

# 2013 State Legislative Agenda Final Report – Sine Die

MAYOR Michael McGinn

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# Introduction

Below we have summarized the results of the 2013 regular and special sessions. Please contact OIR if you have any questions or would like more information about any of the issues discussed below.

OIR would like to thank the members of the Seattle legislative delegation for their hard work and tireless hours during this extended legislative session and for their on-going efforts to achieve policies and funding that benefit our shared constituents and the residents of Washington State. 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 60 lobby meetings in Olympia, City representatives testified at 12 public hearings, and departmental staff analyzed 1,150 bills.

# **SESSION PRIORITIES – 2013**

The 2013 legislative session was one of the longest, most challenging and most unique in recent history. The legislature was faced with budget constraints caused largely by the Supreme Court's landmark McCleary decision that the legislature must begin adequately funding K-12 education, even while the state's economy is still recovering. There were also many new faces in positions of leadership and in the budget negotiations. Governor Jay Inslee was sworn-in during the first weeks of session, and Democratic Senators Rodney Tom and Tim Sheldon joined with the Senate Republicans to form the Majority Coalition Caucus, creating new committee chairs and leadership structure in the Senate. With the Majority Coalition Caucus pushing for conservative policies to reform government and the House Democratic majority calling for new revenue to fund education without drastically cutting the social safety net, the legislature needed two special sessions in order to come to an agreement on the state's biennial budget.

On June 29, just one day before the state government would have been forced to shut down without a budget for the new fiscal year, the legislature completed their budget work and adjourned Sine Die. The final operating budget includes some new revenues, utilizes resources from the Medicaid Expansion plan and from caseload reductions, and sweeps funds from the capital budget and from local governments in order to largely preserve current funding for human services and other basic state programs while investing \$1 billion in K-12 education.

However, many challenges remain. The McCleary decision will require a much more aggressive investment in education in the coming biennium, putting additional pressures on the operating budget and the need for new revenue. Additionally, the legislature failed to pass a transportation revenue package or to authorize local transportation revenue options, leaving infrastructure maintenance and bus and transit service at serious risk.

# **Areas of Primary Focus**

**Protecting the most vulnerable people and families:** The City of Seattle will work to protect human services, public health, and other critical areas such as the Housing Trust Fund, and we support efforts to raise new revenue in order to preserve these essential programs and services.

#### <u>Outcome</u>

#### Human Services, Health, and Housing:

Although the final operating budget, <u>SB 5034</u>, includes compromises, short-term solutions, and negative impacts to local governments, due to the hard work of many legislators and advocates, it also largely preserves current funding for the human services safety net.

- Housing and Essential Needs (HEN) and the Aged, Blind and Disabled (ABD) program: Although \$20 million in under spent funds for HEN were moved to the General Fund for 2013-2015, funding for clients currently in the program was preserved, and neither program received additional cuts. Additionally, <u>HB 2069</u> takes the positive step of preserving HEN and ABD through the Medicaid expansion by modifying the eligibility process, effective January 1, 2014.
- Housing Trust Fund: The capital budget, <u>SB 5035</u>, puts \$50 million into the Housing Trust Fund. Instead of the previous process of having the Department of Commerce competitively award funding, the budget funds specific projects to house veterans, farm workers and those with disabilities and chronic illnesses. Unfortunately, none of the projects located within the City of Seattle were funded. The capital budget also includes \$10 million for low-income housing weatherization and \$14 million in funding to convert Building 9 in Sandpoint to affordable housing, with \$4 million to reimburse the University of Washington for their care of this facility. We will continue to work with the legislature on the importance of the Housing Trust Fund funding and the impacts this fund has on our communities.
- Details on other priority programs are included in the human services section below.

