.

The Governor vetoed the new section and contingency language, providing the following veto message:

I am vetoing Section 13, which would require certain state agencies and local governments to identify river management demonstration projects in Whatcom, Snohomish, and Grays Harbor counties, because it is not a recommendation of the task force. As such, it is outside of both the title and scope of the bill, in violation of Article 2, Sections 19 and 38 of our constitution. Section 13 is unrelated, unnecessary and an unfortunate addition to this important bill about salmon and orca habitat and recovery.

In addition, I am also vetoing Section 8(1)(a), which establishes maximum civil penalty amounts for violations of Chapter 77.55 RCW (Construction Projects in State Waters).

Consistent with the task force's recommendations, the original bill established a maximum civil penalty of up to ten thousand dollars for each violation. When the Legislature amended the bill to add Section 13, it simultaneously amended Section 8 and tied the original civil penalty amount to passage of Section 13. It did so by reducing the maximum civil penalty to "up to one hundred dollars" if Section 13 is not enacted by June 30, 2019. By making the original civil penalty amount contingent on passage of an unconstitutional section of the bill, the Legislature further compounded the constitutional violation. In addition, by structuring the contingency language within a subsection of Section 8, the Legislature intentionally attempted to circumvent and impede my veto authority by entangling an unrelated and unconstitutional provision within a recommendation of the task force. In vetoing this subsection, I direct the department to continue to use its authority to secure the effect of the statute, to establish a maximum civil penalty not to exceed the penalty amount established in the original bill, and to use its rulemaking authority to support these efforts as needed.

Maximum penalties are thus proposed pursuant to the legislature’s original language for HB 1579. 2 SHB 1579 as enacted directs WDFW to adopt a penalty schedule in rule. WDFW determined that other statutory elements presented the bill as enacted should also be reflected in rule to reduce confusion and increase transparency for those affected by the changes.

2.3.2 Crosswalk 2SHB 1579 with statute and rule

The following information provides a crosswalk from the bill as enacted (Laws of 2019, c. 290) to statute to rule (Table 2).

Table 2 Crosswalk from 2SHB 1579 section to statute to proposed rule section and subsection

Topic	2SHB 1579	Statute	Proposed Rule	Rule topic
Preapplication Determination	Section 4	RCW 77.55.400	WAC 220-660-050(18) ³	Procedures for HPAs
Violation of chapter	Section 5	RCW 77.55.410	WAC 220-660-480(4)	Compliance with HPA Provisions - Correction request
Stop Work Order - Notice - Appeal	Section 6	RCW 77.55.420	WAC 220-660-480(5) ³	Compliance with HPA Provisions - Stop Work Order

³ Preapplication determinations, stop-work orders, notices to comply, notices of civil penalty, and notices of intent to disapprove applications are all added as elements subject to informal (WAC 220-660-460) and formal (WAC 220-660-470) appeal.

Topic	2SHB 1579	Statute	Proposed Rule	Rule topic
Notice to Comply - Notice - Appeal	Section 7	RCW 77.55.430	WAC 220-660-480(6) ³	Compliance with HPA Provisions - Notice to comply
Penalties - Notice - Appeal - Authority of attorney general to recover penalty - Penalty schedule	Section 8	RCW 77.55.440	WAC 220-660-480(7) ³ and (8)	Compliance with HPA Provisions - (7) Civil penalties & (8) Penalty schedule
Administrative inspection warrant	Section 9	RCW 77.55.450	WAC 220-660-480(11)	Compliance with HPA Provisions - Permission to enter property denied
Disapproval of an application - Notice - Review	Section 10	RCW 77.55.460	WAC 220-660-050(19) ³	Procedures for HPAs
Remedies under chapter not exclusive	Section 11	RCW 77.55.470	WAC 220-660-480(10)	Compliance with HPA provisions - remedies not exclusive
Repeal single-family-residence marine beach front protective bulkheads or rockwalls provisions	Section 14(1)	Repealed RCW 77.55.141	Strike reference in WAC 220-660-050(13)	Procedures for HPAs
			Strike reference in WAC 220-660-370	Bank Protection in saltwater areas
Repeal Civil Penalty statute	Section 14(2)	Repealed RCW 77.55.291	n/a	n/a

SECTION 3: Significant Legislative Rule Analysis Required

RCW 34.05.328(5)(a) "Except as provided in (b) of this subsection, this section applies to: (i) ... the legislative rules of the department of fish and wildlife implementing chapter 77.55 RCW;..."

Hydraulic Code rules in chapter 220-660 WAC are significant legislative rules as specified in RCW 34.05.328(5)(a)(i). Analyses pursuant to RCW 34.05.328 are provided for this rule proposal.

SECTION 4: Goals and Objectives of the Statute that the Rule Implements

RCW 34.05.328 (1)(a) "Clearly state in detail the general goals and specific objectives of the statute that the rule implements;"

4.1: Chapter 77.55 RCW - the Hydraulic Code Statute - Goals and Objectives

The state Legislature gave WDFW the responsibility to preserve, protect, and perpetuate all fish and shellfish resources of the state, and to

“...authorize the taking of wildlife, food fish, game fish, and shellfish only at times or places, or in manners or quantities, as in the judgment of the commission does not impair the supply of these resources.” RCW 77.04.012

The Legislature also granted the Commission very broad authority to adopt rules to protect fish life for a wide variety of activities in Washington waters:

The commission may adopt, amend, or repeal rules: specifying the times when the taking of wildlife, fish, or shellfish is lawful or unlawful; specifying the areas and waters in which the taking and possession of wildlife, fish, or shellfish is lawful or unlawful; specifying and defining the gear, appliances, or other equipment and methods that may be used to take wildlife, fish, or shellfish, and specifying the times, places, and manner in which the equipment may be used or possessed. RCW 77.12.047.

To help achieve the agency’s mandate, the Legislature passed a state law in 1943 called *Protection of Fish Life*, now recorded as [Chapter 77.55 RCW](#) - Construction projects in state waters. The entire text of the statute can be found at: <http://app.leg.wa.gov/RCW/default.aspx?cite=77.55> .

[RCW 77.55.011](#)(11) defines a “hydraulic project” as

“the construction or performance of work that will use, divert, obstruct, or change the natural flow or bed of any of the salt or freshwater of the state.”

[RCW 77.55.021](#)(1) states

“...In the event that any person⁴ or government agency desires to undertake a hydraulic project, the person or government agency shall, before commencing work thereon, secure the approval from the department in the form of a permit as to the adequacy of the means proposed for the protection of fish life.”

WDFW’s statutory authority under chapter 77.55 RCW is not unlimited: WDFW can only deny or condition approval of permit applications as necessary to protect fish life, it cannot unreasonably withhold or unreasonably condition an HPA [[RCW 77.55.021](#)(7)(a)], nor can WDFW impose conditions that optimize fish life:

“Conditions imposed upon a permit must be reasonably related to the project. The permit conditions must ensure that the project provides proper protection for fish life, but the

⁴ A “person” is defined in WAC 220-660-030(112) as meaning “an applicant, authorized agent, permittee, or contractor. The term person includes an individual, a public or private entity, or organization.” This term is used throughout this document to refer to individuals, organizations, and businesses.

department may not impose conditions that attempt to optimize conditions for fish life that are out of proportion to the impact of the proposed project.” [RCW 77.55.231\(1\)](#)

The Hydraulic Code Statute is intended to ensure that hydraulic projects adequately protect fish life.

SECTION 5: How the Rule Meets the Objectives of the Statute

RCW 34.05.328 (1)(b): “Determine that the rule is needed to achieve the general goals and specific objectives stated under (a) of this subsection [i.e. for the statute that the rule implements], and analyze alternatives to rule making and the consequences of not adopting the rule;”

5.1: Why is the Proposed Rule Needed?

- 1. The proposed rule is needed to implement elements of 2SHB 1579, as enacted, into chapter 220-660 WAC, which establishes and/or alters compliance and enforcement tools to help enable WDFW ensure that hydraulic projects provide adequate protection of fish life.** The proposed rule clarifies how WDFW will provide preapplication determinations about whether an HPA is needed for specific projects and implements new civil enforcement authorities, such as Stop Work Orders, Notices to Comply and Notices of Civil Penalty. In addition, rules that previously implemented special permitting exceptions for single-family residence marine beach front protective bulkheads or rockwalls are removed because the enabling statute for such exemptions was repealed via 2SHB 1579.
- 2. The proposed rule is needed to implement a penalty schedule and to specify signature authorities for certain compliance and enforcement tools, as required in 2SHB 1579.** A penalty schedule is provided so permittees can understand how civil penalties might be assessed for certain violations of chapter 77.55 RCW and chapter 220-660 WAC. The legislature directed WDFW to specify what is meant by the “senior or executive department personnel” language stated in the statute, and the proposed rule is needed in order to comply with this legislative direction.
- 3. The proposed rule is needed to change the provision benchmarks for saltwater bank protection projects from a discretionary HPA provision to an element included on the plans submitted as part of a complete HPA application.** Research has concluded that benchmarks are necessary in order to implement the other compliance elements of 2SHB 1579. In addition, requiring benchmarks on the plans will eliminate the need for a project proponent to conduct an additional site visit to establish the benchmarks after the HPA is issued but prior to construction of the proposed project subject to the HPA. If benchmarks are established by the project architect during the design phase, this will eliminate the cost an additional site visit. It will also allow the biologist to confirm prior to issuing the HPA that the location of the bank protection complies with the regulations, thereby helping the permittee ensure compliance with chapter 220-660 WAC.

5.2: Alternatives to rule making?

Following is a discussion of alternatives to rule making that we considered before filing a preproposal notice of inquiry.

5.2.1: Alternative 1: No action - do not adopt the new statutes into rule

People wanting to know about WDFW's responsibilities and authorities can find that information in statute². Under this alternative, a penalty schedule would not be adopted in rule, nor would signature authority to approve certain compliance tools be specified in rule. Because the legislature specifically directed the agency to adopt a penalty schedule and signature authority assignments in rule, the "no action" alternative is not a viable alternative for these topics.

For the benchmark requirement, the "no action" alternative would mean the benchmarks remain staff could issue an HPA that requires them when plans submitted with the application do not have benchmarks. Finally, rules for saltwater bank protection would continue to cite the repealed single-family-residence marine beach front protective bulkheads or rockwalls provisions.

Concerns with this approach include:

- WDFW's constituents would not have as much notice or opportunity to participate in the development of considerations for assessing penalty amounts as is afforded via APA rulemaking procedures.
- WDFW's constituents would not have as much notice or opportunity to participate in the development of new compliance tools within WDFW's compliance program as is afforded via APA rulemaking procedures.
- WDFW's constituents would not have as much notice or opportunity to participate in the development of procedures for pursuing informal or formal appeals on the new compliance tools as is afforded via APA rulemaking procedures.
- Most HPAs issued for saltwater bank protection projects include a benchmark provision based on the current rule; prospective applicants are alerted to this by the current rule. However, benchmarks are not required as part of a complete HPA application. Requiring benchmarks on the plans will eliminate the need for a project proponent to conduct an additional site visit to establish the benchmarks after the HPA is issued but prior to construction. It will also allow the biologist to confirm prior to issuing the HPA that the location of the bank protection complies with the regulations, thereby helping the permittee.
- Rules would include marine beach front protective bulkhead and rockwall provisions for single-family residences that reference a statute that has been repealed.

5.2.2: Alternative 2: Adopt the penalty schedule and signature authorities into rule (and not other provisions of the new statute)

The penalty schedule would be adopted into rule, and signature authorities would be specified for Stop Work Orders and Notices of Civil Penalty. The benchmark requirement would not be

adopted into rule. People wanting to know about WDFW's other new responsibilities and authorities would need to find that information in statute. Concerns with this approach include:

- The benchmark requirement could be implemented as a result of an HPA provision, but the benchmarks themselves would not be established and documented as part of a complete application. Requiring benchmarks on the plans will eliminate the need for a project proponent to conduct an additional site visit to establish the benchmarks after the HPA is issued but prior to construction. It will also allow the biologist to confirm prior to issuing the HPA that the location of the bank protection complies with the regulations, thereby helping the permittee.
- WDFW's constituents would not have as much notice or opportunity to participate in the development of new compliance tools within WDFW's compliance program as is afforded via APA rulemaking procedures.
- WDFW's constituents would not have as much notice or opportunity to participate in the development of procedures for pursuing informal or formal appeals on the new compliance tools as is afforded via APA rulemaking procedures.
- Rules would include marine beach front protective bulkhead and rockwall provisions for single family residences that reference a statute that has been repealed. This could cause confusion about which saltwater bank protection rules are in force.

