

2011 State Legislative Agenda Final Report – Sine Die

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Introduction

The continuing economic challenges made this a very difficult legislative session. Billions had to be cut from the state budget, forcing hard choices in almost every area the state provides services. Below we have summarized the results of the 2011 regular and special sessions. Please contact OIR if you have any questions or would like more information about any of the issues discussed below.

Before we begin, OIR would like to extend our appreciation to members of the Seattle delegation for the hard work, time, and energy they put into this past legislative session. Given the dire budget challenges facing the State, the Seattle delegation did an excellent job of helping to preserve as much of the safety net as possible while at the same time advancing many of the City's top priorities and pursuing their own important legislative objectives.

We would also like to extend our appreciation to the Mayor, City Council, City Attorney, and all the Department staff who put hundreds of hours into our legislative work in Olympia. This past session, the Mayor, Council, and City Attorney had over 70 lobby meetings in Olympia, more than 30 City representatives testified at public hearings, and departmental staff analyzed nearly one thousand bills.

SESSION PRIORITIES – 2011

Areas of Primary Focus

1. Fully participate in the budget process. Our goal is to strive to protect human services, health, K-12 and higher education, and other critical areas such as the Housing Trust Fund.

<u>Outcome</u>

Human Services, Health, and Housing: Large cuts were made in many important human services programs, particularly to Disability Lifeline (formerly GA-U), Basic Health, public health (FQHC's, MSS, and other important programs), children's health, etc., but in the end these programs were not eliminated like they were in the Governor's proposed budget, which is very good news. Below we have included some details on several important programs; you will see that the cuts are significant and City Departments are still working to understand their full impacts.

Disability Lifeline: The Disability Lifeline program, which provides medical care and cash assistance for low income individuals who are temporarily unable to work due to physical or mental disabilities, will be eliminated effective October 31. In its place will be three new programs: 1) the Aged, Blind or Disabled Assistance program (this is the equivalent of the current DL-X program); 2) the Pregnant Women Program (this is for pregnant women who are not eligible for TANF; no one is currently in this program); and 3) the Essential Needs and Housing Support program (this is for recipients in the current DL-U program). All three programs will provide medical care, but only the first two will provide cash assistance. For the Essential Needs and

Housing Support program there is medical care but no cash assistance, and housing for some recipients. However, there will not be sufficient funds to provide housing for all who need it. There will also be access to a "necessities bank" for personal hygiene, laundry, transportation, and other items.

- Federally Qualified Health Centers (FQHCs): Funding is reduced for FQHC's (\$86.3 million cut statewide), but the funding passed in the final budget was higher than what was included in any previous budget proposal. The final budget cut FQHCs' Medicaid reimbursement rate by approximately 11%, will be difficult to absorb but is a significant improvement from the over 50% cut in reimbursement rates that was originally proposed.
- Maternity Support Services (MSS): This program provides preventative health care services for pregnant and postpartum women. The final cut was 30%, or approximately \$24 million, statewide. Public Health of Seattle & King County is reorganizing how MSS services will be provided and may provide fewer one-on-one sessions, but is trying to preserve services for the greatest number of eligible families.
- *Children's health program (immigrant children)*: Funding for this program was largely preserved, but families with incomes above 200% of federal poverty level will have increased costs.
- Working Connections Child Care (WCCC): This program provides subsidized child care for low income families. Benefits are currently provided to families with incomes up to 175% of federal poverty level. The Governor vetoed a provision in the operating budget that would have prevented the state from restricting eligibility to a level below 175% of federal poverty level. If the state raises income requirements, fewer families will be eligible for this important benefit that helps them become self sufficient.
- *Basic Health Plan*: The core of the program is preserved, but enrollment is frozen through the biennium (approximately \$200 million cut).
- State Food Assistance: This program, which provides state supported federal Basic Food Program benefits (food stamps) to legal immigrants and refugees, was cut by 50%, or \$30 million (similar to what was included in previous budget proposals). This will be achieved through DSHS benefit modifications that will reduce food stamp benefits for families receiving state food assistance to 50% of what the federal program provides.
- *Immigrant and Refugee Services*: The final budget includes reductions in funding for naturalization support (\$2.4 million cut), employment services (\$5 million cut), and refugee grant assistance (\$700,000 cut).
- *Housing Trust Fund*: \$50 million is allocated for low-income housing assistance and weatherization projects (compared to approximately \$200 million in the last biennium).