**Revenue:** Although the House passed legislation to raise revenue for education by extending some expiring taxes and ending some tax preferences, the bill did not pass the Senate. The legislature did pass two pieces of legislation to address legal liabilities which also raise over \$250 million in revenue. Effective August 1, 2013, HB 1971 addresses potential liabilities for the state and for local governments related to the telecommunications industry and generates \$110 million for the biennium. It requires the 911 tax to be charged on prepaid wireless, charges a landline telephone tax, ensures that the relay services and 211 network will be funded in the general fund, and creates an account to fund rural telephone access. The second bill, HB 2075, addresses the estate tax gap between couples and single adults, as a result of the Supreme Court's Bracken decision. Additionally, the legislature passed SB 5882, which contains 17 new or extended tax preferences totaling \$11.2 million for the 2013-15 biennium. However, the bill also adds accountability by imposing a sunset date on all of these items and by requiring a JLARC review of several of them. The bill was also amended to include tax exemption transparency and accountability measures, including requirements for intent language, measurable outcomes, and expiration dates on all new or extended tax preferences, including those in the legislation. The bill is effective October 1, 2013.

**Human Trafficking:** Unfortunately, last year's legislation holding online advertisers responsible when photos and ads for children are posted on their sites was challenged in court. To address this issue in a different manner, Senator Kohl-Welles sponsored <u>SB 5488</u>, which requires an additional fee of five thousand dollars for those convicted of commercial sexual abuse of a minor, or convicted of promoting abuse of a minor or promoting related travel, when an internet advertisement in which the victim of the crime was described or depicted was instrumental in facilitating the commission of the crime. Additionally, <u>SB 5308</u> will establish a committee to work on the issue of human trafficking, and <u>SB 5563</u> requires the office of the superintendent of

public instruction to develop and implement a training program for school employees on preventing sexual abuse, commercial sexual abuse, and sexual exploitation of a minor. Finally, <u>HB 1291</u> directs current offender fees towards services for victims. All of these bills were passed and signed, and they will be effective July 28, 2013.

**Education:** We support efforts to reform education on a statewide basis and to comply with the McCleary decision by fully funding basic education without cutting funding for human services or other important state services and programs.

#### <u>Outcome</u>

**Education:** The final operating budget makes a \$1 billion investment in K-12 education towards the McCleary obligations, does not increase state university tuition, and fully funds the Guaranteed Education Tuition (GET) and the College Bound programs. Unfortunately, as part of balancing the budget, the legislature passed <u>HB 2043</u>, which temporarily suspends inflationary increases in educational employee salaries, effective July 1, 2013.

**K-12 Reform:** The legislature passed <u>SB 5946</u>, which will tighten requirements related to reading standards for schools and the structure of Alternative Learning Experience programs. The bill also creates an OSPI task force to develop standard definitions and data around student discipline and requires that disciplinary suspensions have an end date, in an effort to get the student back in the classroom. The bill is effective on September 28, 2013.

**Transportation, economic development and infrastructure:** We support new local and regional transportation funding options and a statewide transportation package. We also support funding for infrastructure investments that leads to job creation, continued investments in job training, and an expansion of the Main Street Tax Incentive program to include Pioneer Square.

#### <u>Outcome</u>

**Transportation Funding:** The legislature passed a bare bones transportation budget, <u>SB 5024</u>, which essentially continues funding for projects already underway. Although the House passed legislation to raise additional transportation revenue, it was not considered in the Senate. These bills (<u>HB 1954</u> and <u>HB 1955</u>) would have raised and allocated approximately \$8.4 billion over the next ten years, primarily through a gas tax increase, bonding, and other small sources. The package would have primarily funded large state projects with some revenue going to maintenance, transit, bike and pedestrian projects and local needs, and it also included local revenue options. Additionally, <u>HB 1959</u> would have provided for a 1.5% MVET in King County and councilmanic authority for TBDs to increase vehicle fees from \$20 to \$40. This legislation would help preserve essential bus service in King County and provide needed resources to repair and maintain local roads and bridges, but it unfortunately did not pass.

**Capital Budget:** The capital budget (<u>SB 5035</u>) makes investments in a wide range of projects and on-going funds to benefit important infrastructure in our state. Unfortunately, the legislature swept most of the funding from the Public Works Trust Fund to be used in the operating budget for this biennium and will continue redirecting these funds for the next six years. This loan

program allows cities, counties, and utilities to build and maintain facilities and basic infrastructure. Also, the legislature did not expand the use of the Main Street Tax Incentive Program.