5.2.3: Alternative 3: Adopt the penalty schedule, signature authorities, repealer, and benchmark requirements into rule (and not other provisions of the new statute)

These are the key elements of the proposal that are defined by WDFW (i.e. not provided in statutory language). The penalty schedule and signature authorities are required to be developed by WDFW and adopted in rule.

- WDFW's constituents would not have as much notice or opportunity to participate in the development of new compliance tools within WDFW's compliance program as is afforded via APA rulemaking procedures.
- WDFW's constituents would not have as much notice or opportunity to participate in the development of procedures for pursuing informal or formal appeals on the new compliance tools as is afforded via APA rulemaking procedures. Rules would include marine beach front protective bulkhead and rockwall provisions for single-family residences that reference a statute that has been repealed. This could cause confusion about which saltwater bank protection rules are in force.

5.2.4: Alternative 4: Adopt all proposals except eliminate any benchmark requirement in WAC 220-660-370

This proposal was not included in 2SHB 1579. WDFW has intended to make this change since 2017, and we propose to take advantage of the opening of this section for amendment. This change is not critical to the implementation of 2SHB 1579, but is important for permit review for proposed saltwater bank protection projects to ensure protection of fish life.

Requiring benchmarks on the plans will eliminate the need for a project proponent to conduct an additional site visit to establish the benchmarks after the HPA is issued but prior to construction. It will also allow the biologist to confirm prior to issuing the HPA that the location of the bank protection complies with the regulations, thereby helping the permittee.

5.3: Consequences of not adopting the rule

Declining to adopt rules would be inconsistent with statute with respect to compliance tools, penalties, pre-application determinations, and single-family residence marine beach front protective bulkheads or rockwalls.

Considerations for assessing the penalty amount would not be as transparent for people receiving civil penalty notices from WDFW without doing so through formal rulemaking procedures.

Lack of a benchmark requirement means that a project proponent must conduct an additional site visit to establish the benchmarks after the HPA is issued but prior to construction. It also means the biologist cannot confirm the location of the bank protection prior to issuing the HPA. Research suggests this leads to increased noncompliance.

SECTION 6: Involving stakeholders in rule development

WDFW launched a web page⁵ with information on rule making and a way for people to track rule making progress. An email address⁶ was activated for people to submit preproposal comments and formal public comments. WDFW initiated consultation with tribes on September 13, 2019, prior to filing a CR-101. Table 3 includes a list of outreach events and milestones during the preproposal period of rule development.

Table 3 Stakeholder contact events

Date(s)	Person(s)	Activity
September 13, 2019	Tribes	WDFW initiated government-to-government consultation, inviting tribes with questions or comments about the proposal to meet with WDFW.
September 16, 2019	Agencies Key stakeholders	WDFW notified state and federal agencies and key stakeholders that it had filed a preproposal statement of inquiry (CR-101) this rule proposal, inviting comments on scoping the rules.

⁵ <https://wdfw.wa.gov/licensing/hpa/rulemaking/>

⁶ HPARules@dfw.wa.gov

Date(s)	Person(s)	Activity
September 26, 2019	Hydraulic Code Implementation Citizen Advisory Group	WDFW presented rule change objectives and penalty schedule alternatives for feedback from members to aid shaping the proposed rules;
October 2019	Hydraulic Code Implementation Citizen Advisory Group	Conference call to discuss proposed rule language.
November 2019	Hydraulic Code Implementation Citizen Advisory Group	Presentation of proposed rule changes and time for questions and answers. Member comments and discussion on the proposals. Member comments on draft language.
December 18, 2019 – January 21, 2019	Public	Public Comment Period
January 17 or 18, 2020	Public Hearing	Fish and Wildlife Commission will hold a public hearing on the proposals.

SECTION 7: Cost-Benefit Analysis

RCW 34.05.328 (1)(d) Determine that the probable benefits of the rule are greater than its probable costs, taking into account both the qualitative and quantitative benefits and costs and the specific directives of the statute being implemented;

7.1: Which rules require analysis?

Most of the rules being proposed adopt language nearly verbatim from 2SHB 1579 and the resulting statute. The rules place elements in context with existing rules and modify language for clarity. These are exempt from cost-benefit analysis required under the APA and from analysis required under the regulatory fairness act because they adopt state statutes without material change.

Three elements are developed by WDFW that relate to actions by the agency to which permittees are not required to comply: signature authority in WACs 220-660-480(5) and (7) and the penalty amount and penalty schedule in WAC 220-660-480(8). Signature authority is exempt because it relates only to internal governmental operations that are not subject to violation by a nongovernment party. However, the penalty amount and the penalty schedule have the potential to impose costs on HPA applicants and require analysis.

The benchmark requirement in WAC 220-660-370(6) also requires analysis under APA and RFA. Table 4 shows the rule groups, the general content of that group, the WAC number references, and the citations for exemptions under APA and RFA.

Table 4 Rule groups and their status relative to APA and RFA analysis.

Rule Group	Content	WAC	APA Citation (RCW)	RFA citation (RCW)
“Provisions of 2SHB 1579”	New tools and requirements copied nearly verbatim from statute into rule.	220-660-050 220-660-370 (except subsection 5) 220-660-460, 470, 480 [except subsections 480(5), 480(7), 480(8)]	34.05.310(c) Rules adopting or incorporating by reference without material change ... Washington state statutes	19.85.025(3) rule described in RCW 34.05.310(4)
“Signature authority”	Specifies which WDFW staff have authority to issue which compliance tools	220-660-480(5) 220-660-480(7)	34.05.310(4)(b) Rules relating only to internal governmental operations that are not subject to violation by a nongovernment party	19.85.025(3) rule described in RCW 34.05.310(4); 19.85.025(4) Does not affect small businesses
“Penalty amount”	Specifies WDFW may levy a civil penalties of up to \$10,000 for every violation	220-660-480(7)	Analysis required	
“Penalty schedule”	Schedule for determining penalties, developed by WDFW	220-660-480(8)	Analysis required	
“Benchmark”	Requires benchmarks to be shown in the plans submitted as part of a complete application	220-660-370(5)	Analysis required	

7.2 Cost-benefit analysis for proposed penalty amount and penalty schedule

WDFW has determined that the probable benefits of the proposed civil penalty amount and schedule rules are greater than their probable costs for the reasons stated in this Section 7.2. The proposed text of the civil penalty amount and penalty schedule rules is:

WAC 220-660-480 (7)(a) Civil Penalties:

The department may levy civil penalties of up to ten thousand dollars for every violation of chapter 77.55 RCW, this chapter, or provisions of an HPA. Each and every violation is a separate and distinct civil offense. Penalties are issued in accordance with the penalty schedule provided in subsection (8) of this section.

WAC 220-660-480(8) Civil penalty schedule:

(c) Determining civil penalty amounts: When the department issues a civil penalty under this section and based on factors listed in (b) of this subsection, it considers the following in setting penalty amounts independently for each violation upon which the penalty is based:

(i) Previous violation history of the person who will be incurring the penalty, including the frequency and similarity of any previous violations within five years preceding the violation leading to the issuance of the penalty. A history of violations that, under a preponderance of the evidence, shows a pattern of disregard for specific HPA provisions, chapter 77.55 RCW, or this chapter will likely result in a higher penalty amount. In reviewing a person's violation history for purposes of this section, the department may consider previously issued correction requests, stop work orders, notices to comply, notices of civil penalty imposed under chapter 77.55 RCW, criminal convictions imposed under RCW 77.15.300, and any other relevant information that may be available.

(ii) Severity and repairability of impacts, which the department assesses based on harm to fish life caused by the violation(s).

Violations that injure or kill fish life, decrease habitat function, value, or quantity, or cause long term or irreparable damage will likely result in a higher penalty amount.

(iii) Whether the violation(s) was intentional, which the department determines by considering whether the person knew or should have known the action was a violation, whether and to what extent the violation was foreseeable, whether the person to incur the penalty took precautions to avoid committing the violation, and whether the person to incur the penalty had an economic incentive for committing the violation. Violations that are intentional, foreseeable, where economic incentives are clear, or when precautions were not taken to avoid the impact likely result in a larger penalty amount.

(iv) The extent, if any, to which the person who would be incurring the penalty has cooperated or is cooperating with the department in addressing the violation(s) and its impact on fish life. The department assesses the level of a person's cooperation by examining whether the person reported the violation voluntarily, the time lapse, if any,

between when the person discovered the violation and when the person reported it, and how responsive the person to incur the penalty was toward department staff. Evidence of a person's poor or inconsistent cooperation with department staff will likely result in a higher penalty amount.

Under the proposed rule, WDFW may level civil penalties of up to \$10,000 per violation. Civil penalties for Hydraulic Code Statute violations are enforcement tools that provide an economic motivation to change behavior and ensure compliance with the law. In nearly all cases, civil penalties are used after other enforcement tools, including attempts at gaining voluntary compliance through WDFW's technical assistance program, have not worked to bring a violator into compliance with chapter 77.55 RCW and/or chapter 220-660 WAC.

The department's decision to issue a civil penalty is based upon the following considerations consistent with RCW 77.55.440:

- Previous violation history of the person incurring the penalty;
- Severity, timing, and reparability of the impact of the violation(s) on fish life;
- Whether the violation(s) was intentional;
- The extent, if any, to which the person who would be incurring the penalty has cooperated or is cooperating with the department in addressing the violation(s) and its impact on fish life; and
- If the penalty will be imposed on a person for a violation committed by another, the extent to which the person incurring the penalty was unaware of the violation, and whether that person received a substantial economic benefit from the violation.

The proposed penalty schedule in WAC 220-660-480(8) describes these considerations in more detail and explains how the department will use these considerations to determine the penalty amount for each violation.

Costs:

- A project proponent who fails to complete the actions required in a correction request, stop work order or notice to comply within the time period required for completion contained in the request or notice could be assessed a penalty of up to \$10,000 per violation.

Benefits:

- Changes the behavior of a specific violator.
- Provides an economic incentive to comply.

- Acts as a deterrent for non-compliant behavior by the regulated community in general.
- Compensates the state for harm done to the state's fish resources.

7.2.1 Key variables to determine costs

WDFW presumes that a person who seeks to undertake a hydraulic project, or who undertakes a hydraulic project, will comply with the laws and regulations set forth in Chapter 77.55 RCW and Chapter 220-660 WAC. Thus, WDFW has determined that its proposed rules at WAC 220-660-480 do not pose costs upon persons who comply with these laws and regulations. WDFW does not have sufficient data to calculate costs for noncompliance with Chapter 77.55 RCW and Chapter 220-660 WAC.

7.2.2 Benefits of the proposals

Studies have found that most compliance with environmental statutes and regulations is accomplished by deterrence. In order to be an effective deterrent, penalties must exceed the benefit of the noncompliant activity. WDFW recognizes that compliance with chapter 77.55 RCW and chapter 220-660 is associated with cost. Thus, the absence of an effective deterrent has the unintended consequence of rewarding people willing to violate the statute and regulations and penalizes those who comply. While the primary goal of deterrence is to avoid violations of chapter 77.55 RCW and chapter 220-660 WAC in the first place, it is also useful in gaining compliance after a violation has happened.

7.2.3: Reducing costs for those who must comply

Additional steps WDFW plans to take to avoid and/or reduce costs for noncompliance

1. Access to technical assistance

WDFW provides technical assistance to ensure that permitting requirements are understood by proponents of hydraulic projects, as we advise and consult on permits, conduct inspections, perform on-site technical visits, and provide regulatory guidance materials. WDFW also has a technical assistance webpage. A person may request additional technical assistance from WDFW any time during their project.

