



CITY OF SEATTLE 2011 STATE LEGISLATIVE BULLETIN

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Weekly Overview

Last week was the final week of the regular session. All of the priority bills that we were working on last week passed the Legislature before Sine Die and are headed to the Governor, including medical cannabis, short-term transit funding for METRO, single-party consent for police investigations involving human trafficking and sexual exploitation of children, and several others.

On Wednesday the negotiated House/Senate transportation budget passed the Senate, and on Friday the House concurred in the Senate amendments and passed the bill, so the 2011-2013 transportation budget has been sent to the Governor. We discuss it in more detail below.

On Friday the Governor announced that she will be calling the Legislature into special session starting on Tuesday, April 26th. In the special session announcement, lawmakers and the Governor said they have agreed to keep the special session focused on the budget and the bills required to implement the budget, but the list of bills necessary to implement the budget could be quite expansive, and in the end most things that died during the regular session could be resurrected during the special session.

Areas of Primary Focus

Budget: This week the leadership of the House and Senate Transportation Committees released their negotiated Senate/House transportation budget. On Wednesday the Senate passed the budget and on Friday the House passed it, so the 2011-2013 transportation budget is now on its way to the Governor. All CPT language was removed from the bill and both of the City's regional mobility grants are in the budget: 1) \$4 million for NW Market/45th St. Transit Priority Corridor Improvements, and 2) \$1.25 million for King Street Station Restoration Project.

In addition, on Monday the Senate operating budget passed the Senate by a bipartisan vote of 34-13. No significant changes to the Senate budget bill were made on the Senate floor, but significant differences between the House and Senate operating budgets remain, which will need to be worked out during the special session.

The operating and capital budgets will be the primary focus of the special session. As negotiations between the two chambers move forward, we will pay particular attention to

protecting state-local shared revenues from being swept (most importantly, the liquor profits). We will also be focused on the funding levels for Disability Lifeline, community health clinics, Working Connections child care, other key safety net programs, and education funding. In the capital budget we will continue to focus on the Housing Trust Fund and MTCA funding.

Transit Funding: The short-term transit funding bill, [ESSB 5457](#), passed the House 51-46 on Tuesday, April 12th. The bill was amended on the House floor to remove the requirement that the King County Council approve the new congestion charge by a 2/3 vote. On Friday, April 15th, the Senate refused to concur in the House amendments and asked the House for a conference committee. Senators Haugen, White, and King were appointed to the committee.

Late Wednesday afternoon, the House accepted the Senate's request for a conference committee and appointed Representatives Clibborn, Lias, and Armstrong. Then on Wednesday evening the conference committee met to sign the conference committee report (i.e., agreement). The agreement took the bill back to the version that passed the Senate (i.e., 2/3 council vote requirement) but added language in the intent section that it is not the intent of the Legislature to expand the parameters of I-1053 beyond what the voters intended and thus interfere with local control. On Thursday evening the House passed the bill 50-47, and on Friday morning the Senate passed the bill 25-21. The bill was delivered to the Governor on Friday, April 22nd.

Speaker Chopp and Representatives Frockt, Fitzgibbon, Clibborn, and Lias all worked the bill very hard in the House and deserve our gratitude, as does Senator White for his leadership. Without the hard work of these members and many more the bill would not have made it over the finish line. Now attention turns to the King County Council, but based on statements by Councilmembers since the bill passed the Legislature on Friday, it remains unclear whether the Council has the votes to use the 2/3 vote of the Council option in the bill.

Fiscal Flexibility: [HB 1953](#), concerning additional real estate excise tax authority for counties and cities, passed the Senate, 28-20, on April 8th, and on Friday, April 22nd, the bill was delivered to the Governor. Seattle supports this legislation because it will provide cities and counties the flexibility to use real estate excise taxes for the maintenance and operation of capital facilities and additional capital projects.

Criminal Justice: [SHB 1874](#), prime-sponsored by Rep. Mary Lou Dickerson, would give law enforcement additional tools to fight human trafficking and sexual exploitation of children by allowing law enforcement to intercept and record a conversation with the consent of only one party when there is probable cause to believe the conversation involves the commercial sexual abuse of a minor. Seattle supports this legislation. The bill passed the Senate on April 8th, 49-0. A committee striking amendment was adopted in the Senate, so differences between the two chambers needed to be reconciled before the Legislature adjourned. On Tuesday, April 19th, the House refused to concur in the Senate amendments and asked the Senate to recede. On Thursday, April 21st, the Senate insisted on its position and asked the House to concur.