**Public safety:** We support gun safety laws and regulations that reduce violence and result in safe, responsible gun ownership, including: a ban on all assault weapons; a ban on large capacity ammunition magazines; universal background checks, including at gun shows; trigger locks and safe storage requirements; and microstamping technology in all firearms sold, purchased or delivered in the state to improve the capability of police to trace fired bullets. We support investments in youth violence prevention and intervention, new tools to prevent and reduce gang-related and other forms of violence, and domestic violence prevention and services. We support funding for programs that help women and men previously incarcerated successfully transition back into society and resources to evaluate and treat mentally ill offenders deemed not competent to stand trial. We support legislation allowing cites to set speed limits as low as 20 miles per hour in residential and business districts.

## <u>Outcome</u>

**Gun Responsibility:** <u>HB 1588</u> would have required universal background checks for all firearm transfers. Despite having 38 sponsors and a strong advocacy effort, the legislation did not pass. The legislature did pass <u>HB 1612</u>, which will require the State Patrol to maintain a database of people with felony firearm offenses and for felons to register to be part of the database. The bill is effective on July 28, 2013.

**Youth Violence Prevention:** The legislature considered but did not pass <u>HB 1651</u>, which would have restricted public access to nonconviction and nonadjudication information for juvenile offenses.

**Domestic Violence:** The legislature passed <u>HB 1108</u>, effective July 28, 2013, to eliminate the archaic "marital exception" from Washington's sexual assault laws, allowing third-degree rape charges to be filed against spouses.

**Mentally III Offenders:** Unfortunately, although earlier versions of <u>HB 1114</u> and <u>SB 5176</u> would have, in part, helped to secure evaluations for defendants charged with serious misdemeanor crimes but found to be not competent to stand trial. Currently, it is unclear where these defendants will receive these much-needed evaluations, to determine whether they need further treatment or are ready to be released. The City will continue to work with our partners at the state and county to find a solution to this gap in our public safety system.

**Speed Limits:** <u>HB 1045</u> will allow cities to lower the speed limits on certain streets to 20 MPH. An important measure for Seattle's greenways and for public safety in neighborhoods across the state, the bill goes into effect on July 28, 2013.

**City fiscal health:** Seattle will work to protect existing state and local shared revenues, including the restoration of liquor revenues, and to preserve all existing local revenue authorities and support new local revenue opportunities.

#### <u>Outcome</u>

**Budget:** The operating budget cuts 50 percent of the liquor revenues for local governments. This liquor revenue loss is an approximately \$1 million loss to Seattle for a full calendar year, totaling \$500,000 for the remainder of 2013. <u>HB 1368/SB 5703</u> would have restored the growth in liquor revenues to cities and counties, after 2012 legislation limited those revenues to a flat dollar amount. Unfortunately, these bills did not move forward during the 2013 legislative session. As mentioned above, the legislature also swept funds from the Public Works Trust Fund into the operating budget for the next 6 years

**Local B&O:** Although <u>SB 5688</u> and <u>SB 5656</u> related to local control of city B&O taxes, were voted out of the Senate, neither advanced. SB 5688 would have representatives from cities, the business community and DOR meet through the interim to discuss and make recommendations regarding state and local B&O tax uniformity, business classifications, apportionment, and nexus. SB 5656, as it passed the Senate, would have required cities to join either the state's business licensing system or the five-cities-portal system.

**Property Tax Collections:** <u>SB 5705</u> allows a taxing district to levy taxes the following cycle to reimburse for taxes that were abated or cancelled.

# **Areas of Significant Interest**

#### Human Services and Health

Periods of economic downturn affect people from every walk of life, but their effects are felt most keenly by those who are most vulnerable. To the greatest extent possible, we ask the State to preserve programs that protect the most vulnerable people and families and reduce future social costs by providing those who are able the tools needed for selfsufficiency. We have identified expanding healthcare coverage through implementing the Basic Health Option or other alternatives that provide federal support for health care coverage, Maternity Support Services, public health funding, Community Health Clinics, Apple Health for kids, Housing and Essential Needs, the Senior Services Act programs, immigrant services, State Food Assistance, the Farmer's Market Nutrition Program, Small Farm and Direct Marketing Assistance Program, Farm to School Program, Working Connections Childcare, family planning, and Nurse Family Partnerships, and support implementing the Community First Choice Option provision of the Affordable Care Act to leverage increased federal funding for long-term care services as areas of particular importance to Seattle. In addition, Seattle recognizes that many young people aging out of foster care face numerous and serious challenges, and so we support full implementation of Extended Foster Care, the Foster Care to 21 portion of the Federal Fostering Connections to Success and Increasing Adoptions Act of 2008 to allow all youth the opportunity to remain in care until they are 21 years old.