2. Opportunity for voluntary compliance

Most people WDFW works with are not experts in environmental permitting. WDFW acknowledges that it has a responsibility to help the regulated community understand how to comply with its Hydraulic Code Statute and Rule requirements. When violations or potential violations are observed in the field, WDFW will issue a Correction Request that describes the measures the project proponent may take to voluntarily address them. WDFW will use a range of increasingly strict enforcement tools, which could ultimately include monetary civil penalties, only in instances when voluntary compliance cannot be achieved with or without WDFW's technical assistance. WDFW will provide an opportunity to correct and mitigate for damage to fish life that results from a violation before issuing a Notice of Civil Penalty.

3. Waiver for first-time paperwork violations

Under RCW 34.05.110, a small business may be eligible for a waiver of first-time paperwork violations. The small business is given an opportunity to correct the violation(s). This applies to Administrative Orders, Notices and Penalties. First time paperwork violations are defined in proposed WAC 220-660-480(12).

4. Staff training

WDFW's administrative enforcement actions must be based in fact and law, well documented, appropriate to the violation, and issued professionally and fairly. Staff authorized to conduct inspections will receive specialized training to ensure they are professional, knowledgeable, and capable of carrying out their duties.

5. Policy and guidelines

WDFW will develop implementation guidelines for the civil enforcement program. The guidelines will provide direction to staff on how to appropriately respond to incidents of non-compliance.

7.2.4: Recap of costs and benefits and determination

RCW 34.05.328 (1)(d) Determine that the probable benefits of the rule are greater than its probable costs, taking into account both the qualitative and quantitative benefits and costs and the specific directives of the statute being implemented

WDFW determines that the probable benefits of the proposed benchmark rule are greater than the probable costs, taking into account both the qualitative and quantitative benefits and costs and the specific directives of the statute being implemented.

A well-known characteristic of compliance and enforcement is how difficult it is to undo a violation. Consequently, the best approach is prevention. It is important for the department to obtain voluntary compliance as much as possible— meaning that the regulated community makes the choice to comply with permits or law instead of violate them. While there are different ways to gain voluntary compliance, deterrence is the most effective. The proposed penalty amount will motivate permittees to comply with the permit conditions but it also serves as a motivator for those who conduct illegal or unpermitted work to act in accordance with chapter 77.55 RCW and chapter 220-660 WAC.

7.3 Cost-benefit analysis for proposed bench mark rule

WDFW has determined that the probable benefits of the proposed benchmark rule is greater than its probable costs for the reasons stated in this Section 7.3. The marked-up text of the proposed benchmark rule is:

WAC 220-660-370(6) Bulkhead and other bank protection construction:

(a) The department (~~may require a person to establish~~) requires that plans submitted as part of a complete application show the horizontal distances of the structure(s) from (~~the~~)

permanent benchmark(s) (fixed objects) (~~before starting work on the project~~). Each horizontal distance shown must include the length and compass bearing from the benchmark to the waterward face of the structure(s). The benchmark(s) must be located, marked, and protected to serve as a post-project reference for at least ten years from the date the HPA application is submitted to the department.

These changes mean that the benchmark requirement becomes obligatory, not discretionary. Currently, a habitat biologist can include benchmark requirements as a provision of an HPA if he or she determines the benchmarks are necessary to demonstrate compliance with the permit, plans, and specifications for the project. The current rule language was written to allow biologist discretion in requiring benchmarks in project-specific circumstances.

Requiring benchmarks to be included as part of a complete application means the applicant must establish the benchmarks prior to submitting their application for review. Under the current rule, WDFW has been requiring benchmarks on most projects by applying the discretionary authority conveyed in WAC 220-660-370 since about 2016. The proposed rule makes the benchmarks requirement mandatory statewide rather than at the discretion of individual habitat biologists after a project proponent has already submitted a complete HPA application.

Costs:

- The applicant must expend time or money (contractor time) to establish the benchmarks prior to submitting the application.

Benefits:

- Eliminates the need for a project proponent to conduct an additional site visit to establish the benchmarks after the HPA is issued but prior to construction.
- Saves time during the permit review phase; permit can be approved and issued more quickly.
- Projects with benchmarks can be adequately assessed for compliance with HPA provisions for this project type; it is extremely difficult to assess projects without benchmarks.

7.3.1: Key variables to determine costs

WDFW considers the following questions when estimating costs and benefits attributable to rule changes:

- How many HPAs were issued for which people must comply with the rule?
- How many persons/businesses must comply?
- Which business industries are represented among those who must comply?
- Do individuals and businesses have different costs for the same requirement?

- What are the sizes of businesses that must comply? How many are “small businesses⁷”?

WDFW analyzed standard HPA permits issued in 2018 to establish a baseline for this analysis. A total of 1,918 permits were issued in 2018, down from 1,993 in 2016 and 1,944 in 2017⁸.

7.3.2: How many HPAs are issued for projects with the requirement?

Of the 1,918 total permits issued in 2018, 93 permits (4.8%) were relating to saltwater bank protection projects.

7.3.3: Which industries are represented among business permittees?

Table 5 shows the business industry sectors, industry descriptions, numbers of permits and percent of permits issued in 2018 for saltwater bank protection projects.

7.3.4: How many people/businesses must comply?

Fourteen percent (13 HPAs) of the HPA permittees for saltwater bank protection projects could be identified as businesses (Table 5). Sixty-nine HPAs for either individuals/landowners or nonprofit businesses represent 74.2 percent of the total. Eleven HPAs for governmental entities or special districts represent 11.8 percent of the total. Costs to government organizations are exempt from RFA analysis, so we must estimate costs for the remainder of saltwater bank protection HPA holders - a total of 82 applicants in 2018.

Table 5 Distribution of permittee types for saltwater bank protection projects in 2018

Business Sector	Sector Title	Number of permits	Percent of permits
23	Construction	9	9.7%
53	Real Estate and Rental and Leasing	3	3.2%
71	Recreation (including Arts, Entertainment)	1	1.1%
	Individuals (Landowners)	67	72.0%
	Other nongovernmental organizations	2	2.2%
Subtotal		82	88.2%
	Government and Special Districts	11	11.8%

⁷ RCW 19.85.020(3) "Small business" means any business entity, including a sole proprietorship, corporation, partnership, or other legal entity, that is owned and operated independently from all other businesses, and that has fifty or fewer employees.

⁸ T. Scott. 2019. Preliminary Annual HPA Statistics Review for calendar year 2018. Unpublished data summary.

7.3.5: Costs to comply

WDFW offers estimates for costs to comply with the benchmark proposals based on information from habitat biologists and a bulkhead building business about how long it takes them to establish benchmarks for a client, and costs per hour for technical contractors.

For this analysis, we assume marine bulkheads subject to WAC 220-660-370 will be primarily in Puget Sound or the Strait of Juan de Fuca. In 2018, 10% of marine bank armoring projects occurred on the outer coast or Willapa/Grays Harbors, and 90% in Puget Sound/Strait; no HPAs were issued for saltwater bank protection in the Lower Columbia River in 2018.

Both WDFW biologists and a bulkhead business spokesperson indicated that establishing permanent benchmarks takes approximately 10 minutes once a person is on the project site^{9 10}. We assume for this analysis that it takes a person an hour to travel to/from the site. Our business contact suggested that they would hire a civil engineer or a surveyor to conduct the work if they did not already have staff on-board who could establish benchmarks. We think that the smallest period of billable hours for a civil engineer or surveyor consultant would be one-half hour. If a separate preapplication site visit is needed, the when combined with travel, the total time billed would be 1.5 hours.

Next, we looked at U.S. Census data from Bureau of Labor Statistics to determine the average hourly wages for these occupations. We looked at wages for these occupations in the Professional, Scientific, and Technical Services industry groups in Washington. Wages range from \$32.20 per hour for a civil engineering technician to \$46.47 for a civil engineer¹¹. We chose the civil engineer wages as providing a worst-case view for this analysis.

Table 6 shows the costs to comply with this proposal.

Table 6 Costs to comply with the benchmark requirement based on

Who performs work	Time spent	Cost per hour	Total Cost to Comply per project
Civil engineer in the Professional, Scientific, or Technical Consulting Services business industry group	1.5 hours	\$46.47 billable	\$69.71

Costs for 82 HPA applicants to comply with the requirement for benchmarks are estimated to be \$5,716.

⁹ A. Cook. Pers. Comm. July 29, 2019

¹⁰ J. Rotsten, Sea Level Bulkhead Builders. Pers. Comm. October 9, 2019.

¹¹ May 2018 OES Research Estimates, Occupational Employment Statistics (OES) Survey, Bureau of Labor Statistics, Department of Labor, website: <https://www.bls.gov/oes>. Table of OES estimates for the State of Washington downloaded from https://www.bls.gov/oes/2018/may/oes_research_estimates.htm on 10/9/2019.

7.3.6: Income or Revenue

Income or revenue for each HPA proponent is reduced by \$69.71 to comply with this new requirement, assuming lack of prior knowledge that benchmarks would be required.

7.3.7: Other potential costs

Contractors generally already possess the equipment needed to establish benchmarks, whether it be sophisticated survey equipment or an extra-long tape measure. Recordkeeping and reporting for this requirement is integrated into the HPA application. No addition costs are estimated for this analysis.

7.3.8: Benefits of Proposals

Primary benefits of the proposal include:

1. Eliminates the need for a project proponent to conduct an additional site visit to establish the benchmarks after the HPA is issued but prior to construction. Eliminating the extra trip reduces costs for a project proponent.
2. Saves time during the permit review phase; permits can be approved and issued more quickly. Faster review time can save costs for project proponents.
3. Projects with benchmarks can be adequately assessed for compliance with HPA provisions for this project type; it is extremely difficult to assess projects without benchmarks.

This has been problematic for WDFW, which is why projects since about 2017 have been required to establish benchmarks as a provision of their HPA. WDFW began conducting implementation monitoring of bank protection and fish passage projects in 2013 to assess whether hydraulic projects are yielding the desired habitat conditions. What researchers found in 2013¹² is:

- In the 2013 analysis, 38% of 106 active permits for marine shoreline armoring had no clear statement of the project's length in the permit's text.
- Of 26 hard armoring permits that year, only 12% described the structure's location as a distance to a benchmark or permanent structure.
- For the other 88% of hard armoring permits in 2013, determining compliance with the permitted location was difficult if not impossible.

Performance improved in 2014, 2015, and 2016, when specifications for both armor location and armor length for saltwater bank protection projects were present for 88%, 96% and 89%

¹² Wilhere, G. et al. 2015. Year One Progress Report: Implementation and Effectiveness Monitoring of Hydraulic Projects. Washington Department of Fish and Wildlife, Habitat Program, Science Division.

of permitted projects, respectively¹³. This represents an average of 90% of HPA permits providing location of armor structure consistent with HPA rules.

Further, WDFW conducted a civil compliance pilot in Hood Canal in 2016-2018¹⁴ to determine whether compliance with HPA provisions could be improved when a compliance inspector was actively and regularly visiting project sites. WDFW wanted to assess whether having dedicated administrative compliance staff to provide education and technical assistance to permittees during project construction improved compliance with permit provisions and therefore provided the envisioned fish protection. One recommendation is relevant to the current WAC proposal:

Recommendation 10: Benchmarks are critical to constructing a structure according to permitted plans and specifications. WDFW should A) Ensure HPAs require benchmarks for all relevant projects; B) Train biologists to establish adequate benchmarks; and C) Provide technical assistance materials (and training) for project proponents and local governments regarding how to establish adequate benchmarks.

Requiring benchmarks is thus critical to both determining compliance with permit provisions and measuring effectiveness of permit provisions relative to fish protection.

7.3.9: Reducing costs for those who must comply

The most important ways WDFW reduces costs for those who must comply is that requiring benchmarks on the plans will eliminate the need for a project proponent to conduct an additional site visit to establish the benchmarks after the HPA is issued but prior to construction. WDFW offers technical assistance by establishing the benchmarks at no cost to the applicant (on a time-available basis), directing applicants to businesses who can provide the service, and providing guidance and training for how applicants and contractors can establish adequate benchmarks.