The key difference between the two chambers' versions of the bill was that the Senate version did not require law enforcement to notify the target (usually the pimp of a child prostitute) that they had been recorded, while the House version required law enforcement to notify the target after six months if no charges had been filed. Our law enforcement officers said they would not use the law if they were required to later notify the target of the investigation that they were recorded, because that would put the victim at risk. The Senate version did not contain the requirement to notify, and thus, was the preferable version from our perspective. After several

discussions with key legislators in the House and Senate late in the week, and a lot of coordination with other key stakeholders, the House voted late on Thursday night to concur with the Senate amendments, 82-15. The bill was delivered to the Governor on Friday, April 22nd, in a form that we support.

Education: [E2SHB 1776](#), prime-sponsored by Representative David Frockt, would establish a unified set of licensing requirements for child care centers operated in public buildings. On April 5th, the bill passed the Senate, 49-0. Committee striking amendments were adopted in the Senate and a floor amendment was also adopted to require the Department of Early Learning to consult with the fire marshal's office. On Wednesday, April 13th, the House concurred in the Senate amendments, and final passage was 71-25. The bill was delivered to the Governor on April 19th.

Seattle also supports [2SSB 5427](#), regarding an assessment of students in state-funded full-day kindergarten. The Senate version of the bill passed the House, 57-39, on April 11th. On Monday, April 18th, the Senate concurred in the House amendments, 36-12, and the bill was delivered to the Governor on Friday, April 22nd.

In addition, on Tuesday, April 12th, the Senate amended a House education bill, [E2SHB 1443](#), to include key elements of an education policy bill that died earlier in the session. Among other things, this bill now includes provisions that require districts to take factors other than seniority into account when making layoffs. This policy bill will likely be in play during the special session.

Other Issues of Significant Interest

Medical Cannabis: [E2SSB 5073](#), which clarifies laws surrounding the medical use of cannabis, passed the House, 54-43, on Monday April 11th. After much wrangling, the Senate concurred with the House amendments on April 21st by a vote of 27-21. The bill now heads to the Governor. Seattle supports this legislation and sent a joint letter from the Mayor, all nine Councilmembers, and the City Attorney. For several weeks, Seattle has been working closely with Rep. Cody and Sen. Kohl-Welles and participating in stakeholder discussions to try to find agreement on amendment language and also coordinate strategy in support of the bill. John Schochet from the City Attorney's office has been integral to these discussions and has made several trips to Olympia to attend meetings in person, as has City Attorney Pete Holmes. In its current form, the bill will provide much-needed clarity to law enforcement and give local governments the ability to regulate medical cannabis dispensaries. Gov. Gregoire has expressed concerns about the bill. We are now working closely with legislative staff and the Governor's office to persuade the Governor to sign the bill.

Public Records: [SHB 1899](#), which relates to penalties for public records violations, gives a range of penalties that may be assessed, from a minimum of \$0 up to \$100 per day. The range under current law is \$5-\$100 per day, so having an option of \$0 is a significant step forward. Seattle supports this legislation. The bill passed the Senate, 49-0, on April 6th. A committee striker was adopted in the Senate, so differences between the chambers had to be reconciled. On Wednesday, April 20th, the House refused to concur in the Senate amendments and asked the Senate to recede. On Thursday, the Senate receded from its amendments and passed the bill 47-0. The bill was delivered to the Governor on Friday, April 22nd.

Flood Control District: [ESB 5638](#) and [EHB 1969](#) would exempt the King County Flood Control District from certain limitations on regular property tax levies. Seattle supports this legislation

because a portion of the property taxes that would be collected if this bill passes are slated to help fund the seawall replacement and other critical projects. The Senate passed the House version on April 11th by a 42-5 vote. On April 18th, the House concurred in the Senate amendments by a vote of 71-27, and the bill is now headed to the Governor. The Senate amendments limited the exemption to flood control districts in counties with populations greater than 750,000.

Stadium Taxes: [SHB 1997](#) would fund tourism promotion, workforce housing, art and heritage programs, and community development. Executive action was scheduled on the bill in the Senate Ways & Means Committee for Friday, April 1st, but the report on the motion to move the bill out of committee did not receive sufficient signatures. A more limited version of the bill focused on Arts & Heritage, [SSB 5834](#), had a public hearing in House Ways & Means on March 14th, but has not been voted out of committee. Although the bills failed to pass out of the fiscal committees before cutoff, proponents indicated that they plan to explore ways to revive the legislation, and an amendment to the House operating budget was adopted in the House Ways & Means Committee on April 6th that makes SHB 1997 necessary to implement the budget, so the bill is back alive and exempt from cutoffs and will be in play during the special session.