#### <u>Outcome</u>

#### Health-Related Funding:

- State funding for local public health departments was included at maintenance levels; however, a budget proviso combined the three funding sources into a single Public Health Block Grant to be administered by the State Treasurer's Office, rather than by the State Department of Health.
- \$72.54 million was appropriated to fully restore Adult Dental benefits beginning January 1, 2014.
- Maternity Support Services funding was maintained.
- In Apple Health for Kids, \$714,000 was appropriated to restore assistance with premiums for children with family incomes above 200% FPL in the state-funded children's health program who are not eligible for coverage under the federal children's health insurance program. Additionally, \$80,000 was appropriated for the Apple Health Hotline to enhance and continue operation by a nonprofit organization of a toll-free phone line that helps families learn about and enroll in Apple Health for Kids.

#### Health Care:

- The Medicaid Expansion was implemented with no co-pays in the final budget, providing \$351 million in budget savings.
- The final Exchange financing bill, <u>HB 1947</u>, creates the Health Benefit Exchange Account and requires funding for the Exchange operations to be appropriated by the legislature. The 2013-15 final budget includes \$40 million per year to operate the Exchange. The Exchange will be funded by premium taxes; however, if premium taxes are insufficient to fund the Exchange, then beginning January 1, 2015, the Exchange may require both medical and dental plans to pay an assessment to fund Exchange operations. The state auditor shall conduct a performance review on the cost of Exchange operations by July 1, 2016.
- The legislature did not implement the Federal Basic Health Option this year, which means it will not be available in 2014. However, the legislature notably left the current Basic Health Plan statute on the books, so there is a section of law to work with in the future.

**Senior Services Act Programs:** Funding was preserved for home care hours, the Kinship Caregiver Program, and other senior programs.

**Hunger Relief and Food Programs:** Funding for the State Food Assistance Program was increased so that the program recipients of this SNAP-look-alike program for legal immigrants receive 75% of federal food benefit levels. This is up from 50%, but before the recession, the program used to match the full federal food stamp benefit levels. The operating budget also includes \$250,000 in funding to restore the Farm to School and Small Farm Marketing programs.

**Early Learning Programs:** The budget includes \$1 million in additional funding for home visiting and funding to increase both the number of children who are eligible to participate in Working Connections Child Care and state preschool (ECEAP) and the reimbursement rate for those providing these services. Additionally, <u>HB 1723</u> increases funding for home visits to

expectant mothers and parents of newborns, increases subsidies for high quality child care, and expands preschool education. The final bill requires DEL to make recommendations on the Working Connections Childcare subsidy, state-funded preschool rates, and compensation for providers. The bill also makes the following changes subject to appropriated funding: expanding the state preschool program, increasing the base rate for child care providers by 10% with tiered rates for those meeting certain requirements, and increasing the rate for WCC providers by 5% for those meeting certain standards. The Governor vetoed the section of the bill that would have put a technical workgroup in place, which is similar to another workgroup set in place by other legislation. The bill goes into effect on July 28, 2013.

**Immigrant and Refugee Services:** In addition to partially restoring benefits for the State Food Assistance Program, the final budget preserves funding for English Language programs in our public schools and preserves funding for the New Americans citizenship program.

**Extended Foster Care Services:** <u>SB 5405</u> will help young people aging out of the foster care system who still face numerous and serious challenges by allowing them to choose to extend foster care services until they are 21 years old. The bill is effective July 28, 2013.

#### Housing and Homelessness

Seattle believes that housing—its availability and affordability—is critical to the quality of life of our residents and neighborhoods. In addition, Seattle supports State efforts to assist with the implementation of the Ten-Year Plan to End Homelessness. Therefore, we support legislation that will create financing tools and land accessibility to expand affordable housing.

We also seek changes in tenant screening law that improve fairness, transparency and accountability in the tenant screening process, including improved protections for victims of domestic violence, and that provide fee relief for prospective tenants. We also support aligning state and federal law to ensure housing access for disabled residents with service animals.