7.3.10: Recap of costs and benefits and determination

RCW 34.05.328 (1)(d) Determine that the probable benefits of the rule are greater than its probable costs, taking into account both the qualitative and quantitative benefits and costs and the specific directives of the statute being implemented

Costs to comply with the proposal are \$69.71 each for 82 landowners/individual applicants, nonprofit businesses, or contractor businesses, and \$0 if a WDFW biologist can provide the service for free.

¹³ Wilhere, G. et al. 2019. Implementation and Effectiveness Monitoring of Hydraulic Projects - Year-five Progress Report. Washington Department of Fish and Wildlife, Habitat Program, Science Division.

¹⁴ Cook, A., et al. 2019. Hydraulic Project Approval Program Hood Canal Compliance Pilot Final Report. Project was funded by the U.S. Environmental Protection Agency through a grant from the Puget Sound Marine and Nearshore Grant Program.

WDFW determines that the probable benefits of the proposed benchmark rule are greater than the probable costs, taking into account both the qualitative and quantitative benefits and costs and the specific directives of the statute being implemented.

This is because:

1. Establishing benchmarks during the project design site visit eliminates the need for a project proponent to conduct an additional site visit to establish the benchmarks after the HPA is issued but prior to construction.
2. Establishing benchmarks helps permittees demonstrate compliance of their project with HPA provisions, and
3. Projects that are demonstrably compliant with their HPA provide the envisioned protection of fish life and fish habitat.

SECTION 8: Small Business Economic Impact Statement

8.1: Describe rule and compliance requirements

8.1.1: Background

Background on topic of this rule making activity is provided in Section 2. A timeline and actions initiating rule making are provided in Subsection 2.3. These sections provide detail about the history of and need for the proposal. Section 5 discusses how the proposed rule meets the general goals and specific objectives of the statutes. HPA rule making documents are available at <https://wdfw.wa.gov/licensing/hpa/rulemaking/>.

8.1.2: Compliance requirements of the proposed rule

RCW 19.85.040(1) “A small business economic impact statement must include a brief description of the reporting, recordkeeping, and other compliance requirements of the proposed rule, and the kinds of professional services that a small business is likely to need in order to comply with such requirements.”

Most of these rules do not create additional compliance requirements (Table 4). Three proposals, the “penalty amount”, “penalty schedule” and “benchmark” rules, can impose additional costs on HPA applicants.

8.2: Small Business Economic Impact Analysis – Penalty Amount and Penalty Schedule

8.2.1: Costs associated with compliance

WDFW presumes that a person who seeks to undertake a hydraulic project, or who undertakes a hydraulic project, will comply with the laws and regulations set forth in Chapter 77.55 RCW and Chapter 220-660 WAC. Thus, WDFW has determined that its proposed rules at WAC 220-660-480 do not pose costs upon businesses that comply with these laws and regulations. WDFW does not

have sufficient data to calculate costs to businesses for noncompliance with Chapter 77.55 RCW and Chapter 220-660 WAC, nor does it have data sufficient to calculate any disproportionate impacts that noncompliance may have on small businesses. To the extent WDFW’s proposed rules at WAC 220-660-480 impose more than minor costs to businesses that do not comply with Chapter 77.55 RCW and/or Chapter 220-660 WAC, WDFW will mitigate costs to small businesses where doing so is legal and feasible pursuant to RCW 19.85.030, which includes using non-monetary civil enforcement tools made available under Laws of 2019, ch. 290.

8.2.2: Steps to reduce costs to individuals and small businesses

When costs to comply exceed the minor cost threshold and costs are disproportionate for small businesses, RCW 19.85.030 compels the agency to reduce costs imposed by the rule on small businesses where it is legal and feasible to do so. The agency must consider, without limitation, each of the methods listed on Table 7.

Table 7 Methods of reducing costs to businesses for noncompliance

Sub-section	Method	WDFW response
a)	Reducing, modifying, or eliminating substantive regulatory requirements	The substantive civil compliance and enforcement requirements are specified in the statute.
b)	Simplifying, reducing, or eliminating recordkeeping and reporting requirements	Recordkeeping and recording requirements set forth in the proposed rules are the minimum necessary to ensure compliance with the permit conditions.
c)	Reducing the frequency of inspections	Follow-up compliance inspections are limited to those required to confirm that a noncompliant condition has been corrected.
d)	Delaying compliance timetables	WDFW must provide a reasonable time to achieve compliance. A violator can request an extension of a deadline for achieving compliance.
e)	Reducing or modifying fine schedules for noncompliance; or	The penalty schedule reflects factors statutorily required to be considered.
f)	Any other mitigation techniques, including those suggested by small businesses or small business advocates.	WDFW supports providing an opportunity for voluntary compliance prior to imposing any monetary civil penalty. This was suggested by a business advocate and is required under 2 SHB 1579, as enacted. Small businesses or business advocates have suggested eliminating the Notice of Civil Penalty, but the statute requires WDFW to do rulemaking to adopt a penalty schedule. Thus, it does not have authority to eliminate the Notice of Civil Penalty as suggested.

8.2.3 Additional steps WDFW has taken or will take to lessen impacts

Additional steps WDFW has taken or will take to reduce costs to business for noncompliance

1. Access to technical assistance

WDFW provides technical assistance to ensure that permitting requirements are understood by proponents of hydraulic projects as we advise and consult on permits, conduct inspections, perform on-site technical visits, and provide regulatory guidance materials. WDFW also has a technical assistance webpage. A person may request additional technical assistance from WDFW any time during their project.

2. Opportunity for voluntary compliance

Most people WDFW works with are not experts in environmental permitting. WDFW acknowledges that it has a responsibility to help the regulated community understand how to comply with its Hydraulic Code Statute and Rule requirements. When violations or potential violations are observed in the field, WDFW will issue a Correction Request that describes the measures the project proponent may take to voluntarily address them. WDFW will use a range of increasingly strict enforcement tools, which could ultimately include monetary civil penalties, only in instances when voluntary compliance cannot be achieved, with or without WDFW's assistance. WDFW will provide an opportunity to correct and compensate for damage that results from a violation before issuing a Notice of Civil Penalty.

3. Waiver for first-time paperwork violations

Under RCW 34.05.110, a small business may be eligible for a waiver of first-time paperwork violations. The small business is given an opportunity to correct the violation(s). This applies to Administrative Orders, Notices and Penalties. First time paperwork violations are defined in proposed WAC 220-660-480(12).

4. Staff training

WDFW's administrative enforcement actions must be based in fact and law, well documented, appropriate to the violation, and issued professionally and fairly. Staff authorized to conduct inspections will receive specialized training to ensure they are professional, knowledgeable, and capable of carrying out their duties.

5. Policy and guidelines

WDFW will develop implementation guidelines for the civil enforcement program. The guidelines will provide direction to staff on how to appropriately respond to incidents of non-compliance.

8.3.13: Involving stakeholders in rule development

RCW 19.85.040(2) "A small business economic impact statement must also include... (b) A description of how the agency will involve small businesses in the development of the rule."

RCW 19.85.040(3) “To obtain information for purposes of this section, an agency may survey a representative sample of affected businesses or trade associations and should, whenever possible, appoint a committee under RCW [34.05.310\(2\)](#) to assist in the accurate assessment of the costs of a proposed rule, and the means to reduce the costs imposed on small business.”

Stakeholder outreach is described in Section 6, and events are summarized on Table 3.

8.3: Small Business Economic Impact Analysis - Benchmarks

8.3.1: Costs associated with compliance

Applicants might need technical assistance to establish project benchmarks. WDFW can provide assistance by directing applicants to technical businesses who can provide the service and by providing guidance and training for how applicants and contractors can establish adequate benchmarks. As time allows, WDFW biologists can also offer technical assistance by establishing the benchmarks at no cost to the applicant. When benchmark measurements are needed, they are frequently done by civil engineers, civil engineer technicians, surveyors, or surveyor technicians. The person establishing the benchmarks will need a tape measure.

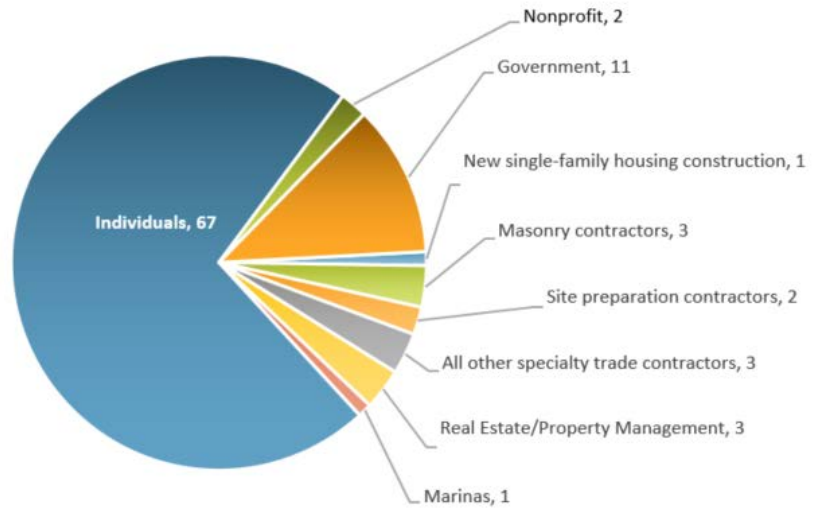
8.3.2: Identify businesses - minor cost threshold

RCW 19.85.040(2)(c) “Provide a list of industries that will be required to comply with the rule. However, this subsection (2)(c) shall not be construed to preclude application of the rule to any business or industry to which it would otherwise apply.”

RCW 19.85.020(1) ““Industry” means all of the businesses in this state in any one four-digit standard industrial classification as published by the United States department of commerce, or the North American industry classification system as published by the executive office of the president and the office of management and budget.’

RCW 19.85.020(2) ““Minor cost” means a cost per business that is less than three-tenths of one percent of annual revenue or income, or one hundred dollars, whichever is greater, or one percent of annual payroll.

WDFW analyzed HPA permits issued in 2018 to determine businesses who received an HPA for saltwater bank protection construction, maintenance, or replacement. Fourteen percent (13 HPAs) of the permittees for saltwater bank protection projects were identified as businesses. Seventy-two percent (67 HPA) of permittees were individuals or landowners, 2.2 percent (2 HPAs) were nonprofit businesses, and 11.8 percent (11 HPAs) were governmental entities.



WDFW does not require applicants to identify the person or business they intend to employ to construct their project.

Businesses applying for HPAs to construct projects they are employed to build can identify as such on the HPA application, and this is how we identified businesses for this analysis. WDFW acknowledges that the rules for saltwater bank protection apply to everyone (including businesses) applying for this type of HPA, so the business types identified here are not exclusive.

Once businesses were identified, we used the Washington Department of Revenue Business Lookup tool¹⁵ to obtain their industry code. When no industry code could be found, we identified the applicant as individual.

In subsequent analyses we identified additional businesses under the 237990 NAICS code (“Other heavy and civil engineering construction”) who might apply or construct saltwater bank protection projects. Table 8 provides information about the businesses we identified using these methods. We are not able to determine whether businesses are small businesses using these methods. This list is not exclusive - anyone who applies for an HPA for a saltwater bank protection project is subject to the proposed rule.

Table 8 NAICS Codes for 2018 saltwater bank protection business applicants

Number of permits in 2018	NAICS code	Industry description
1	236115	New single-family housing construction
2	237990	Other heavy and civil engineering construction

¹⁵ Available at: https://secure.dor.wa.gov/gteunauth/_/#1

3	238140	Masonry contractors
2	238910	Site preparation contractors
3	238990	All other specialty trade contractors
3	531310	Offices of real estate agents and brokers (& property managers)
1	713930	Marinas

8.3.3: Minor cost threshold

Industry data for determining minor cost thresholds are provided on Table 9. We used a spreadsheet provided by the Washington State Auditor’s Office to determine these values¹⁶.