Education: The operating budget makes deep cuts to education and higher education to achieve billions in savings. These cuts will have a significant impact on Seattle Public Schools.

- *K-4 Enhancements*: Eliminated, saving \$215 million.
- *I-728 and I-732*: Suspended, saving \$1.2 billion.
- *Higher Education*: Drastically cut—\$535 million in general reductions—which is partly offset by assumed revenue from tuition increases.
- K-12 Employee Salary Reductions: \$179 million in savings from salary cuts.
- *Highly Capable Program*: Funding cut by \$350,000.
- *Running Start*: Funding cut by \$6 million.
- State Work Study: Significant program cuts and changes made, saving \$31 million, including increasing the required employer share of wages.
- 2. Work with the Association of Washington Cities (AWC) to develop and advocate for a comprehensive package of local options for fiscal flexibility, while protecting all existing revenue sources for local municipalities.

<u>Outcome</u>

State Shared Revenues: The final budget cuts state shared revenues by 3.4%, which reduces funding to Seattle by approximately \$350,000 per year. One of the proposed budgets would have swept a portion of local government's share of the liquor profits, which would have reduced funding to Seattle by approximately \$1 million in our current fiscal year and approximately \$5 million in future biennia.

Fiscal Flexibility: On May 16th the Governor signed <u>HB 1953</u> (Chapter 354, 2011 Laws), concerning additional real estate excise tax authority for counties and cities. Seattle supported 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.

Municipal Revenue: <u>SB 5541</u> would have exempted public institutions of higher education and not-for-profit hospitals from Seattle's commercial parking tax. The bill originally would have reduced Seattle's revenue by approximately \$5 million a year. The bill passed out of the Senate Transportation Committee but failed to pass the Senate. Subsequently, a proviso included in the Senate transportation budget would have required Seattle to partially exempt public institutions of higher education from the commercial parking tax in order to qualify for Regional Mobility Grant funds. This proviso was not included in the final transportation budget. <u>SB 5742</u> (Chapter 16, 2011 Laws 1st Special Session PV) exempts ferries from paying state and local sales taxes. While there was strong support to exempt ferries from only the state's portion, the final version of the bill was a carefully crafted compromise that passed late in the special session and was an important part of the final agreement that secured enough votes for the operating budget. The exemption does not take effect until July 2013, and we have strong commitments from key legislators to reinstate the local portion during the 2012 session. Seattle, King County, Anacortes, and Sound Transit are the most heavily impacted. For Seattle, we estimate a potential impact of approximately \$350,000 per year if we are unable to address this issue.

Liquor privatization: Local governments receive a share of the state's liquor profits, and liquor privatizing efforts could impact the City's revenues. <u>SB 5942</u> (Chapter 45, 2011 Laws E1) requires the State Office of Financial Management to conduct a competitive process for the selection of a private entity to lease and modernize the state's warehousing and distribution business. The new law requires a public process before any contracts can be awarded. The City is working closely with the Association of Washington Cities to monitor the process as it moves forward.

3. Secure sustainable long- and short-term funding options for King County Metro transit, including funding for transit as part of the Alaskan Way Viaduct Replacement Program, as agreed to in the three-party agreement of January 2009.

<u>Outcome</u>

Short-term Transit Funding: The Governor signed the short-term transit funding bill, <u>SB 5457</u> (Chapter 373, 2011 Laws), on Monday, May 16th. The bill authorizes the temporary imposition of a \$20 per vehicle congestion reduction charge to help fund transit. The King County Council may impose the tax with a 2/3 vote, or send it to voters for approval. Without the hard work of the Seattle delegation members and many more the bill would not have made it to the Governor's desk.