#### <u>Outcome</u>

**Funding and Land Sources:** As mentioned above, the capital budget puts \$50 million into the Housing Trust Fund. Unfortunately, none of the projects located in the City of Seattle were included on the project lists for funding. Additionally, <u>HB 1695</u> and <u>SB 5741</u> would have allowed King County to bond against the lodging taxes that it is authorized to begin receiving in 2021, to use for affordable workforce housing or tourism promotion, but these bills did not pass. <u>HB 1563/SB 5598</u> would have allowed government surplus property to more easily be used for the development of affordable housing. Although HB 1563 passed the House, it did not pass the Senate, and so did not move forward this session. Both chambers looked at amendments to scale back which government entities are included in the policy, and housing advocates will likely work on a new version of the bill during the interim.

**Fair Tenant Screening:** <u>SB 5568</u> continues previous work on tenant screening to ensure that screening service providers may not disclose an applicant's status as a victim of domestic

violence, sexual assault, or stalking as part of the screening process. It passed and is effective January 1, 2014.

**Service Animals:** <u>HB 1024</u> would have streamlined the state and federal regulations related to discrimination based on disabilities and accommodating residents with service animals. This bill would have allowed the state to collect approximately \$100,000 per year in federal funding for discrimination-based inspections. Although the bill did not appear to be controversial, it did not get scheduled for a floor vote before the cutoff date.

# **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 prioritizes safety, transit and maintenance over expansion. Specifically:

- Includes a significant share of funding for cities to help pay for local maintenance backlogs;
- Includes sustainable funding for transit operations;
- Results in expanded transit service in areas with the greatest demand;
- Prioritizes safety and maintenance projects, and
- Meets both the City's and the State's greenhouse gas emissions reductions targets.

We support new local options for transportation funding that could be used to help expand transit, including light rail; modifying the City's parking tax authority to allow for a more equitable application of the tax; and more progressive options regarding MVET.

We support the development of a full funding package for the SR 520 Replacement Project (SR 520 Project) that improves safety, improves the movement of transit, bikes, and pedestrians throughout the corridor and is consistent with the Memorandum of Understanding between WSDOT and the City of Seattle. We urge the State Legislature to fund continuing efforts in 2013 to advance the design of the West Side of the SR 520 Project and build upon the successful outreach and engagement efforts completed as part of the Seattle Community Design Process (SCDP) in 2012. Substantial progress has been made in refining project design near Seattle's neighborhoods and the Arboretum through collaboration with members of the community and the City of Seattle. Continued funding in 2013 is necessary to maintain the momentum, build upon the progress being made with the community and implement recommendations identified in the SCDP Final Report. We support the completion of analysis for tolling I-90. We also support establishing the authorization for tolling I-90.

(continued below)

To help better manage on-street parking and improve access to local businesses for all drivers (including those with disabled parking placards), we seek improvements to the disabled parking placard eligibility and administration process such that disabled parking placards are distributed to and used only for the benefit of those who need them.

We support additional resources for commercial vehicle safety enforcement and policies that equitably share the burden of responsibility for safety violations between the drivers and equipment owners.

#### <u>Outcome</u>

#### See details on transportation budget and funding package above (page 4.)

**Disabled Placard Abuse:** <u>HB 1946</u> would have helped reduce disabled parking placard abuse by improving enforcement of illegal use of placards and by establishing a work group that will develop recommendations for other ways to curtail abuse. Unfortunately, HB 1946 did not pass this legislative session, but the final transportation budget included the work group language from the bill. The work group will develop a strategic plan to reduce the abuse of disabled parking placards and make recommendations on legislation for next session.

## Public Safety

In addition to the issues identified in our highest priorities, we also support the continued use of automated traffic safety cameras and legislation that improves transparency and accountability.

We seek legislation to remove barriers that currently limit the City's ability to release Digital in Car Video footage to the public. We also support a waiver of the two party consent rule pertaining to police video cameras (body cams), identical to the exemption for Digital in Car Video.

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 support funding for Win 211, which helps the public access important information and government programs and services after disasters.