Table 9 Washington businesses data for businesses identified under industry classification codes identified for analysis

Industry 4-digit or 6-digit 2012 NAICS Code	Number of Establishments	TOTAL Annual Payroll	TOTAL Annual Revenue	AVG Annual Payroll	AVG Annual Revenue	1% of Annual Payroll	<0.3% of annual revenue or income or \$100
236115	1,261	\$186,272,000	D	\$147,718	D	\$1,477	D
237990	61	\$174,198,000	\$948,293,000	\$2,855,705	\$15,545,787	\$28,557	\$46,637
238140	293	\$74,067,000	\$215,274,000	\$252,788	\$734,724	\$2,528	\$2,204
238910	1,208	\$490,492,000	\$2,047,639,000	\$406,036	\$1,695,065	\$4,060	\$5,085
238990	547	\$182,710,000	\$573,308,000	\$334,022	\$1,048,095	\$3,340	\$3,144
5313	2,852	\$705,915,000	\$1,626,984,000	\$247,516	\$570,471	\$2,475	\$1,711
713930	102	\$17,667,000	\$79,013,000	\$173,206	\$774,637	\$1,732	\$2,324

Source: Washington State Auditor *Minor Cost Threshold Calculator July 2019.xlsx*, which uses data from the 2012 Economic Census of the United States.
Code “D” means the U.S. Census Bureau data are withheld to avoid disclosing data for individual companies.

¹⁶ *Minor Cost Threshold Calculator July 2019.xlsx* provided through the Governor’s Office of Regulatory Innovation and Assistance at: https://www.oria.wa.gov/Portals/_oria/VersionedDocuments/RFA/Regulatory_Fairness_Act/Minor%20Cost%20Threshold%20Calculator%20July%202019.xlsx . ORIA RFA support website is: https://www.oria.wa.gov/site/alias_oria/934/Regulatory-Fairness-Act-Support.aspx .

8.3.4: Identify the minor cost thresholds for each industry.

Pursuant to RCW 19.85.020(2), "Minor cost" means "a cost per business that is less than three-tenths of one percent of annual revenue or income, or one hundred dollars, whichever is greater, or one percent of annual payroll."

We chose the minimum of the two indicator figures from Table 9 as the minor cost thresholds for these industries (Table 10), and identified \$100 as the minor cost threshold for individuals/landowners and nonprofit businesses. Any costs imposed on a small business that are over these thresholds would be considered for this analysis to be more than minor and potentially disproportionate.

Table 10 Small Business Industry Classification and Minor Cost Thresholds

NAICS code	Industry description	Minor Cost Threshold
236115	Residential building construction	\$1,477
237990	Other heavy and civil engineering construction	\$28,557
238140	Masonry contractors	\$2,204
238910	Site preparation contractors	\$4,060
238990	All other specialty trade contractors	\$3,144
531310	Offices of real estate agents and brokers (& property managers)	\$1,711
713930	Marinas	\$1,732
n/a	Individuals/Landowners and nonprofit businesses	\$100

8.3.5: Costs of compliance

RCW 19.85.040(1) "...It [the SBEIS] shall analyze the costs of compliance for businesses required to comply with the proposed rule adopted pursuant to RCW 34.05.320, including costs of equipment, supplies, labor, professional services, and increased administrative costs..."

Both WDFW biologists and a bulkhead business spokesperson indicated that establishing permanent benchmarks takes approximately 10 minutes once a person is on the project site^{17 18}. We assume for this analysis that it takes a person an hour to travel to/from the site. Our business contact suggested that they would hire a civil engineer or a surveyor to conduct the work if they did not already have staff on-board who could establish benchmarks. The benchmarks must be shown on the plans submitted as part of a complete application. We assume for this analysis that it takes a person 10 -15 minutes to include the benchmarks on the plans. We think that the

¹⁷ A. Cook. Pers. Comm. July 29, 2019

¹⁸ J. Rotsten, Sea Level Bulkhead Builders. Pers. Comm. October 9, 2019.

smallest period of billable hours for a civil engineer or surveyor consultant would be one-half hour. Combined with travel, the total time billed would be 1.5 hours.

Next, we looked at U.S. Census data from Bureau of Labor Statistics to determine the average hourly wages for these occupations. We looked at wages for these occupations in the Professional, Scientific, and Technical Services industry groups in Washington. Wages range from \$32.20 per hour for a civil engineering technician to \$46.47 for a civil engineer¹⁹. We chose the civil engineer wages as providing a worst-case view for this analysis.

We anticipate the cost of equipment and supplies to be minimal.

8.3.6: Lost sales or revenues

RCW 19.85.040(1) "...It [The SBEIS] shall consider, based on input received, whether compliance with the rule will cause businesses to lose sales or revenue..."

Income or revenue for each HPA proponent is reduced by \$69.71 to comply with this new requirement. If WDFW can provide technical assistance to the applicant, there is no loss in revenue.

8.3.7: Summary of costs to comply

Based on the methods used to estimate costs to comply with the rule proposals, total cost for each project is estimated at \$69.71, as shown on Table 6.

8.3.8: More than minor costs

RCW 19.85.030(1)(a) "In the adoption of a rule under chapter 34.05 RCW, an agency shall prepare a small business economic impact statement: (i) If the proposed rule will impose more than minor costs on businesses in an industry; ..."

RCW 19.85.020(2) "'Minor cost' means a cost per business that is less than three-tenths of one percent of annual revenue or income, or one hundred dollars, whichever is greater, or one percent of annual payroll...'

Based on the costs of compliance estimated in Section 7.3, the estimated costs for an individual or business to comply with the proposal are less than the minor cost thresholds shown on Table 9.

8.3.9: Disproportionate impact on small businesses

RCW 19.85.040(1) "...To determine whether the proposed rule will have a disproportionate cost impact on small businesses, the impact statement must compare the cost of compliance for small business with the cost of compliance for the ten percent of businesses that are the largest

¹⁹ May 2018 OES Research Estimates, Occupational Employment Statistics (OES) Survey, Bureau of Labor Statistics, Department of Labor, website: <https://www.bls.gov/oes>. Table of OES estimates for the State of Washington downloaded from https://www.bls.gov/oes/2018/may/oes_research_estimates.htm on 10/9/2019.

businesses required to comply with the proposed rules using one or more of the following as a basis for comparing costs: (a) Cost per employee; (b) Cost per hour of labor; or (c) Cost per one hundred dollars of sales.”

WDFW used employment data from Bureau of Labor Statistics²⁰ to analyze employment by size of company. We used the industry codes identified on tables 8 and 9, except that data for the 6-digit code 236115 are not available so we used the 4-digit code 2361 instead. We compared the cost-to-comply (\$69.71) to the numbers of employees in three different groups of establishments: businesses having 1-49 employees (“small businesses”), businesses having 50 or more employees (“large businesses”), and the best available estimate of the number of employees in the 10% largest businesses.

Table 11 Compare cost/employee for small businesses versus larger businesses

NAICS	Industry	Compliance-cost per Employee			Amount higher costs for Small v. Large
		Small Businesses	Large Businesses	Largest 10% of businesses	
2361	Residential building construction	\$0.003	\$0.02	\$0.01	-\$0.01
237990	Other heavy and civil engineering construction	\$0.10	\$0.05	\$0.05	\$0.05
238140	Masonry contractors	\$0.04	\$0.08	\$0.03	-\$0.04
238910	Site preparation contractors	\$0.01	\$0.02	\$0.01	-\$0.01
238990	All other specialty trade contractors	\$0.02	\$0.07	\$0.01	-\$0.06
53131	Real estate property managers	\$0.01	\$0.02	\$0.01	-\$0.01
713930	Marinas	\$0.18	n/a	\$0.70	-\$0.52*

Of these computations, the cost/employee for the largest 10% of businesses is the least straightforward because, in most cases for these industries, the largest 10% of businesses in an industry included businesses with fewer than 50 employees. We did not use this datum except for the Marinas industry* where data for “Large Businesses” are withheld to avoid disclosing data for individual companies.

The smallest cost/employee is three-tenths of a cent, and the largest is 18 cents (70 cents using the “largest 10%” figure for the Marinas industry). Costs per employee are smaller for small businesses than for large businesses (or for the largest 10% of businesses for Marinas) with the exception of “Other heavy and civil engineering construction” businesses, for which the cost is 5 cents higher per employee for small businesses. We conclude there is not a disproportionate

²⁰ We downloaded data for Washington State for each of the identified industries at U.S. Census Bureau “American FactFinder” available at: <https://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t>

impact for small businesses in most cases. In the case where small businesses pay more per employee for compliance, that difference represents ten cents per employee for small businesses versus five cents per employee for large businesses.

8.3.10: Steps to reduce costs to individuals or small businesses

RCW 19.85.030(2) “Based upon the extent of disproportionate impact on small business identified in the statement prepared under RCW [19.85.040](#) [i.e. in Section 7 of this document], the agency shall, where legal and feasible in meeting the stated objectives of the statutes upon which the rule is based, reduce the costs imposed by the rule on small businesses. The agency must consider, without limitation, each of the following methods of reducing the impact of the proposed rule on small businesses:” [Note: RCW 19.85.030(2)(a) through (f) lists the methods, which are also listed under items (a) through (f) in Table 11 of this document].

RCW 19.85.030(3) “If a proposed rule affects only small businesses, the proposing agency must consider all mitigation options defined in this chapter.”

RCW 19.85.030(4) “In the absence of sufficient data to calculate disproportionate impacts, an agency whose rule imposes more than minor costs must mitigate the costs to small businesses, where legal and feasible, as defined in this chapter.”

RCW 19.85.030(5) “If the agency determines it cannot reduce the costs imposed by the rule on small businesses, the agency must provide a clear explanation of why it has made that determination.”

RCW 19.85.040(2) “A small business economic impact statement must also include: (a) A statement of the steps taken by the agency to reduce the costs of the rule on small businesses...”

The goals and objectives of the statutes that the proposed rule is intended to implement are discussed fully in Section 4.

8.3.11: Required methods to reduce costs

Table 12 Required methods of reducing costs imposed by the rule on small businesses

RCW 19.85.030 (2) Requirements		WDFW response
Sub-section	Method	
a)	Reducing, modifying, or eliminating substantive regulatory requirements	Eliminating the requirement for adequate benchmarks makes it impossible for WDFW to determine whether a project is compliant with provisions of the HPA. This does not meet the objectives of the statute.

RCW 19.85.030 (2) Requirements		WDFW response
Sub-section	Method	
b)	Simplifying, reducing, or eliminating recordkeeping and reporting requirements	Once benchmarks are established and recorded on the plans, there are no additional recordkeeping or reporting costs.
c)	Reducing the frequency of inspections	Not applicable to this proposal. The requirement must be met prior to an HPA being issued.
d)	Delaying compliance timetables	This provision is being required currently in most saltwater bank protection project HPAs. Delaying the compliance time table would not have an effect on businesses.
e)	Reducing or modifying fine schedules for noncompliance; or	Not applicable to this proposal.
f)	Any other mitigation techniques, including those suggested by small businesses or small business advocates.	No other mitigation techniques have been suggested by small businesses or business advocates.

8.3.12: Additional steps WDFW has taken to lessen impacts

Additional steps WDFW plans to take to minimize costs to those who must comply with the new rules:

1. WDFW will provide training to saltwater bank protection permitting biologists for how to establish adequate benchmarks and how to help the applicant record the benchmarks in their application materials.
2. The HPA Technical Assistance webpage has example engineering drawings that show how to establish and document benchmarks on the plans.
3. WDFW will provide outreach and guidance materials to individuals and businesses for how to establish adequate project benchmarks.

8.3.13: Involving stakeholders in rule development

RCW 19.85.040(2) "A small business economic impact statement must also include:... (b) A description of how the agency will involve small businesses in the development of the rule."

RCW 19.85.040(3) "To obtain information for purposes of this section, an agency may survey a representative sample of affected businesses or trade associations and should, whenever possible, appoint a committee under RCW [34.05.310\(2\)](#) to assist in the accurate assessment of the costs of a proposed rule, and the means to reduce the costs imposed on small business."

