

CITY OF SEATTLE 2011 STATE LEGISLATIVE BULLETIN

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Weekly Overview

This week the House and Senate released their transportation budgets and the House passed its version on Friday. More details on the transportation budgets are included below. Next week the House may release its operating and capital budgets.

Policy committee cutoff was Friday, March 25th, so bills that failed to pass out of policy committees of the opposite chamber are likely dead for the session. Cutoff from fiscal committees is this Friday, April 1st. Several bills that the City of Seattle has an interest in passed out of committee, including medical cannabis, REET fiscal flexibility, houseboat regulations, and several more. In addition, a bill that the City supports that would protect water by limiting the use of fertilizer containing phosphorus passed the Senate on Friday, March 25th, by a vote of 32-16. The bill now returns to the House since the Senate amended the bill.

Areas of Primary Focus

Budget: The House announced that the additional shortfall revealed by the March 17th revenue forecast—\$80 million for the current biennium and \$698 million for the 2011-13 biennium— would delay the release of their operating and capital budgets by about a week, until this coming week at the earliest. The latest forecast puts the deficit for the 2011-13 biennium over \$5 billion.

The House released its transportation budget on Monday, March 21st, and the Senate released its transportation budget on Wednesday, March 23rd. The Senate version was amended to include a proviso conditioning cities' eligibility for regional mobility grants on their charging no more than 12.5% for commercial parking tax and partly exempting public institutions of higher education and non-profit hospitals. Sen. Curtis King from Yakima sponsored the proviso. The Senate transportation budget includes two regional mobility grant projects in Seattle: one for \$4 million to make transit improvements in the NW Market/45th Street corridor and the other for \$1.25 million of improvements at King Street Station. In the House version, the NW Market/45th Street project was removed from the list of projects funded. The House passed its transportation budget on Friday, sending it to the Senate, where it will likely be amended before the Senate passes it, setting the stage for a conference committee to sort out the differences.

Transit Funding: The short-term transit funding bill, <u>ESSB 5457</u>, is scheduled for executive session in the House Transportation Committee on Wednesday, March 30th. Seattle supports this legislation. In its current form, the bill is limited to King County only, and would require a 2/3 vote of the King County Council or voter approval before implementation.

Fiscal Flexibility: <u>HB 1953</u>, concerning county and city additional real estate excise tax authority, had a hearing in the Senate Government Operations and Tribal Relations & Elections Committee on Monday, and an executive session on Thursday, and was referred to the Senate Rules Committee. Seattle supports this legislation because it will provide cities and counties the flexibility to use real estate excise taxes for the maintenance and operation of capital facilities and additional capital projects.

<u>Criminal Justice</u>: <u>SSB 5545</u> passed the House Committee on Public Safety & Emergency Preparedness on Tuesday and was referred to the House Rules Committee. The House companion bill, <u>SHB 1874</u>, prime-sponsored by Rep. Mary Lou Dickerson, had a hearing on Tuesday, March 22nd, in the Senate Human Services & Corrections Committee. Sergeant Ryan Long from SPD testified in support. On Thursday, March 24th, the bill passed out of Committee and was referred to the Senate Rules Committee. Seattle supports this legislation because it would give law enforcement additional tools to fight human trafficking and sexual exploitation of children by allowing law enforcement to intercept and record a conversation with the consent of only one party when there is probable cause to believe the conversation involves the commercial sexual abuse of a minor.

Education: E2SHB 1776, prime-sponsored by Representative David Frockt, would establish a unified set of licensing requirements for child care centers operated in public buildings. Seattle supports this legislation, which had an executive session on Thursday in the Senate Human Services & Corrections Committee and is now in Senate Rules. In addition, Seattle supports 2SHB 1510 and 2SSB 5427, regarding an assessment of students in state-funded full-day kindergarten. The Senate version passed the House Education Committee on Thursday and was referred to House Ways & Means. The House version had a hearing in the Senate Early Learning & K-12 Education Committee on Wednesday, March 23rd.

Other Issues of Significant Interest

<u>Vulnerable Roadway Users</u>: Seattle supports this legislation because it creates a new infraction and penalties for drivers who injure vulnerable roadway users. The Senate version, <u>SSB 5326</u>, was placed on second reading by the House Rules Committee. The House version, <u>SHB 1339</u>, had a hearing on March 15th in the Senate Judiciary Committee but was not voted out of committee before the policy committee cutoff on March 25th.

Speed Limits: <u>SSB 1217</u> would simplify the process for cities and towns to lower speed limits on city streets. Seattle supports this legislation. It had a hearing on March 14th in the Senate Transportation Committee but has not yet been scheduled for executive session. This bill has until April 1st to be voted out of the Senate Transportation Committee.

Limousine Regulations: <u>SSB 5502</u> would provide Seattle with the authority and additional resources to enforce limousine laws. The bill passed out of the House Transportation Committee on Thursday, March 24th, and was referred to the House Committee on General Government

Appropriations & Oversight, where it has been scheduled for a hearing this Monday, March 28th. Currently, there are several locations in Seattle where some limousine operators are operating more like taxicabs than limousines, and the City does not have the legal authority to take action. **Taxicab Lease Rate Caps:** <u>ESHB 1367</u> would make all taxicab, limousine, and for-hire vehicle businesses and operators subject to mandatory industrial insurance. Seattle supports the underlying legislation, but we opposed three sections in the original bill that would have limited the City's ability to cap the lease rates taxi owners charge taxi operators and the consumer rates charged by taxis. We use our current authority to help ensure that taxi drivers earn a living wage and that taxis are affordable. Representative David Frockt offered a floor amendment to address our concerns, it was adopted, and the bill subsequently passed the House unanimously. The bill had a hearing in the Senate Labor and Commerce & Consumer Protection Committee on Monday, March 21st, and Denise Movius testified on behalf of the City. On Tuesday the bill passed out of committee, and it is now in Senate Rules.