Vulnerable Roadway Users: Seattle supports this legislation because it creates a new infraction and penalties for drivers who injure vulnerable roadway users. The Senate version, [SSB 5326](#), passed the House 61-32 on Friday, April 1. The bill was amended in committee and on the floor of the House, so differences between the chambers had to be reconciled last week. On Monday, April 18th, the Senate concurred in the House amendments, 44-2, and the bill was delivered to the Governor on April 22nd.

Limousine Regulations: [SSB 5502](#) would give Seattle 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 does not have the legal authority to take action. On April 6th the bill passed the House, 81-15, with adopted amendments that we are comfortable with. On Monday, April 18th, the Senate concurred in the House amendments 35-11, and the bill was delivered to the Governor on April 22nd.

Taxicab Lease Rate Caps: [ESHB 1367](#) would make all taxicab, limousine, and for-hire vehicle businesses and operators subject to mandatory industrial insurance. Seattle supports the underlying legislation, but we opposed three sections in the original bill that would have limited the City's ability to cap the lease rates taxi owners charge taxi operators and the consumer rates charged by taxis. We use our current authority to help ensure that taxi drivers earn a living wage and that taxis are affordable. Representative David Frockt offered a floor amendment to address our concerns, it was adopted, and the bill subsequently passed the House unanimously. The Senate then passed the bill, 39-8, with minor amendments, and on Wednesday April 13th, the House concurred in the Senate amendments, and passage on the House floor was 95-1. The bill was delivered to the Governor on April 19th.

Private Carriers in Transit Lanes: [SSB 5836](#) would allow local jurisdictions to permit private transportation carriers like employer shuttles and aeroporters to use transit-only lanes. We worked with stakeholders to develop mutually agreeable amendments that address our concerns, and the bill passed the House Transportation Committee on March 30th with amendments that the City of Seattle supported. On April 6th the bill passed the House, 96-1, with only the negotiated committee amendment adopted. However, on April 13th the Senate refused to concur in the House amendments and asked the House to recede from its amendments. Most of the differences related to use of park and ride facilities. A conference

committee was appointed and on April 22nd the bill passed the House 97-0 and the Senate 45-0. The bill now heads to the Governor.

Regulating Underground Utilities: [E2SHB 1634](#) aims to improve pipeline safety in Washington by changing dig law practices. Seattle and a number of cities opposed this bill because we had serious concerns with several provisions. Senator Sharon Nelson, Vice Chair of the Senate Environment, Water & Energy Committee, worked with us and other stakeholders to try to resolve the cities' concerns before the bill was voted on in the Senate. Through this work, we were able to find a mutually agreed upon solution that allowed us and other cities to move from "Opposed" to "Neutral" on the bill. The bill then passed the Senate, 49-0, on April 6th. On April 13th the House concurred in the Senate amendments, and the bill passed the House 97-0. The bill was delivered to the Governor on April 19th. We owe a huge "thank you" to Senator Nelson for her time, help, and thoughtful attention in negotiating an agreement on changes to the bill that ameliorate the fiscal impacts to Seattle Public Utilities.

Houseboats: [SHB 1783](#), which would place some limits on regulation of houseboats, passed the Senate on April 7th, 47-2. An amendment was adopted on the Senate floor that represents a negotiated agreement with houseboat advocates, state agencies, and the City of Seattle. The House concurred with the Senate amendments and passed the bill, 65-32, on Thursday, April 14th. The bill was delivered to the Governor on April 19th.

Cottage Food Operations: [ESSB 5748](#), which enacts labeling requirements on cottage food operations and exempts them from certain regulations and permitting laws, passed the House, 92-0, on April 7th. Several amendments were adopted in the House, so the bill needed action in the Senate this week before the Legislature adjourned. On Thursday, April 21st, the Senate concurred in the House amendments, 46-1, and the bill was delivered to the Governor on April 22nd. Seattle supports this and other legislation that would allow value-added home processing and selling of low-risk food items.

Mutual Aid: [SHB 1585](#) 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). [ESHB 1406](#), establishing the intrastate building safety mutual aid system, passed both chambers and was delivered to the Governor on April 19th. Seattle supports these bills and efforts to allow this type of coordinated assistance.

Film Tax Incentive: [2SSB 5539](#), concerning Washington's motion picture competitiveness, is still in Senate Rules. The House version, [SHB 1554](#), is in the House Ways & Means Committee. Seattle supports this legislation because it will continue a program of incentives for the motion picture industry in Washington State, which is crucial to the health of Seattle's film industry. These bills would be necessary to implement the budget and action can still be taken on them in the special session.

Looking Ahead

The special session will begin on Tuesday, April 26th, at 9:00 a.m. Although some action on policy bills necessary to implement the budget may take place, most activity this week will likely happen behind closed doors as the Senate and House budget leaders negotiate the budget.