#### <u>Outcome</u>

**Use of Traffic Control Signal Video:** <u>HB 1047</u> would allow images from traffic safety cameras to be used for prosecuting crimes, but only after a warrant has been obtained. Deputy Police

Chief Nick Metz joined King County Prosecuting Attorney Dan Satterberg to give public testimony in support of this bill. Although the bill passed the House, it was not considered in the Senate, and so did not pass. Additionally, <u>SB 5678</u> / <u>HB 1670</u> would have clarified that local jurisdictions may use automated traffic safety cameras at intersections that include more than two arterials. SPD testified in support at a public hearing in the Senate, but the bills were not voted out of their policy committees and thus, did not pass.

**211 Funding:** With the passage of the legislation to impose a landline phone tax (<u>HB 1971</u>), funding for 211 and other programs was moved from a specific fund source to the general fund. However, legislators ensured that this program is funded for the coming biennium.

## **Education**

In addition to supporting efforts to reform education, the City supports maximum possible funding for Early Learning and Basic Education. During challenging economic times, it is also critically important to support community colleges, technical colleges, and state universities as they provide access to retraining and workforce development opportunities.

#### <u>Outcome</u>

**Education Funding:** As mentioned in the human services section above, legislators appropriated additional funds for home visiting, child care and other early learning programs. Additionally, the legislature invested \$1 billion in new funding towards basic education and held university tuition flat for the current biennium. The capital budget also included \$20 million for the design, renovation and development of Pacific Medical Tower to be used for community college health career training programs, as well as state and nonprofit offices.

#### .Sustainability and Environment

To ensure cleanup of local toxic sites, we support full funding for the Local Toxics Account and use of the funds for their statutory purpose. We also support a new, long-term state funding source for the local stormwater management programs to help improve water quality and protect salmon.

#### <u>Outcome</u>

**Toxic Clean-Up:** <u>E2SSB 5296</u> modifies the usages, distribution, and oversight of the MTCA funds. Changes include explicitly allowing the funds to be used for stormwater projects, air quality projects, and clean-up of petroleum based debris in fresh and marine waters; prioritizing funds for major and extended clean-up projects, and creating a new trust fund to focus on brownfield clean-up. E2SSB 5296 went into effect on July 1, 2013. <u>HB 2079</u> was passed in response to the passage of E2SSB 5296, which created the Environmental Legacy Stewardship Account (ELSA.) HB 2079 addresses some of the environmental community's concerns with the previous bill by broadening and clarifying the use of the ELSA, including provisions to include stormwater retrofits and clean-up of derelict vessels.

**Stormwater Funding:** In addition to the use of ELSA for storm water projects, the capital budget included \$81 million in funding for competitive stormwater grants.

**Energy Efficiency:** The capital budget includes \$10 million in funding for low-income housing weatherization through the state Community Energy Efficiency Program (CEEP), administered by Washington State University. Seattle's Community Power Works, soon to be is transitioning over to a non-profit, will be eligible to apply for this state funding.

# Areas of On-going Concern

## Economic Development

Seattle supports tax increment financing, including new value capture concepts, as a tool to encourage economic development and community improvement projects, and supports a set aside for low-income housing. We support the Global Health Fund and continued funding for the Life Sciences Discovery Fund. Seattle supports revising Section 3 Chapter 38, Laws of 2011 to restore Seattle's ability to collect parking tax revenues from the baseball stadium public facility district. We support increased capital funding for Seattle's cultural institutions. The City also supports considering the creation of a state investment trust to provide financing for housing development, public works infrastructure, educational infrastructure, student loans, and community quality of life projects.

#### <u>Outcome</u>

**Tax Increment Financing:** <u>HJR 4210</u> would have amended the Washington State Constitution to allow tax increment financing, but it did not pass.

**Research Grants:** Unfortunately, the final operating budget eliminates the Global Health, Microenterprise, and Innovation Research grants. We will continue to work with legislators to discuss the importance of funding this work.

**Capital Funding for Cultural Institutions:** The capital budget, <u>SB 5035</u>, includes funding for Capitol Hill Housing Foundation's Building for the Arts project (\$565,000), Broadway Center for the Performing Arts (\$1.3 million), Seattle Chinatown/ID development (\$500,000), development of a state park at the Multimodal Terminal at Colman Dock (\$2 million), Paramount Theater (\$146,000), and the Nordic Heritage Museum (\$1 million).

