

CITY OF SEATTLE 2011 STATE LEGISLATIVE BULLETIN

January 31, 2011

Number 3

Weekly Overview

On Monday, the House passed its early action budget bill, <u>SHB 1086</u>, with a 55-43 vote, almost entirely along party lines. The bill has been referred to the Senate Ways & Means Committee, where we anticipate action this week or next.

Meanwhile, the pace of public hearings in the policy committees has picked up considerably. The Legislature amended the cutoff calendar, and bills must now pass out of policy committees by February 21st. Bills that are necessary to implement the budget are exempt from this cutoff.

Areas of Primary Focus

<u>Budget</u>: On Monday the House approved its early-action budget bill—a package of spending cuts (\$222 million) and fund transfers (\$124 million) to help close the remaining budget gap for the year ending June 30, 2011. Despite these cuts there remains a budget gap for this year of between \$160 and \$260 million.

As we mentioned in the bulletin last week, the House budget package reduces or avoids cuts to several key programs that were eliminated in the Governor's supplemental budget. Specifically, the House budget:

- **Disability Lifeline (formerly GAU)**: restores funding for both medical and cash grants
- Federally Qualified Health Centers (FQHC): restores \$12 million of the \$40 million cut for FQHC reimbursement rates (\$5 million in State funds and \$7 million in leveraged federal funds)
- Working Connections Child Care: directs the Department of Early Learning to stop implementation of rule changes previously adopted to restrict eligibility in the program to families below 175 percent of the federal poverty level effective January 31, 2011
- Apple Health for Kids: restores funding
- Highly Capable Program: restores funding

- **Basic Health Plan (BHP)**: reduces enrollments to the BHP but keeps the program going through the end of April; it is unclear how the program will be funded beyond April
- State-only food assistance: restores 50 percent of funding

The House budget, however, also adopted several difficult cuts proposed in the Governor's supplemental budget. Most troubling, the House cut **K-4 class size enhancements**, eliminating funding for smaller class sizes in grades K-4 retroactively to September 2010. This translates to a reduction of approximately 58 teachers in the Seattle School District.

The House budget package also reduced **state funded research for the UW & WSU** by \$2 million each. This was not included in Governor's proposal.

Finally, as we mentioned last week, the House budget plan transfers \$17 million from the state **Model Toxics Control Account (MTCA)** to help fund the programs mentioned above.

Now that the House has adopted its proposal, attention has turned to the Senate, but it is still unclear how the Senate will approach closing the budget gap for this biennium.

<u>Transit Funding</u>: Both the House and Senate versions of short-term transit funding legislation have been introduced (<u>HB 1536</u> and <u>SB 5457</u>). These bills provide transit agencies with a temporary tool to help address revenue shortfalls and prevent impending cuts to transit service. Senator Scott White is the prime sponsor of the Senate version, and nearly every member of the Seattle delegation has signed as co-sponsors in both the House and Senate.

Councilmember Tom Rasmussen testified at a Senate Transportation Committee Work Session on the METRO Regional 2010 Task Force. Other panelists included King County METRO General Manager Kevin Desmond, John Howell of the Cedar River Group, and Jim Stanton of Microsoft. The panel did an excellent job describing the recommendations of the Task Force and the vital role transit service plays in our region.

<u>Fiscal Flexibility</u>: <u>HB 1598</u> would provide cities and counties with the flexibility to use real estate excise taxes for the maintenance and operation of capital facilities and additional capital projects. The bill is scheduled for a public hearing in the House Local Government Committee on February 4th.

<u>Criminal Justice</u>: The Senate introduced <u>SB 5313</u>, which addresses the serious problem of juvenile firearm possession by increasing the sentencing standards for certain juvenile gun crimes. The bill, which is prime-sponsored by Senator Adam Kline, is scheduled for a hearing in the Senate Judiciary Committee on February 1st.

<u>Education</u>: The House and Senate Education Committees spent most of their time this week in work sessions focusing on policy and budget priorities and in hearings on specific education appropriations bills necessary to implement the budget. A number of education reform bills were introduced, including <u>HB 1521</u>, to recognize "innovation schools" in Washington, which is sponsored by several members of the Seattle delegation, and <u>HB 1609</u>, prime-sponsored by Representative Eric Pettigrew, which would require districts to take factors other than seniority into account when making layoffs. Seattle supports comprehensive education reform and will continue to monitor these and other education bills.

Other Issues of Significant Interest

<u>Automated Traffic Safety Cameras:</u> The Senate Transportation Committee held a public hearing on two bills Seattle supports: <u>SB 5188</u> and <u>SB 5301</u>. These bills would provide useful improvements to automated traffic safety camera programs. Deputy Chief Dick Reed and Officer Dean Shirey testified in support, along with officers from Lakewood, Tacoma, and Auburn. There was no opposition at the public hearing.

<u>Medical Cannabis</u>: <u>SB 5073</u> had a public hearing in the Senate on January 20th. The City Attorney's office presented the Senate Health and Long Term Care Committee with a number of suggested amendments. The Committee is working through these and other suggestions.

<u>Vulnerable Roadway Users</u>: The Senate version, <u>SB 5236</u>, had a public hearing in the Judiciary Committee. The House version, <u>HB 1339</u>, is scheduled to be heard on February 3rd in the House Judiciary Committee. These bills would create a new infraction and penalties for drivers who injure vulnerable roadway users.