4. Defend Seattle and all Washington municipalities against any proposed legislation that would create a legal mechanism to shift the state's responsibility for cost overruns on major state transportation projects to local governments.

<u>Outcome</u>

Cost Overruns: There was no legislation dealing with the relationship between state and local governments regarding responsibility for cost overruns on major state transportation projects.

5. Address the following criminal justice issues: strengthen juvenile gun crime penalties in response to youth gun violence; increase penalties for the crime of vehicular homicide and allow prior vehicular homicide and driving under the influence (DUI) convictions to be used as a basis to elevate current DUI charges to felony DUI; maintain full funding for the Neighborhood Corrections Initiative; and modify the state's "Three Strikes" law to impose a mandatory 15 year minimum sentence instead of a mandatory life-without-parole sentence for offenders with only Class B felony convictions not involving a sex offense or a deadly weapon enhancement finding. (*Note: After session began, the City added addressing sexual exploitation of minors as a session priority*).

<u>Outcome</u>

New Tools to Address the Sexual Exploitation of Minors: <u>HB 1874</u> (Chapter 241, 2011 Laws) provides 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. Seattle supported this legislation, which the Governor signed on May 3rd.

Neighborhood Corrections Initiative: Funding was maintained in the operating budget.

Juvenile Gun Violence: <u>SB 5313</u> would have addressed the serious problem of juvenile firearm possession by increasing the sentencing standards for certain juvenile gun crimes. This bill had a public hearing in the Senate Judiciary Committee, but a large fiscal note proved too difficult an obstacle to overcome during these difficult budgetary times.

Three Strikes: <u>SB 5236</u> would have created a review mechanism for those who have committed the least serious offenses under the "three strikes law" and are currently serving life sentences. Seattle supports legislation that modifies the state's "three strikes law" to impose a mandatory 15-year minimum sentence instead of mandatory life-without-parole sentence for offenders with only Class B felony convictions not involving a sex offense or a deadly weapon enhancement finding. This bill passed the Senate Judiciary Committee but failed to pass the Senate before cutoff.

6. Support efforts to comprehensively reform education on a statewide basis.

<u>Outcome</u>

Assessments: The Governor signed <u>SB 5427</u> (Chapter 340, 2011 Laws), regarding an assessment of students in state-funded full-day kindergarten. Seattle supported this legislation, which will help ensure the success of our students in Seattle and across the state.

Education Reforms: <u>HB 1443</u>, concerning continuing education reforms, passed the House and Senate in different forms, and the differences could not be resolved prior to adjourning. The differences included educational reforms found in other bills that did not

advance, including provisions requiring districts to take factors other than seniority into account when making layoffs decisions.

Areas of Significant Interest

Mitigating and Adapting to the Impact of State Budget Cuts

The State faces a nearly \$6 billion budget deficit for the 2011-13 biennium. The process of closing the projected 2011-13 deficit will result in deep cuts and the likely elimination of core programs and services the State provides. We will work with the State to make shifts in the budget that help us adapt to the new realities we will face as a result of the ongoing budget crisis. For example, if significant cuts to the Department of Corrections' budget results in the release of inmates to the community at large, it may make sense to make small shifts in funding to expand programs that monitor persons previously incarcerated, programs like the Neighborhood Corrections Initiative.

<u>Outcome</u>

Criminal Justice Cost Savings: <u>SB 5891</u> (Chapter 40, 2011 Laws 1st Special Session) makes a number of changes designed to save funds in the short term. DOC supervision is eliminated for offenders convicted of a first-time felony failure to register who are assessed at a low- or moderate-risk to reoffend and misdemeanant offenders convicted after August 1, 2011, of fourth degree assault or violation of a domestic violence court order who also have a prior conviction. DOC must supervise offenders convicted after August 1, 2011, of two or more domestic violence convictions where domestic violence is plead and proven. In sentencing a first-time offender, the court may impose up to six months of community custody or up to 12 months of community custody if treatment is also ordered. Tolling for offenders on community supervision is eliminated; the length of supervision will run continuously regardless of whether an offender is incarcerated. Tolling continues for sex offenders subject to community supervision. Given the need to save resources, this bill represents a reasonable compromise.