**State Investment Trust:** <u>SB 5029</u> would have created the Washington Investment Trust as an institution to use capital reserves to fund projects in our state. The bill was not considered for a vote and, thus, did not pass.

**Public Works Trust Fund:** <u>HB 1466</u> reauthorizes the alternative public works contracts and makes other changes recommended by the Capital Projects Advisory Review Board (CPARB). The bill passed and went into effect on June 30, 2013.

**Building Codes:** <u>SB 5378</u> would have extended the time requirements so that substantial revisions to the building codes occur every six years instead of every 3 years. Seattle opposed this legislation. The bill passed the Senate but was not considered in the House, and so it did not pass.

# Sustainability and Environmental Protection

Seattle supports the Energy Independence Act (RCW 19.285) which was passed by the voters as I-937 in 2006. Seattle City Light has met its renewable and conservation targets and anticipates continuing to in the future. We support changes to the Act that would provide great flexibility for utilities to meet their targets, such as the ability to roll over excess conservation into the next biennium but without undermining the initiative.

We support incentives for investments in energy efficiency, renewable energy development and net-metering. We support legislation that will reduce toxic chemicals in children's toys. 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 surplus pharmaceuticals, carpet, paint, mercury-containing lighting and additions to the products covered by E-Cycle Washington as well as legislation to ensure manufacturers' responsibility for waste products. To help promote waste reduction, we are also seeking elimination of the requirement that phone companies publish and distribute telephone directories and support efforts to create a statewide opt out system for commercial telephone directories.

## <u>Outcome</u>

**Climate Control:** <u>E2SSB 5802</u> creates the Climate Legislative and Executive Work Group and commissions a report to evaluate approaches to reduce greenhouse gas emissions. The bill was signed into law and was immediately effective.

**Energy Efficiency:** <u>SB 5438</u> would have revised the energy independence act to allow conservation achieved by a qualifying utility in excess of its biennial acquisition target to be used to meet its subsequent biennia target. The bill passed the Senate but was not considered in the House, and so it did not pass. <u>HB 1017</u> establishes minimum energy efficiency standards for battery charger systems, quartz halogen lamps, and minimum water conservation performance standards for faucets. Although the bill passed the House, it was not considered for a vote in the Senate, and thus, did not pass.

**Children's Products/Toxics:** <u>HB 1294</u> would have banned the manufacture, sale, and distribution of children's products with high levels of TDCPP or TCEP flame retardant chemicals. Amendments in the Senate restricted the bill to these specific, currently-known chemicals. The House and Senate passed different versions of the bill and could not agree, so because an identical bill was not passed by both houses the bill is not considered passed.

**Product Stewardship Bills:** The legislature considered a number of bills to protect our environment through product stewardship, but none of these bills passed. <u>HB 1364</u>, and companion bill <u>SB 5457</u>, would have helped standardize and facilitate battery stewardship

programs, and <u>HB 1579</u>, and companion bill <u>SB 5424</u>, would have required paint manufacturers to develop and implement a cost-effective paint stewardship program.

### **General Government**

Seattle 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.

#### <u>Outcome</u>

**Public Records:** Several bills were introduced related to mitigating the costs of egregious or commercial public records requests, including <u>HB 1128</u>, which would have allowed local governments to seek a civil injunction when faced with financially motivated or punitive requests, and <u>HB 1037</u>, which would have allowed jurisdictions to charge a fee for records requested for commercial purposes. Neither of these bills was considered for a floor vote during the 2013 sessions.

## Race & Social Justice

Every person has the right to live, work, and learn free from discrimination. We support legislation that prevents discrimination and creates equitable opportunity in housing, employment, public accommodations, voting, contracting and in lending practices. We support efforts to promote racial equity the areas of education, community development, health, jobs, housing, the environment, the criminal justice system and in government policies, programs and procedures. We support efforts to protect the rights of and services provided to immigrants. In the 2013 Legislative Session we 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>

Seattle worked to preserve funding for and access to programs for low income and immigrant families, to provide funding for public transit, to help end human trafficking of minors, and to increase access to housing for residents with service animals. These bills and budget items are discussed in more detail throughout the report.