<u>State Environmental Policy Act (SEPA)</u>: On Tuesday the House Environment Committee held a work session on SEPA. At the work session the Committee heard the history and evolution of SEPA and heard perspectives from stakeholders—including cities, counties, businesses, and environmental advocates—on how SEPA is working and what changes might be appropriate. On Friday <u>HB 1713</u>, a bill modifying the categorical exemptions in SEPA, was introduced; it will have a hearing in the House Environment Committee next week. While Seattle supports modernizing SEPA, we also believe SEPA continues to play an important role in protecting the environment in the planning process, and we will be seeking to strike the right balance between these two important goals as this bill moves forward.

<u>Secure Medicine Return</u>: <u>SB 5234</u> and <u>HB 1370</u> would create the medicine return association to finance and operate a product stewardship program for the safe collection, transportation, and disposal of unwanted medicines. Seattle supports this legislation. The Senate bill, prime-sponsored by Senator Adam Kline, had a public hearing last week, and the House version is scheduled to be heard in the House Environment Committee on February 3rd.

<u>Phosphorus in Fertilizer</u>: On Friday morning the Senate Committee on Environment, Water & Energy held a hearing on <u>SB 5194</u>, which would limit the use of fertilizer containing phosphorus. This legislation is prime-sponsored by Senator Scott White, and several other members of the Seattle delegation have signed on to the bill. The House companion bill, <u>HB 1271</u>, is also sponsored by several members of the Seattle delegation. This legislation aims to protect water quality by reducing phosphorous runoff from lawn fertilizers. Seattle strongly supports this legislation, and Jonathan Frodge, Ph.D., Stormwater Scientist from Seattle Public Utilities, testified at the hearing on behalf of the City in support of this legislation. A hearing will be held in the House on Friday on <u>HB 1489</u>, a similar phosphorous fertilizer bill that the City also supports.

<u>Building Codes</u>: <u>HB 1388</u> would have the effect of reversing the most recent energy code changes to the state building code, thereby reverting back to the previous version. These new code changes took effect in Seattle on January 1st, so if this bill passed, we would have to go back and redo the codes again. In addition, the recently adopted codes will significantly improve the energy efficiency of new buildings. Consequently, if this bill were to pass, it would be a major setback in our efforts to use energy more efficiently. Seattle opposes this legislation, and John Siu from the Department of Planning and Development testified about the impacts of this bill at the public hearing on Friday.

<u>Public Records</u>: The Senate held public hearings on AWC priority bills <u>SB 5088</u> (<u>HB 1300</u>) and <u>SB 5089</u> (<u>HB 1299</u>), which provide for cost recovery and a voluntary conference between agencies and requestors. Seattle supports these bills, which will help reduce conflict between agencies and requestors and the financial impact of responding to public records requests. The Senate also held a public hearing on a bill to implement recommendations of the Sunshine Committee, <u>SB 5049</u>. Seattle, along with AWC and other stakeholders, is working on amendments to help address concerns about impacts on attorney-client privilege as well as concerns about the public disclosure of employee application materials.

Looking Ahead

<u>Operating Budget</u>: On Monday, the Senate Ways & Means Committee will hold a work session and public hearing on mental health and the Disability Lifeline cash grant program. **Deputy Chief Nick Metz** is scheduled to testify at the hearing and draw the connection between the human services safety net and public safety. We have received very positive feedback on his previous testimony and his ability to highlight the importance of these programs to both the individuals who receive them and the overall safety of our community.

<u>Automated Traffic Safety Cameras</u>: The House Transportation Committee will hold a public hearing on <u>HB 1279</u>, which is the House version of <u>SB 5301</u>, on February 1st. Seattle will have police officers testifying in support.

<u>Public Records</u>: The House versions of the cost recovery and voluntary conference bills, <u>HB</u> <u>1299</u> and <u>HB 1300</u>, are set for a public hearing on Monday, January 31st.

<u>State Environmental Policy Act (SEPA)</u>: As mentioned above, there will be a hearing on the SEPA reform bill, <u>HB 1713</u>, late this week, and Seattle is still developing our response to this legislation.

<u>Youth Access to Tobacco Products</u>: On Monday in the House Committee on Health Care & Wellness there will be a hearing on <u>HB 1246</u>, a bill aimed at reducing youth access to tobacco products. This bill is prime-sponsored by Representative Eileen Cody, who chairs the committee. The legislation modifies the youth access to tobacco law to prohibit the sale or distribution of tobacco products that are flavored or scented and also puts additional requirements on the storage of tobacco products to make them less accessible to youth. The Senate companion bill, <u>SB 5380</u>, is sponsored by Senator Scott White, and several members of the Seattle delegation have signed on as co-sponsors to these bills. Seattle strongly supports these bills and reducing youth access to tobacco products.

<u>Secure Medicine Return</u>: <u>HB 1370</u> is scheduled to be heard on in the House Environment Committee on February 3rd.

<u>Mutual Aid</u>: On Monday the Senate Committee on Government Operations and Tribal Relations & Elections will hold a hearing on <u>SB 5221</u> (House companion <u>HB 1406</u>), which would allow local governments to provide aid when another city or county in Washington has experienced an emergency and requests assistance. Seattle supports efforts to allow this type of coordinated assistance.