Preserving the Safety Net

Periods of economic downturn affect people from every walk of life, but their effects are felt most keenly by the vulnerable. To the greatest extent possible, we ask the State to preserve programs that protect the most vulnerable and reduce future social costs by providing the tools needed for self-sufficiency. In response to the Governor's recent across the board cuts, we have identified Maternity Support Services, the Disability Lifeline, the Senior Services Act, and Immigrant Services as areas of particular importance to Seattle.

<u>Outcome</u>

The final budget was able to preserve numerous programs that were previously slated for elimination. Please see above for more details.

Transportation

We support an environmentally sustainable transportation system with stable funding for transit and options to expand transit service in the future. To address long-term funding needs, Seattle supports efforts to craft a statewide transportation package, for voter approval, that:

- Includes sustainable funding for transit operations;
- Results in expanded transit service;
- Prioritizes safety and maintenance projects, and
- Meets both the City's and the State's greenhouse gas emissions reductions targets.

The City supports the State having full responsibility for all costs associated with the State's portion of the Alaskan Way Viaduct Replacement Program, consistent with past practice for transportation projects and with our legislative priorities. The City also asks the State to ensure that the project's contingency fund is maintained at a level consistent with the recommendations of the Expert Review Panel. The City supports continued collaboration between WSDOT and SDOT to develop tolling and traffic management policies that meet revenue targets while minimizing and mitigating traffic diversion.

We also support securing a full funding package for the SR 520 Bridge Replacement Project, including tolling authority for the I-90 Bridge. The City supports the adoption of legislation that establishes clear triggers for conversion to full dynamic tolling on SR 520 and for changes to the minimum HOV occupancy levels to facilitate traffic flow, particularly for transit, on the corridor. We also support protecting the Arboretum and mitigating any unavoidable impacts to this City asset.

<u>Outcome</u>

Short-term transit funding: Please see above.

State transportation package: While there was some talk of the need for a statewide transportation package, no legislation moved this session. Instead, key legislators and stakeholders plan to work during the interim on a package for next session. As a result of the passage of I-1053 last year, any tax increases would require a 2/3 vote of the legislature, or voter approval.

SR 520: <u>SB 5700</u> (Chapter 377, 2011 Laws PV) authorizes the collection of tolls on SR 520. The Governor vetoed the intent section over concerns it could be misconstrued to imply that legislative approval is required for all toll authorizations under I-1053.

Alaskan Way Replacement: <u>SB 5785</u> would have reconvened an Alaskan Way and Seattle Seawall replacement project expert review panel. Seattle supported the bill, and it passed the Senate but died in House Rules.

Transportation budget: <u>HB 1175</u> (Chapter 367, Laws of 2011), the final version of the transportation budget, includes approximately \$40 million in Regional Mobility Grant funds, including two SDOT projects: \$4 million for NW Market/45th St. Transit Priority Corridor Improvements, and \$1.25 million for the King Street Station Restoration Project.

Private carriers in transit lanes: <u>SB 5836</u> (Chapter 379, 2011 Laws) authorizes local jurisdictions to allow certain private carriers to use transit facilities under certain circumstances and encourages local jurisdictions to develop a process that allows private carriers to apply for use of transit facilities, including transit only lanes. Seattle supported the final compromise.

Complete streets: <u>HB 1071</u> (Chapter 257, 2011 Laws) requires the State Department of Transportation to establish a complete streets grant program within the Department's highways and local programs division to encourage local governments to adopt urban arterial retrofit street ordinances designed to provide safe access to all users, including bicyclists, pedestrians, motorists, and public transportation users.

Speed limits: <u>HB 1217</u> would have simplified the process local jurisdictions follow in order to lower speed limits on city streets. The bill passed the House but died in the Senate.

Flood District

We support resolving issues of tax suppression as they relate to the King County Flood Control District to secure funding for high priority City projects such as the seawall replacement.

<u>Outcome</u>

Flood control district: <u>HB 1969</u> (Chapter 275, 2011 Laws) exempts the King County Flood Control District from certain limitations on regular property tax levies. Seattle supported this legislation because a portion of the property taxes that would be collected are slated to help fund the seawall replacement and other critical projects. The Governor signed this bill on May 5th.