Stakeholder outreach is described in Section 6, and events are summarized on Table 3. One small saltwater bank protection construction business was consulted about this requirement. That business indicated benchmarks are established while they are on-site to take measurements for the structure plans. No additional trips or costs are needed to comply with the new requirement because establishing benchmarks has been a standard practice (WDFW has been requiring them consistently in HPAs) for the past three-or-more years.

8.3.14: Number of jobs created or lost

RCW 19.85.040(2) “A small business economic impact statement must also include:... (d) An estimate of the number of jobs that will be created or lost as the result of compliance with the proposed rule.”

There will likely be no jobs created or lost as a result of this proposal. The time involved to establish benchmarks is small relative to the time required to prepare application materials and structure/site plans. The expertise to establish benchmarks is common to most saltwater bank protection construction businesses.

8.3.15: Summarize results of small business analysis

Costs to comply are less than the minor cost thresholds for businesses required to comply. Small businesses generally pay less per employee to comply than large businesses, with one exception. For that exception, the cost is five cents more per employee.

SECTION 9: Least Burdensome Alternative

RCW 34.05.328 (1)(e) Determine, after considering alternative versions of the rule and the analysis required under (b) [Section 5 of this document], (c) [Notification in CR-102], and (d) [Section 7 of this document] of this subsection, that the rule being adopted is the least burdensome alternative for those required to comply with it that will achieve the general goals and specific objectives stated under (a) of this subsection [i.e. for the statute being implemented];

9.1: Introduction

In order to propose and adopt significant legislative rules, WDFW must evaluate alternative versions of the rule. Once this analysis is complete, WDFW must determine that the rule proposed for adoption is the least burdensome version of the rule that will achieve the goals and objectives of the authorizing statute(s) as discussed in Section 4. Alternatives to rule making are addressed in Section 5.2 and consequences of not adopting the proposal are included in Section 5.3.

9.2: Alternatives considered

9.2.1 Alternative rule language

Comments or alternatives WDFW heard during the preproposal period and responses relating to incorporation into proposed rule language are included on Table 13. Comments were actively solicited from members of the Hydraulic Code Implementation Citizen Advisory Group. Advice we considered for proposed rule language contributed to ensuring the proposal represents the “*least burdensome alternative for those required to comply with it that will achieve the general goals and specific objectives stated under chapter 77.55 [RCW].*”

Table 13 Suggestions for alternative rule language provided during the preproposal period

Suggested Alternative	WDFW Response
General comments on penalty schedule assessment considerations²¹	
Everyone associated with a project/permit should be subject to penalties - contractors and homeowners should share this responsibility. Important to look at which party received the economic benefit from the violation. E.g., Contractors who cut corners - thereby receiving the economic benefit - should be the ones penalized (not the landowner). [If the landowner is penalized,] the landowner needs to be responsible to pass along penalties to contractors.	We would not include this level of detail in proposed rule language. However, we are looking into this as it relates to implementation. Assuming everyone associated with a project is subject to penalties, we will consider how to do that when we develop implementation guidelines.
Penalties should be assessed on a per-day basis where work windows are violated.	It would be inappropriate to include this in rule language. In keeping with the Governor’s veto, maximum penalties are proposed on a per-violation basis. The legislature, in the original language of HB 1579, did not establish each day as a separate HPA violation as it has for other agencies and civil violations.
Suggest a tracking system like Ecology’s ERTS for tracking violation history. Also, many local governments have violation tracking systems - King County in particular.	We would not establish a tracking system in rule, but will develop a tracking system as part of rule implementation.
Deviations from plans that have no material effect should not be a violation. Violations should have material effect on fish/habitat.	We are not proposing to change how we handle project modifications. WDFW needs to be able to assess deviations from plans/specifications for

²¹ Many of the comments/suggestions will be considered for inclusion in implementation guidelines.

Suggested Alternative	WDFW Response
	impacts to fish/habitat prior to construction of the modification.
Comments on “Past Violation History” considerations	
[Referring to the case studies,] penalty schedules that address licensing or certification status seem generally inapplicable to the HPA situation.	We agree, and have not included this consideration in the proposed rule.
Past violations by a person are important in considering the amount of a penalty for the current violation. More past violations would yield a higher penalty. (Similar to Agriculture’s penalty criteria.)	Comment incorporated into proposal.
Compliance/violation history for the same or similar historic WDFW or environmental incident(s) should be an important consideration. History for at least 5 previous years should be considered, but only those that are uncontested or upheld upon appeal.	It seems reasonable to establish criteria and this suggestion is similar to what other agencies consider. We’ve incorporated this concept into proposed rule language.
Assess number/duration of violation(s) under a particular HPA.	WDFW notes that compliance inspections occurring prior to the penalty step in the compliance sequence can provide valuable data for this assessment.
Comments on “Impact/Severity” considerations	
Severity of adverse environmental impacts - to fish or fish habitat or public or private resources - should be considered.	Our statutory authority is limited to work that affects the natural flow or bed of state waters. We can only deny or condition permits for the protection of fish life. However, we recognize fish are a public resource.
Penalty assessment should look at harm that is likely to persist beyond the construction period or HPA 5-year period. The group indicated general agreement on this.	Comment incorporated into proposal. Whether the impacts are temporary, short-term, long-term, or permanent should factor into determining the severity and reparability.
With respect to the time frame to repair: It’s difficult to impose greater penalties for longer timeframe to repair when different jurisdictions require permits (or other permission) to conduct the repair work.	Please keep in mind we would only assess a penalty when a violator didn’t repair and compensate for the damage. For the penalty, we’d be evaluating the length of time required for restoration (repair) to occur naturally.
Penalty schedule should use ESA-listing status to add to the civil penalty.	We can only enforce Chapter 77.55 RCW. However, to determine the severity of the impact we must assess the value of the impacted habitat among other things. To do this we consider the scarcity of the habitat in a landscape context, suitability of the impacted habitat to support fish species, and the

Suggested Alternative	WDFW Response
	importance of the habitat to achieving conservation objectives for the fish species. Thus, the federal population status likely is captured in this assessment indirectly.
Generally, procedural or paperwork violations are less likely to be critical/damaging to fish/habitat than design or implementation violations (which should include maintenance/operation where appropriate). Regarding notification that is a couple of days late or contractors who don't have the HPA on-site, need some form of leniency for violations that don't affect fish/habitat.	Comment incorporated into proposal. Whether the violation impacted fish/habitat needs to be considered. In most cases, however, first-time violations of notification or HPA-on-site provisions would not advance to the civil penalty stage unless they co-occur with more damaging violations that are not corrected. This is also good topic for inclusion in implementation guidelines.
Case studies do not adequately assess failure to maintain mitigation measures, operating conditions (if any) or BMPs that are or should be a condition of ongoing HPAs.	We agree these are important, and these are usually specified as individual HPA provisions. Violations of different provisions are separate actions treated independently throughout the compliance sequence.
[Referring to the penalty schedule considerations provided in RCW,] the trade-off of reparability and mitigation, especially as it relates to offsite mitigation, is a call that needs to be made independent from WDFW.	This suggestion is not applicable to developing rule language for a penalty schedule. WDFW has responsibility under the Hydraulic Code Statute to assess impacts of a hydraulic project on fish/habitat and determine whether proposed mitigation is sufficient to address those impacts. For the penalty assessment, we would only be considering the severity of the damage at the site from the violation, including whether the damage is repairable. How, whether, and where to mitigate for that damage are not part of the penalty assessment.
The case studies do not look at timing issues. Whether a violation occurred inside the timing windows prescribed in an HPA should be a critical consideration for penalties.	Comment incorporated into proposal under "Impact." This is a unique and important aspect of HPA compliance that could be a consideration in evaluating the severity.
Comments on "Intent" considerations	
Generally, violations that occur because of accidental or unique (e.g., weather) conditions should be of less concern than negligent or intentional violations.	Comment incorporated into proposal.
Elements relating to "intent" such as negligence or recklessness should be assessed separately from a person's knowledge about what constitutes a violation when determining penalty amount.	Comment incorporated into proposal.

Suggested Alternative	WDFW Response
Important to look at which party received the economic benefit from the violation.	Comment incorporated into proposal.
Assess whether the violator(s) attempted to or successfully mitigated the damage caused by the violation in whole or in part - noting that remediation may be evidence of knowledge.	Comment incorporated into proposal. This also is a consideration for evaluating cooperation.
Difficult for public sector entities, who have to accept low bid, to control violations by that low bidder.	We agree this needs to be considered, which makes it even more important to assess which party was the violator and which parties received economic benefit.
Whether the HPA/project is an emergency situation should be a consideration in determining penalty.	Comment incorporated into proposal; unique circumstances should be considered.
Financial or reputational advantage to the violator should be evaluated.	We will explore whether this should be a consideration in evaluating intent.
Comments on "Cooperation" considerations	
Assess whether the violator acted alone, or in concert or conspiracy with others.	Comment addressed into proposal. This situation might be more appropriate for criminal enforcement.
Assess responsiveness or evasion of responsibility, or attempting to conceal the violation.	Comment incorporated into proposal.

9.2.2 Alternatives to rule making

Four alternatives to rule making are presented and discussed in Section 5.2, and summarized on Table 14.

The term *"least burdensome alternative,"* when used within this table and subsequently, means *"least burdensome alternative for those required to comply with it that will achieve the general goals and specific objectives stated under chapter 77.55 [RCW]."*

Table 14 Least Burdensome analysis of alternative rule language

Alternative/Comment	Proposed Rule Change	WDFW Response	Least Burdensome Alternative
Alternative 1:	No action - do not adopt the new statutes into rule	<ul style="list-style-type: none"> Places burden on applicants to find and read the statute to discover the new WDFW compliance tools/authorities Penalty-setting and signature authorities are not as readily transparent as they would be in a 	Proposed rule

Alternative/Comment	Proposed Rule Change	WDFW Response	Least Burdensome Alternative
		formal rulemaking setting. <ul style="list-style-type: none"> Failing to adopt features of the new statutes (penalty schedule, signature authority) into rule is a violation of those statutes. 	
Alternative 2:	Adopt the penalty schedule and signature authorities into rule (and not other provisions of the new statute including the repeal of RCW 77.55.141)	<ul style="list-style-type: none"> Not as readily transparent to an applicant how the new compliance tools fit within WDFW's compliance program. Appeal procedures for new compliance tools would not be as readily transparent. Confusion about which saltwater bank protection rules are in force. 	Proposed rule
Alternative 3:	Adopt the penalty schedule, signature authorities, benchmark requirements, and repealer into rule (and not other provisions of the new statute)	<ul style="list-style-type: none"> Not as readily transparent how the new compliance tools fit within WDFW's compliance program. Appeal procedures for new compliance tools would not be as readily transparent as they are in a formal rulemaking. Confusion about which saltwater bank protection rules are in force. 	Proposed rule
Alternative 4:	Adopt all proposals except eliminate any benchmark requirement in WAC 220-660-370	Benchmarks are necessary to establish whether a project is compliant with HPA provisions providing fish life protection. Taking out this requirement would be counter to the goal of chapter 77.55 RCW to provide protection for fish life.	Proposed rule

9.3: Determination: Least Burdensome

After considering alternative versions of the rule in context with the goals and objectives of the authorizing statute, **WDFW determines that the proposed rule represents the least burdensome alternative for those required to comply with it that will achieve the general goals and specific objectives stated under chapter 77.55 RCW.**

SECTION 10: Remaining APA Determinations

The remaining narrative in this document addresses determinations pursuant to RCW 34.05.328(1)(f) through (1)(i) relating to state and federal laws, equal requirements for public and private applicants, and coordination with state, federal, tribal, and local entities.

10.1: Violation of other state or federal laws

RCW 34.05.328 (1)(f) Determine that the rule does not require those to whom it applies to take an action that violates requirements of another federal or state law.

There are no provisions in the Hydraulic Code Statute and Rules (chapter 77.55 RCW and chapter 220-660 WAC) requiring those to whom they apply to take an action that violates requirements of another federal or state law.

We make this determination because the HPA permit does not compel persons to take an action.