**Voting Rights:** <u>HB 1413</u> would have established a state Voting Rights Act to prohibit at-large and district-based elections from being imposed or applied in a manner that denies a protected class an equal opportunity to elect candidates of its choice or to influence the outcome of an election. The bill passed the House and had a public hearing in the Senate, but it was not considered for a Senate committee vote and thus did not move forward to passage.

# Law & Criminal Justice

We also support safeguards for protected groups from harassment and violence through misuse of the Public Records Act. We also support efforts that would allow courts of limited jurisdiction to order convicted defendants to pay restitution. We support legislation that clarifies state DUI laws regarding the number of violations that would trigger mandatory probation. We seek legislation to improve enforcement of limousine regulations.

#### <u>Outcome</u>

**DUI Legislation:** <u>SB 5912</u> will require mandatory booking for those with prior DUI records, will require repeat DUI offenders to get an ignition-interlock device to be installed before they are released from jail after an arrest, and will have courts consider whether the driver had a child in the car or was driving on the wrong side of the road. It also includes marijuana and THC to DUI statutes. It also creates a 24/7 Sobriety Program pilot program for up to three counties and two cities. The bill also creates an official Impaired Driving workgroup, which must report its findings to the legislature by December 1, 2013. Seattle has previously participated in a similar ad-hoc legislative workgroup. The bill will become effective in October except for the 24/7 sobriety monitoring program, which becomes effective January of 2014.

#### 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 encourage new open space, preserving current open space, creating multi-modal transportation infrastructure, and preserving landmark structures.

#### <u>Outcome</u>

Latecomer Investment Fees and Environmental Impact Statement Expenses: <u>HB 1717</u>

authorizes local governments to recover reasonable expenses incurred in the preparation of non-project environmental impact statements (EIS) for infill actions that are categorically exempt from requirements of the State Environmental Policy Act, and for planned action developments. It also modifies provisions governing contracting between cities and real estate owners for utility construction or improvement by requiring municipalities to collect associated fees for additional, "latecomer" developers.

# **Other Legislation**

**Towing:** <u>HB 1625</u> would establish statewide maximum rates on private impound tows. The bill was amended on the floor to clarify that Seattle would retain the ability to set rates and related charges should the City prevail in pending litigation. The bill goes into effect on July 28, 2013.

**Sick Leave:** <u>SB 5726</u> would have placed limits on city sick and safe leave laws related to the location of the business. Although the bill passed out of the Senate, it was not considered in the House, and so did not pass. <u>SB 5728</u> and <u>HB 1780</u> would have preempted local sick leave legislation entirely, but these bills, which Seattle opposed, were not brought up for a vote in either chamber. <u>HB 1313</u> would have aligned with Seattle's current law and provided minimum requirements for sick and safe leave related to employment statewide, but it also did not pass.

**Metal Theft:** <u>HB 1552</u> addresses metal theft by creating a licensing scheme for scrap metal businesses, expanding criminal penalties for metal theft and malicious mischief, and allowing for civil forfeiture for any property used in the commission of a crime involving metal theft. It also creates a database by which scrap metal businesses may determine if a potential client has a criminal conviction which makes him or her ineligible to sell property to a licensed business and prohibits cash transactions. Unfortunately, although the bill created a grant program to support additional enforcement efforts targeting metal theft, which was very important to law enforcement and cities, this grant program was not funded in the final operating budget. It is also unfortunate that, the bill does preempt the field of scrap metal regulation so local governments cannot pass their own subsequent legislation on this issue. The bill is effective beginning July 28, 2013.

**Fleets Fuel Usage:** Under previous law, by the year 2018, cities and counties would have needed to meet 100% of their fuel needs for all vessels, vehicles, and construction equipment from electricity or biofuels, and by 2013, 40% of fuel usage would have needed to be from these sources. Under <u>SB 5099</u>, which passed and goes into effect on July 28<sup>th</sup>, Commerce must convene an advisory committee to work to develop rules on this issue, including the authority for local government to elect to exempt emergency response from the fuel usage requirement, with an explanation. Additionally, engine retrofits that would void warranties or replace equipment before its useful life are exempt.