Public Safety

In addition to the issues identified among our highest priorities, we support investments in youth violence prevention and intervention, new tools to prevent and reduce gang violence, and domestic violence prevention and services. We believe that local governments should have the ability to regulate firearms or weapons in public places to ensure the safety of their communities and local circumstances. We also support legislation that increases penalties for negligent drivers who injure or kill vulnerable roadway users and support the continued use of automated traffic safety cameras.

<u>Outcome</u>

Vulnerable roadway users: The Governor signed <u>SB 5326</u> (Chapter 372, 2011 Laws) on Monday, May 16th. Seattle supports this legislation because it creates a new infraction and penalties for drivers who injure vulnerable roadway users.

Mutual aid: <u>HB 1585</u> would allow local governments to provide aid when another city or county in Washington has experienced an emergency and requests assistance. This bill

passed both chambers and was delivered to the Governor on April 11th. On April 15th, the Governor signed the bill into law (Chapter 79, 2011 Laws). <u>HB 1406</u>, establishing the intrastate building safety mutual aid system, was signed by the Governor on Friday, April 29th (Chapter 215, 2011 Laws PV). The Governor vetoed Section 10 of the bill, which would have created an intrastate building safety mutual aid oversight committee. The Governor did not believe the creation of an oversight committee was necessary to carry out the purposes of the bill (the full veto statement is available <u>here</u>).

Automated traffic safety cameras: There were multiple bills that would have made improvements to automated traffic safety camera programs, and Seattle testified and worked in support of these measures. Unfortunately, none of the bills passed out of either chamber, due in large part to concerns that harmful amendments would be adopted.

Education

In addition to supporting efforts to comprehensively reform education, the City supports maximum possible funding for Early Learning and Basic Education. We support capital investments in Seattle Public Schools' skills centers. We support one set of licensing requirements for childcare offered in public facilities that recognizes that these sites are generally suitable for pre-K and before and after school programs. During challenging economic times, it is also particularly important to support community colleges, technical colleges, and state universities as they provide access to retraining and workforce development opportunities.

<u>Outcome</u>

Childcare facilities: <u>HB 1776</u> establishes a unified set of licensing requirements for child care centers operated in public buildings. The Governor signed this bill on Monday, May 16th (Chapter 359, 2011 Laws).

Areas of On-going Concern

Economic Development

We support extending the Main Street tax incentive program to cities greater than 190,000 in population, extending the Washington Filmworks tax incentives, and extending tax incentives for Life Sciences Research and Development. We also support efforts to implement strategies and recommendations for clean energy jobs and businesses proposed by the Washington State Clean Energy Leadership Council. We support the extension of the existing stadium taxes if those revenues are used in ways that promote Seattle's economic vitality and attractiveness as a destination, including funding for arts and culture and the Convention and Visitors Bureau. We also seek a state capital appropriation of \$1 million in order to help prepare for the 50th anniversary of the World's Fair in 2012. Seattle supports tax increment financing as a tool to encourage economic development and community improvement projects, including those that involve a transfer of development rights. We seek legislation that will restore local regulatory oversight and enforcement of towncars and limousines, as it existed in the past.

To help better manage on-street parking and support access to local businesses, we are seeking additional tools to prevent misuse of disabled parking placards. We are also interested in expanding the City's existing parking tax authority to permit more equitable application of the tax, allowing it to apply to all parking stalls and not just in situations where there is a direct commercial transaction.

<u>Outcome</u>

Stadium taxes: <u>HB 1997</u> would have funded tourism promotion, workforce housing, art and heritage programs, and community development by extending taxes currently used to service stadium debt. The bill passed the House but died in the Senate. A more limited version focused on Arts & Heritage, <u>SB 5834</u>, passed and was signed into law (Chapter 38, 2011 Laws, 1st SS). This bill allows the local lodging taxes to be used for arts and heritage programs, and beginning in 2021, some resources will be available to fund workforce housing.