Consistent with other state authorities, the Hydraulic Code Rules regulate the time, place, and manner in which an action can occur to adequately protect fish life. The HPA also does not convey permission to use public or private property to conduct the project. Applicants must seek permission to use property from the landowner(s) of property(ies) that will be accessed for project completion. Authorization by WDFW to conduct any hydraulic project does not exempt anyone from the requirements of other regulatory agencies or landowners. Every HPA issued in Washington contains notice that the permit

“...[the HPA permit] pertains only to requirements of the Washington State Hydraulic Code Statute, specifically Chapter 77.55 RCW. Additional authorization from other public agencies may be necessary for this project. The person(s) to whom this Hydraulic Project Approval is issued is responsible for applying for and obtaining any additional authorization from other public agencies (local, state and/or federal) that may be necessary for this project.”

Hydraulic Code Rules do not supersede existing federal and state requirements. Further, WDFW’s proposal is designed to enable WDFW to collect data for purposes of protecting fish life, which is not in conflict with state or federal law.

WDFW has determined that the proposed rule does not require those to whom it applies to take an action that violates requirements of another federal or state law.

10.2: Equal Requirements for Public and Private

RCW 34.05.328 (1)(g) Determine that the rule does not impose more stringent performance requirements on private entities than on public entities unless required to do so by federal or state law.

The Hydraulic Code Rules generally apply equally to all HPA applicants whether public or private. Requirements are the same for public and private entities. **WDFW has determined that the rule**

does not impose more stringent performance requirements on private entities than on public entities.

10.3: Difference from other state and federal rules

RCW 34.05.328 (1)(h) Determine if the rule differs from any federal regulation or statute applicable to the same activity or subject matter and, if so, determine that the difference is justified by the following: [(i) explicit state statute..., (ii) substantial evidence that the difference is necessary...].

10.3.1: Other federal, state, or local agencies with authority to regulate this subject

WDFW has sole authority to implement the Hydraulic Code Rules (chapter 220-660 WAC) under chapter 77.55 RCW (Construction Projects in State Waters). Pursuant to 77.55.361, the Department of Natural Resources has authority to carry out the requirements of the Hydraulic Code Statute for forest practices hydraulic projects regulated under Chapter 76.09 RCW. WDFW and DNR have a process for concurrent review of such projects.

Local and state government regulations pertaining to land use and development, shoreline use, and clean water appear to have overlapping authorities, but have different fundamental purposes. Washington Department of Ecology regulates water diversions, discharges, and stormwater outfalls, features that could occur concurrently with a project that is regulated under the Hydraulic Code Statute and Rules. Local governments have regulations for the location (such as under the Shoreline Management Act) and methods (building codes) for construction projects. These aspects of a construction project also can co-occur with hydraulic project requirements, but none of these other authorities either duplicates or supersedes the Hydraulic Code Statute authority.

10.3.1.1: The rule differs from federal regulations or statutes applicable to the same activity.

The Hydraulic Code Statute and Rules regulates hydraulic projects for the protection of fish life. Hydraulic projects are construction projects and other work that uses, diverts, obstructs, or changes the natural flow or bed of state waters. Federal protections under the Rivers and Harbors Act, Clean Water Act (U.S. Army Corps of Engineers and Washington Department of Ecology), and Endangered Species Act (U.S. Fish and Wildlife Service and National Marine Fisheries Service) may regulate hydraulic projects; however, the general goals and specific objectives of these federal acts are different from the state Hydraulic Code Statute and Rules.

Local, state, and federal agencies may have jurisdiction over the same project. Table 14 provides an overview of the characteristics of some aquatic permits at the federal, state, and local levels. At each jurisdictional level, priorities and legal mandates determine the resources or interests that are protected and the extent of the protection that is applied. Mitigation requirements also vary according to the agencies' protection priorities and legal mandates. As a result, regulatory efforts may share intentions or could have entirely different animal or habitat protection objectives.

The federal Endangered Species Act (ESA) comes closest to regulating the same subject matter - the protection of fish life. But while the state Hydraulic Code Statute and Rules regulates the manner in which a project is constructed (so that the project is protective of fish life), the federal ESA regulates the “take” or kill of species listed as threatened or endangered under the Act. Federal ESA jurisdiction relates only to animals or plants listed as threatened or endangered under the Act. The state Hydraulic Code Statute and Rules applies to all fish species.

The Hydraulic Code Statute and Rules fills a unique niche because its permits are issued solely to protect (all) fish life. In many cases, the HPA is the only permit required for:

- Hydraulic projects in streams too small to be considered a shoreline of the state (relevant to the state Shorelines Management Act) or navigable waters (relevant to Corps of Engineers permitting);
- Hydraulic projects not regulated under the Clean Water Act;
- Hydraulic projects not subject to state or federal landowner notification or permit requirements;
- Hydraulic projects exempt from state or national Environmental Policy Act review (refer to SEPA statute and rules for criteria for SEPA exemption); or
- Hydraulic projects exempt from local permits.

10.3.1.2: Determination: Difference is necessary

Differences between state HPA authority (and the current rule proposal) and federal authorities are necessary because there are no federal laws or rule protecting all fish life from the effects of construction projects. **WDFW has determined that the rule differs from any federal regulation or statute applicable to the same activity or subject matter and that the difference is necessary to meet the general goals and specific objectives of the Hydraulic Code Statute.**

10.3.2: Coordination with state, federal and local laws

RCW 34.05.328 (1)(i) Coordinate the rule, to the maximum extent practicable, with other federal, state, and local laws applicable to the same activity or subject matter.

10.3.3: Coordination with state and federal agencies

WDFW distributed information on September 16, 2019, to agencies regarding the content and general objectives for rule making and seeking feedback from agencies on how WDFW can construct proposed rules that meet WDFW needs while avoiding impact to other agencies’ activities and permitting. That information requested agencies contact WDFW if they are concerned about impacts to their activities or authorities. After proposed rules are developed, WDFW will again propose meeting with these agencies to discuss the proposal and get further comments. WDFW expects that agencies might submit formal comment letters during the public comment period for the rules.

Ongoing coordination with federal, state, and local agencies occurs because, while the objectives

of regulation are different, projects being reviewed under the HPA program are potentially reviewed by these other jurisdictions as well. WDFW coordinates mitigation requirements with federal agencies so that mitigation required for construction project impacts can satisfy mitigation required for impacts to other authorities; this coordination prevents imposing double the mitigation for the same project impact.

WDFW also solicits input from federal, state, and local agencies on ways to improve HPA program implementation, including both the regulation of projects and with the technical assistance that WDFW provides to other agencies and to project proponents.

10.3.4: Consultation with tribes

On September 13, 2019, WDFW distributed information about the content and impact of the proposed rules and requested to meet with tribes having concerns about the rules or wishing to convey comments to assist WDFW in drafting the rule proposals. WDFW received one comment during the preproposal period emphasizing the importance of moving forward with rulemaking to implement provisions of 2SHB 1579. We will consult with tribes again once rule proposals are available.

10.3.5: Permittee Responsibilities

Permittees are notified in HPA permits that it is the permittee's responsibility to meet legal requirements of other state, federal, and local agencies in order to conduct the hydraulic project activity. Permits from and notifications to other regulatory agencies may be required and applicable landowners must be consulted before conducting any activity. These responsibilities are independent from permitting under the Hydraulic Code Rules.

10.3.6: Determination: Coordinated with other federal, state, and local laws

WDFW has demonstrated that the rule has been coordinated, to the maximum extent practicable, with other federal, state, and local laws applicable to the same activity or subject matter.

SECTION 11: Sources of Information Used

RCW 34.05.271(1)(a) Before taking a significant agency action, the department of fish and wildlife must identify the sources of information reviewed and relied upon by the agency in the course of preparing to take significant agency action. Peer-reviewed literature, if applicable, must be identified, as well as any scientific literature or other sources of information used. The department of fish and wildlife shall make available on the agency's web site the index of records required under RCW [42.56.070](#) that are relied upon, or invoked, in support of a proposal for significant agency action.

Following are references for material reviewed and relied upon by WDFW in the course of preparing to take this rule making action (Table 16), which is a significant legislative rule pursuant

to RCW 34.05.328(5)(a). Each reference is categorized for its level of peer review pursuant to RCW 34.05.271. A key to the review categories under RCW 34.05.271 is provided on Table 17.

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Table 15 Comparison of some common aquatic permits

Permit	Agency	Goals/Objectives	Trigger activity	Action	Limitations
Hydraulic Project Approval	WDFW	Protect fish/shellfish and their habitats	Projects that use, divert, obstruct, or change the natural flow or bed of salt or fresh state waters.	Construction permit issued with conditions that mitigate impacts	May not optimize conditions for fish or unreasonably restrict a project.
ESA Incidental Take Permit	USFWS, NMFS	Ensure activities are not likely to jeopardize the continued existence of listed species, or destroy or adversely modify their critical habitat	Anyone whose otherwise-lawful activities will result in the “incidental take” of a listed species needs an incidental take permit.	Incidental take permit and terms and conditions	Applies only to ESA-listed species; “take” includes harm to designated critical habitat
Shoreline Substantial Development Permit	Local governments, Ecology	Encourages water-dependent uses, protects shoreline natural resources, and promotes public access.	Any project, permanent or temporary, which interferes with public use of shorelands. Projects in or within 200 feet of marine waters, streams, lakes, and associated wetlands and floodplains.	Development permit issued by local government	Conditional Use and Variance require review by Ecology.
NPDES construction stormwater or general permit	Ecology	Protects and maintains water quality and prevents or minimizes sediment, chemicals, and other pollutants from entering surface water and groundwater.	Construction activities that disturb 1 or more acres of land and have potential stormwater or storm drain discharge to surface water.	Construction permit or general permit with conditions to minimize discharge and/or report	Apply to projects disturbing 1 or more acres of land

Permit	Agency	Goals/Objectives	Trigger activity	Action	Limitations
Aquatic Use Authorization	DNR	Allows use of state- owned aquatic lands. Washington State Department of Natural Resources (DNR) determines if aquatic land is state- owned, if it is available for use, and if the use is appropriate.	Project located on, over, through, under, or otherwise impacts state- owned aquatic lands. Aquatic lands are defined as tidelands, shorelands, harbor areas, and the beds of navigable waters.	Use authorization permit or lease	Only for state-owned aquatic lands
Section 404 Permit (Regional, Nationwide, or Individual) for Discharge of Dredge or Fill Material	U.S. Army Corps of Engineers	Restores and maintains chemical, physical, and biological integrity of national waters. Authorized under Section 404 of the Clean Water Act.	Excavating, land clearing, or discharging dredged or fill material into wetlands or other U.S. waters.	Permit to discharge dredged or fill material	Concurrent consultation on 401 Certification, CZM, National Historic Preservation Act, Endangered Species Act, Tribal Trust Issues, and National Environmental Policy Act.

Source: Excerpted from Governor’s Office of Regulatory Innovation and Assistance detailed [comparison of aquatic permits](#) by local, state, and federal agencies.