Private Carriers in Transit Lanes: <u>SSB 5836</u> would allow private transportation carriers like employer shuttles and aeroporters to use transit-only lanes. While Seattle supports providing incentives for people to use these forms of transit, we are concerned that the current version of the bill will limit our ability to ensure the smooth and timely flow of public transit in transit-only lanes. We are working with stakeholders to develop mutually agreeable amendments that address our concerns .The bill had a hearing in the House Transportation Committee on March 14th and is scheduled for executive session on Wednesday, March 30th.

Public Records: <u>SHB 1899</u>, which relates to penalties for public records violations, passed the Senate Government Operations, Tribal Relations & Elections Committee on Monday, March 21st. The bill is now in Senate Rules. The bill gives a range of monetary penalties that may be assessed, from a minimum of \$0 up to \$100 per day. The range under current law is \$5-\$100 per day, so having an option of \$0 is a significant step forward. Seattle supports this legislation.

Regulating Underground Utilities: E2SHB 1634 aims to improve pipeline safety in Washington by changing dig law practices. Seattle and a number of cities are opposed to this bill because we have serious concerns with several provisions. Specifically, the bill would require a change in practice for marking or identifying certain sewer and water lines, and these provisions would not significantly reduce water and sewer line disruptions or improve overall pipeline safety, but would result in a significant cost and workload increase for Seattle Public Utilities. This bill was voted out of the Senate Environment, Water & Energy Committee on Wednesday, March 23rd, and referred to the Senate Rules Committee. However, Senator Sharon Nelson, Vice Chair of the Senate Environment, Water & Energy Committee, has agreed to work with cities and other stakeholders to try to resolve the cities' concerns before the bill moves to the Senate floor. Several stakeholders, including representatives from SPU and the City's lobbyists, will be attending a meeting with Senator Nelson on Tuesday.

Phosphorus in Fertilizer: ESHB 1489, which would limit the use of fertilizer containing phosphorus in order to protect water, passed the Senate on Friday, March 25th, by a vote of 32-16. The bill was amended in the Senate and so it now returns to the House.

Houseboats: <u>SHB 1783</u>, which would exempt houseboats from certain land use regulations, passed the Senate Natural Resources & Marine Waters Committee on Wednesday and moved to the Senate Rules Committee. Seattle has been working on compromise language with houseboat advocates and state agencies for several weeks. Negotiations continue and we are hopeful that a compromise amendment will be adopted when the bill is on the Senate floor.

<u>Cottage Food Operations</u>: <u>ESSB 5748</u>, which enacts labeling requirements on cottage food operations and exempts them from certain regulations and permitting laws, had an executive session on Tuesday in the House Agriculture & Natural Resources Committee and was referred to the House Health & Human Services Appropriations & Oversight Committee. The bill has been scheduled for a hearing on Monday, March 28th. Seattle supports this and other legislation that would allow value-added home processing and selling of low-risk food items.

Mutual Aid: Barb Graff, Director of Emergency Management, testified in support of <u>SHB 1585</u> at a public hearing on March 14th in the Senate Government Operations, Tribal Relations & Elections Committee. It was passed to the Rules Committee on March 18th. This bill would allow local governments to provide aid when another city or county in Washington has experienced an emergency and requests assistance. <u>ESHB 1406</u>, establishing the intrastate building safety mutual aid system, also had a public hearing in the Senate Government Operations and Tribal Relations & Elections Committee on March 14th, and was passed to the Rules Committee on March 18th. Seattle supports efforts to allow this type of coordinated assistance and is supporting both of these House bills as they move through the Senate.

Flood Control District: ESB 5638 and EHB 1969 would exempt the King County Flood Control District from certain limitations on regular property tax levies. Seattle supports this legislation because a portion of the property taxes that would be collected if this bill passes are slated to help fund the seawall replacement and other critical projects. The House version had a public hearing on Monday, March 21st, in the Senate Committee on Government Operations and Tribal Relations & Elections. On Thursday the House bill was voted out of committee and referred to Senate Ways & Means. The Senate version is in House Ways & Means.

Medical Cannabis: E2SSB 5073, which clarifies laws surrounding the medical use of cannabis, passed the House Health Care & Wellness Committee on Wednesday, March 23rd, and moved to the House Ways & Means Committee. When the bill was heard in committee, John Schochet from the City Attorney's office testified in support of the bill on behalf of the City and suggested a number of amendments that would improve the bill. Seattle supports this legislation and sent a joint letter from the Mayor, all nine Councilmembers, and the City Attorney. The bill was amended significantly in committee, and while some of our concerns were addressed, new concerns have arisen because of the changes to the bill. We are working closely with the City Attorney's office and a number of other stakeholders to address these concerns.

<u>Stadium Taxes</u>: <u>SHB 1997</u>, providing economic development by funding tourism promotion, workforce housing, art and heritage programs, and community development still awaits a hearing in the Senate Ways & Means Committee. A more limited version of the bill focused on Arts & Heritage, <u>SSB 5834</u>, had a public hearing in House Ways & Means on March 14th and is awaiting committee action.

Film Tax Incentive: 2SSB 5539, concerning Washington's motion picture competitiveness, was voted out of the Senate Ways & Means Committee on Thursday, March 24th, and referred to Senate Rules. The House version is in the House Ways & Means Committee. Seattle supports this legislation because it will continue a program of incentives for the motion picture industry in Washington State, which is crucial for the health of Seattle's film industry.

Looking Ahead

We continue to prepare for the release of the House operating and capital budgets and will be working on several pieces of key legislation this week in the run up to fiscal cutoff this Friday. The session is scheduled to end on April 24th.