Tax increment financing: <u>SB 5253</u> (Chapter 318, 2011 Laws) concerns tax increment financing for landscape conservation and local infrastructure. This new law will facilitate the transfer of development rights from rural areas to more urbanized areas and gives local governments a new tool to help fund important infrastructure projects.

Limousine regulations: <u>SB 5502</u> (Chapter 374 2011 Laws) gives Seattle the authority and additional resources to enforce limousine laws. Currently, there are several locations in Seattle where some limousine operators are operating more like taxicabs than limousines, and the City did not previously have the legal authority to enforce state law.

Film tax incentive: <u>SB 5539</u>, the motion picture tax incentive bill, did not pass the Legislature during the final days of the session—sadly, the Legislature ran out of time before the House voted on this bill. Seattle supported this legislation because it would have continued a program of incentives for the motion picture industry in Washington State that is crucial to the health of Seattle's film industry. We will work during the interim with other supporters to lay the groundwork to support this proposal again next session.

Capital budget items: In addition to funding for MTCA and the Housing Trust Fund, the capital budget included other important projects. The Public Works Assistance Loan Program was funded at \$324 million and includes \$4 million for the Midvale Stormwater Facility and \$6 million for the Airport Way/Argo Bridge Reconstruction. Building for the Arts was funded at \$2.4 million and includes funding for a number of Seattle projects, including the Seattle International Film Festival, Taproot Theater Company, Seattle Musical Theater, and Town Hall.

<u>Sustainability</u>

We support a new, long-term state funding source for local stormwater management programs that will help Seattle improve water quality and protect salmon. In addition, funding from the local toxics account is critical for the City's efforts to clean-up a number of local Superfund sites. Consequently, we support the protection of MTCA funds that go into the local toxics account.

<u>Outcome</u>

MTCA funding: The final version of the capital budget (available <u>here</u>) includes \$62 million for remedial action grants. This is a significant increase over the Governor's original proposal; Seattle is concerned, however, that over the next decade there will be a greater need for funding.

Funding for stormwater: The legislature did not pass a new, long-term, sustainable funding source to help fund stormwater management programs. The final capital budget, however, did include \$30 million for local stormwater projects, which will be awarded through a competitive grant process. <u>SB 5604</u>, and the House version, <u>HB 1735</u>, would have imposed a stormwater pollution fee on petroleum and other hazardous products and used the revenue to help fund important projects that reduce storm water pollution. Seattle supported these bills.

General Government

Seattle, in concert with the AWC, seeks the ability to recover costs associated with public records requests, clarification that the Public Records Act does not require ongoing or continuing responses, and an automatic exemption for witnesses. We also support legislation clarifying that we may adopt certain portions of our city code through reference.

<u>Outcome</u>

Public records: <u>HB 1899</u> (Chapter 273, 2011 Laws) gives a range of penalties that may be assessed for public records violations, 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. Both cost recovery bills, <u>SB 5088</u>, and <u>HB 1300</u>, failed to pass. In addition, <u>SB 5049</u>, which would have implemented recommendations of the sunshine committee, died.

Race & Social Justice

Every person has the right to live, work, and learn free from discrimination. We support legislation that prevents discrimination in housing, employment, public accommodations and in lending practices. We support efforts to promote racial justice in economic opportunity, criminal justice, education, health, environmental protection and in government policies, programs and procedures. We support efforts to protect the rights of and services provided to immigrants. In the 2011 Legislative Session we will give special attention to the legislative recommendations of the Race and Social Justice Community Roundtable working to eliminate the opportunity gap by reducing racial disparities in public high school graduation rates.

<u>Outcome</u>

Gross misdemeanors: <u>SB 5168</u> (Chapter 96, 2011 Laws) reduces maximum sentences for gross misdemeanors by one day, from 365 to 364 days. Under federal law, non-citizen residents here legally can face deportation for sentences of 365 days, even if

their entire sentence is suspended and they spend no time in jail. This simple change will help prevent non-citizens that are here legally from facing deportation for gross misdemeanors.