Table 16 Proposed minor edits that do not change the effect of the rules

WAC Subsection	Description	Reason
WAC 220-660-050 – Procedures		
050	“HPA Permit” and “permit” changed to “HPA”	Improve consistency of terms and/or phrases with other rules, and remove superfluous words.
050 (9)(c)	“fish life and habitat that supports fish life” changed to “fish life”	Remove superfluous words. “Protection of Fish Life” definition 030 (119) includes fish life and the habitat that supports fish life.
050 (13)(b)	“... these project must meet the mitigation provisions in WAC 220-660-080 and the provisions in WAC 220-660-100 through 220-660-450 that are included in the HPA” is changed to “...these projects must comply with the provisions in this chapter that are included in an HPA.”	Simplify language to improve readability and understanding
050 (13) (d)	Added “or other work”	Improve consistency of language with words used in the definition of a hydraulic project 030 (76)
050 (17) (a)(v)	“application for an HPA” changed to “HPA application”	Improve consistency of words with other rules
WAC 220-660-370 – Bank protection in saltwater areas		
370 (1)	Changed description of bank protection techniques to better align with (3)(b) in this subsection.	Improve consistency of words with other rules
370 (2)	Changed fish life concerns language to more clearly explain what the concerns are and to better align with section 320.	Clarify language to improve readability and understanding of intent
370 (3)	“Bulkheads and other bank protection design” changed to “Bank Protection Design”	Improve conciseness
370 (3)(a)	Spelled out “ordinary high water line” Specified that this provision applies to “hard” structures Specified the application is an “HPA” application	Clarify language to improve readability and understanding of intent
370(3)(b)	Added a description of how to determine the least impacting technically feasible bank protection alternative	Clarify language to improve readability and understanding of intent
370(3)(b) 370(3)(c) 370(3)(d)	Removed bank protection examples	Remove superfluous language; these structures are described in (370)(1)

370(3)(d)	Added “bank protection” structure	Clarify that the rule applies to a bank protection structure
370(3)(d)	Added “prepared”	Clarify a qualified professional must repair this report
370(3)(d)	Replaced “project and selected technique” with “method”	Improve consistency of words with other rules
370(3)(d)	Added “The applicant must submit a report to the department as part of a complete application for an HPA that includes:”	Clarify this report must be submitted with the application
370(3)(d)(iii)	Added “Alternative considered and the”	Improve consistency of words with those used in 370(3)(d)
370(3)(e)	Added “hard” and replaced “projects” with “structures”	Clarify that the rule applies to a hard bank protection structure
370(4)(a) 370(4)(b)	Replaced “bulkhead” with “hard bank protection structure”	Improve consistency of words with those used in 370(1)
370(4)(a)	Replaced “stabilization techniques that provide restoration of shoreline ecological functions may be permitted” with “methods that allow beach processes and habitat to remain intact may extend”	Clarify that the rule applies to all soft shoreline methods
370(5)(d)	Removed “waterward of the bulkhead footing or base rock”	Clarify that the rule applies to both hard and soft shoreline methods
WAC 220-660-460 – Informal appeal of administrative actions		
460(1)	Removed “appeal to the department pursuant to” and replaced with “internal department review of a department HPA decision and is conducted under”	Improve informal appeal description
460(1)	Replaced “the issuance, denial, provisioning, or modification of an HPA” with “a department HPA decision”	Clarify the rule to improve readability
460(1)	Removed “on the HPA”	Remove superfluous language
460(1)	Removed “of the problem”	Remove superfluous language
460(2)	Replaced “aggrieved persons” with “a person aggrieved by a department HPA decision”	Clarify language to improve readability and understanding of intent
460(2)	Removed “the informal appeal process is not mandatory, and”	Remove superfluous language
460(2)	Replaced “proceed directly to” with “pursue”	Improve readability
460(2)	Added “without first obtaining informal review under this section”	Clarify rule to improve understanding of intent
460(2)	Removed “any provisions in”	Remove superfluous language
460(4)	Replaced “the date of actual receipt, however, may not exceed forty-five days from the date of mailing” with “up to forty-five days from the date of mailing”	Simplify language to improve readability

460(6)(c)	Replaced “issued, denied, provisioned, or modified an HPA, or date the department issued the order imposing civil penalties” with “specific department action being contested”	Simplify language to improve readability
460(6)(d)	Removed order imposing civil penalties” and replaced with “specific department action being contested”	Improve understanding and consistency of language with other rules
WAC 220-660-470 – Formal appeal of administrative actions		
470	Removed “pursuant to” Added “board”	Improve readability
470(1)	Replaced “the issuance, denial, provisioning, or modification of an HPA” with “a department HPA decision”	Simplify language to improve readability
470(1)	Removed “of the problem”	Remove superfluous language
470(2)	Replaced “aggrieved persons” with “a person aggrieved by a department HPA decision”	Clarify rule to improve readability and understanding of intent
470(2)	Removed “the informal appeal process is not mandatory, and”	Remove superfluous language
470(2)	Replaced “proceed directly to” with “pursue”	Simplify language to improve readability
470(2)	Added “without first obtaining informal review under this section”	Clarify rule to improve understanding of intent
470(2)	Removed “any provisions in”	Remove superfluous language
470(5)	Removed “pollution control hearings board” and “PCHB” and replaced with “board”	Remove redundant language; improve consistency of language with other rules
470(5)(b)	Replaced “the date of actual receipt, however, may not exceed forty-five days from the date of mailing” with “up to forty-five days from the date of mailing”	Simplify language to improve readability
470(6)	Replaced “pursuant to” with “under”	Simplify language to improve readability
470(6)(c)	Replaced “issued, denied, provisioned, or modified an HPA, or date the department issued the order imposing civil penalties” with “specific department action being contested”	Simplify language to improve readability
470(9)	Replace “PCHB” with “board”	Improve consistency of language with other rules
WAC 220-660-480 – Compliance with HPA Provisions		
480(1) 480(2)	Replaced “pursuant to” with under	Simplify language to improve readability
480(1)	Added “continue to”	Reflect there is currently a program
480(1)	Removed “HPA provisions”	Remove superfluous language

480(1)	Removed “ provisions of chapter 43.05 RCW require”	Remove superfluous language
480(1)	Removed “including private companies”	Remove superfluous language
480(1)	Added “must”	Convey this is a requirement
480(1)	Replaced “must be” with “is”	Simplify language to improve readability
480(2)(b)	Renamed “Notice of Violation” and Notice of Correction” a correction request	Simplify language to improve readability and understanding of intent
480(2)(b) 480(3)(a)	Moved “information required in a correction request to subsection 4	Simplify language to improve readability and understanding of intent

Table 17 References for material reviewed in preparation for HPA suction dredge rule making

Reference Citation	Category
2SHB 1579 (Laws of 2019, chapter 290 PV)	v
RCW 18.104.155 [Water Well Construction] Civil penalties—Amount and disposition.	v
RCW 70.95.315 [Solid Waste Management - Reduction and Recycling] Penalty.	v
RCW 70.105.080 [Hazardous Waste Management] Violations—Civil penalties.	v
RCW 70.105.095 [Hazardous Waste Management] Violations—Orders—Penalty for noncompliance—Appeal.	v
RCW 70.107.050 [Noise Control] Civil penalties.	v
RCW 90.03.600 [Water Code] Civil penalties.	v
RCW 90.48.144 [Water Pollution Control and Spill Prevention/Response] Violations—Civil penalty—Procedure.	v
RCW 76.09.170 Violations—Conversion to nontimber operation—Penalties—Remission or mitigation—Appeals—Lien.	v
RCW 76.09.190 Additional penalty, gross misdemeanor.	v
RCW 90.64.010 Definitions.	v
RCW 90.64.040 Appeal from actions and orders of the department.	v
RCW 90.64.102 Recordkeeping violations—Civil penalty.	v
WAC 16-90-005 [Animal Industry Penalty Schedule] Purpose.	v
WAC 16-90-010 [Animal Industry Penalty Schedule] Penalty outline.	v
WAC 16-90-015 [Animal Industry Penalty Schedule] Revoking, suspending, or denying a permit or license.	v
WAC 16-90-020 [Animal Industry Penalty Schedule] Issuance of a civil penalty without first issuing a notice of correction.	v
WAC 16-90-030 [Animal Industry Penalty Schedule] Penalty schedule.	v

Reference Citation	Category
WAC 16-139-005 [Dairy, Food, and Eggs Penalties] Definitions.	v
WAC 16-139-010 [Dairy, Food, and Eggs Penalties] Calculation of penalty.	v
WAC 16-139-020 [Dairy, Food, and Eggs Penalties] Penalty assignment schedule—Critical violations.	v
WAC 16-139-030 [Dairy, Food, and Eggs Penalties] Penalty assignment schedule—Significant violations.	v
WAC 16-139-040 [Dairy, Food, and Eggs Penalties] Penalty assignment schedule—Economic and other violations of chapters 16.49, 19.32, 69.04, 69.07, and 69.10 RCW.	v
WAC 16-228-1110 What are the definitions specific to penalties?	v
WAC 16-228-1120 How are penalties calculated?	v
WAC 16-228-1125 When can the department revoke or deny a license?	v
WAC 16-228-1130 What is the penalty assignment schedule?	v
WAC 16-228-1150 What are the other dispositions of alleged violations that the department may choose?	v
WAC 16-611-100 Assessing civil penalties.	v
WAC 16-611-110 Issuing a civil penalty without first issuing a notice of correction.	v
WAC 16-611-200 Penalty for lack of recordkeeping.	v
WAC 16-611-300 Penalty for discharge of pollutants.	v
WAC 222-46-060 Forest Practice Rules for civil penalties.	v
WAC 222-46-065 [Forest Practices Rules] Base penalty schedule.	v
Cook, A. Pers. Comm. July 29, 2019	viii
Cook, A., et al. 2019. Hydraulic Project Approval Program Hood Canal Compliance Pilot Final Report. Project was funded by the U.S. Environmental Protection Agency through a grant from the Puget Sound Marine and Nearshore Grant Program.	iii
Governor’s Office of Regulatory Innovation and Assistance. Aquatic Permits Sheet . ORIA Publication ENV-011-08.	viii
Governor’s Office of Regulatory Innovation and Assistance. 2019. <i>Minor Cost Threshold Calculator July 2019.xlsx</i> available at: https://www.oria.wa.gov/Portals/_oria/VersionedDocuments/RFA/Regulatory_Fairness_Act/Minor%20Cost%20Threshold%20Calculator%20July%202019.xlsx	viii
Patterson, D. et al. 2014. Practical Guide: Cost-Effective Compliance with Shoreline Regulations	iv
Rotsten, J. Sea Level Bulkhead Builders. Pers. Comm. October 9, 2019.	viii
Scott, T. 2019. Preliminary Annual HPA Statistics Review for calendar year 2018. Unpublished data summary.	viii

Reference Citation	Category
Southern Resident Orca Task Force. 2018. "Southern Resident Orca Task Force Report and Recommendations" available at https://www.governor.wa.gov/sites/default/files/OrcaTaskForce_reportandrecommendations_11.16.18.pdf	iv
U.S. Census Bureau. 2019. "American FactFinder" available at: https://factfinder.census.gov/faces/nav/jsf/pages/searchresults.xhtml?refresh=t	viii
U.S. Department of Labor, Bureau of Labor Statistics. May 2018. OES Research Estimates, Occupational Employment Statistics (OES) Survey website: https://www.bls.gov/oes . Table of OES estimates for the State of Washington downloaded from https://www.bls.gov/oes/2018/may/oes_research_estimates.htm on 10/9/2019.	viii
Washington State Auditor <i>Minor Cost Threshold Calculator July 2019.xlsx</i> , which uses data from the 2012 Economic Census of the United States.	viii
Washington State Department of Revenue Business Lookup Tool Available at: https://secure.dor.wa.gov/gteunauth/_/#1	viii
Wilhere, G. et al. 2015. Year One Progress Report: Implementation and Effectiveness Monitoring of Hydraulic Projects. Washington Department of Fish and Wildlife, Habitat Program, Science Division.	ii
Wilhere, G. et al. 2019. Implementation and Effectiveness Monitoring of Hydraulic Projects - Year-five Progress Report. Washington Department of Fish and Wildlife, Habitat Program, Science Division.	ii

Table 18 Key to RCW 34.05.271 Categories Relating to Level of Peer Review

Category Code	RCW 34.05.271 Section 1(c)
i	Independent peer review: Review is overseen by an independent third party
ii	Internal peer review: Review by staff internal to the department of fish and wildlife;
iii	External peer review: Review by persons that are external to and selected by the department of fish and wildlife;
iv	Open review: Documented open public review process that is not limited to invited organizations or individuals;
v	Legal and policy document: Documents related to the legal framework for the significant agency action including but not limited to: (A) Federal and state statutes; (B) Court and hearings board decisions; (C) Federal and state administrative rules and regulations; and (D) Policy and regulatory documents adopted by local governments;
vi	Data from primary research, monitoring activities, or other sources, but that has not been incorporated as part of documents reviewed under the processes described in (c)(i), (ii), (iii), and (iv) of this subsection;

vii	Records of the best professional judgment of department of fish and wildlife employees or other individuals; or
viii	Other: Sources of information that do not fit into one of the categories identified in this subsection (1)(c).

For Further Information

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