Restricting access to public records for juveniles: <u>HB 1793</u> prohibits a consumer reporting agency from making a consumer report on juvenile records when the subject is over 21 years old, requires records relating to juvenile offenses to be destroyed within 30 days when the subject has received a full pardon from the Governor, and establishes a legislative task force to determine how to cost effectively restrict public access to juvenile records when an individual has met certain statutory requirements. The Governor signed the bill into law (Chapter 333, 2011 Laws).

Hazardous and Solid Waste

We support development of common industry standards for recycled products, funding for recycling facilities, promotion of product stewardship, and legislative initiatives to reduce waste and increase recycling. We support product stewardship for fluorescent lighting products and surplus pharmaceuticals, as well as framework legislation to ensure manufacturers' responsibility for waste products, including fluorescents, paint, carpeting, pharmaceuticals and medicines. To help promote waste reduction, we are also seeking elimination of the requirement that phone companies publish and distribute telephone directories.

<u>Outcome</u>

Phosphorus in fertilizer: <u>HB 1489</u> limits the use of fertilizer containing phosphorus in order to protect water quality. It was signed by Governor Gregoire (Chapter 73, 2011 Laws PV). The law becomes effective January 1, 2013.

Reducing copper in the aquatic environment: <u>SB 5436</u> phases out the use of copperbased antifouling paints that are used on recreational vessels. The sale or use of copper-based antifouling paints will be prohibited in 2020. Seattle supported this bill because research has shown that copper-based antifouling paint is a major source of copper in our aquatic environment, and copper is extremely toxic to aquatic life. The Governor signed the bill into law (Chapter 248, 2011 Laws).

Secure medicine return: <u>SB 5234</u> and <u>HB 1370</u> would have created a medicine return association to finance and operate a product stewardship program for the safe collection, transportation, and disposal of unwanted medicines. Both bills died before reaching cutoff. The Senate bill made it onto the order of consideration but never came up for a vote on the floor. Seattle worked closely with a broad range of stakeholders in support of this legislation.

Carpet stewardship: <u>SB 5110</u>, requiring manufacturers or retailers of carpets to participate in a carpet stewardship program, died in Senate Rules. Seattle supported this legislation. Seattle calculates that approximately 14,000 tons of carpet are sent to landfill annually in Seattle that instead could be recycled into other materials.

<u>Homelessness</u>

Seattle continues to work with other local jurisdictions and the State to help assure appropriate financial participation by all levels of government for critical human services. To that end, Seattle supports State efforts to assist with the implementation of the Ten-Year Plan to End Homelessness, including:

- Measures to require state institutions, including the Department of Corrections, and the foster care system to create and implement informed and responsible discharge practices;
- Measures to facilitate development of low-income and affordable housing; and
- Efforts to use existing funds more efficiently, working to fund provision of services and housing in a coordinated fashion.

<u>Outcome</u>

Low-income and homeless housing: <u>HB 2048</u>, the low-income and homeless housing assistance surcharges bill, passed the House but died in the Senate. We are very disappointed to report that the Legislature adjourned Sine Die before the Senate voted on this bill, and we will be working in the interim with supporters on next steps so we can try again next session.

<u>Housing</u>

Seattle believes that housing—its availability and affordability—is critical to the quality of life of our residents and neighborhoods. We also support resources for transitional and shortterm rent programs for those who are currently homeless or at risk of becoming homeless, and for increased hospitalization opportunities for the mentally ill. We support policies that stem foreclosures, enhance counseling opportunities, and establish a right to mediation for homeowners facing foreclosure.

<u>Outcome</u>

Housing trust fund: As mentioned above, the final version of the capital budget included \$44 million for the Housing Trust Fund and \$6 million for low-income weatherization projects.

Law & Criminal Justice

We support a modern regulatory framework that results in the safe access to medical cannabis for qualified patients and that provides better clarity for law enforcement. We also support safeguards for protected groups from harassment and violence through misuse of the Public Records Act. Violations of anti harassment orders issued by courts of competent jurisdiction should be enforceable in other jurisdictions, not simply in the jurisdiction where it was ordered. We also support efforts that would allow courts of limited jurisdiction to order convicted defendants to pay restitution.

Outcome

Medical cannabis: The legislature passed SB 5073, which created a comprehensive regulatory framework for the production and distribution of medical cannabis. It also afforded patients and their care providers additional legal protections and provided greater clarity to local jurisdictions and law enforcement personnel. Governor Gregoire, however, vetoed numerous key provisions (available <u>here</u>). The bill was designed to work as a whole, and the large gaps left by the veto have created even more uncertainty around medical cannabis. A subsequent trailer bill during the special session had a public hearing but failed to pass, largely due to time constraints.

Anti-harassment orders: <u>SB 5579</u> modifies provisions related to anti-harassment orders. An intentional violation of a court order by a defendant charged with a crime involving harassment under RCW 9A.46.040, or the equivalent local ordinance, is a misdemeanor. A willful violation of a court order by a defendant found guilty of the crime of harassment issued under RCW 9A.46.080, or the equivalent local ordinance, is also a misdemeanor. Governor Gregoire signed the bill into law (Chapter 307, 2011 Laws).

Planning & Development

Seattle believes in the right to impose fees to fund necessary facilities and services related to the impacts of development and to require appropriate infrastructure such as open space and sidewalks associated with new development. We support the expansion of incentive zoning to include provisions that incentivize creating new open space, preserving current open space, creating multi-modal transportation infrastructure, and preserving landmark structures. We support efforts to clarify that local jurisdictions may regulate land use and development to protect public health, safety and welfare through development regulations. Seattle supports efforts to update the State Environmental Policy Act (SEPA) so that it works more efficiently and promotes growth within urban growth areas, while still affording the same levels of environmental protection. We support exempting farmer's markets from SEPA requirements and clarifying that the farmer's market at Pike Place Market meets the technical definition of a farmer's market. We also support adoption of "cottage" laws that would allow value-added home processing and selling of low-risk food items.

<u>Outcome</u>

Cottage food operations: <u>SB 5748</u>, which enacts labeling requirements on cottage food operations and exempts them from certain regulations and permitting laws, was signed by the Governor on May 5th (Chapter 281, 2011 Laws). Seattle supported this and other legislation that would allow value-added home processing and selling of low-risk food items.

Houseboats: <u>HB 1783</u>, which would place some limits on regulation of houseboats, was signed by the Governor on Friday, April 29th (Chapter 212, 2011 Laws). The final legislation represents a negotiated agreement with houseboat advocates, state agencies, and the City of Seattle.

SEPA: Legislation to modernize SEPA, <u>HB 1952</u>, passed the House but died in the Senate. The version that passed the House was supported by Seattle, and the environmental community signed off on the striking amendment. The bill failed to make it out of the Senate Environment, Energy & Water Committee. The bill included provisions that would have exempted farmers' markets under a certain size from SEPA requirements. It is possible, however that the Department of Ecology could update its SEPA rules as part of a former rulemaking process, and Seattle could achieve many of our objectives by actively participating. It is not yet clear if that will occur during the interim or if there will be legislation next session instead.

Other Legislation

Regulating underground utilities: <u>HB 1634</u> aims to improve pipeline safety in Washington by changing dig law practices. Seattle and a number of cities initially opposed this bill because we had serious concerns with several provisions. We worked with Senators and other stakeholders to address our concerns, however, and we signed off on the final version of the bill, which was signed into law (Chapter 263, 2011 Laws PV). The Governor vetoed Section 24 because in her view it could be read to exempt consumer-owned utilities from enforcement by the UTC (the Governor's veto message can be read here).

Taxicab lease rate caps: <u>HB 1367</u> (Chapter 190, 2011 Laws) will 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. We worked with legislators to amend the bill, reached an agreeable compromise, and supported the final version of the bill.

Youth access to tobacco products: <u>HB 1246</u> aimed to limit youth access to tobacco products by restricting access to flavored tobacco products and by removing state preemption of local tobacco regulations if the regulations are at least as restrictive as the State's under the Youth Access to Tobacco Law. Seattle supported this bill, but it died in House Rules.