

CITY OF SEATTLE
2005 STATE LEGISLATIVE BULLETIN

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The policy committee cut-off for bills in the opposite house occurred on April 1. The fiscal and transportation committee cut-off is April 4. Any bills that are not deemed necessary to implement the budget are considered “dead” if they are not passed out of the appropriate committee(s). The remaining three weeks of session will be spent in chambers voting on legislation.

The Senate released their version of the operating and capital budgets on March 28 and passed the operating budget on March 30. The Capital Budget was passed unanimously on April 1. (We anticipate a House budget being released later this week.) Much of the deficit in the operating budget was made up through budget cuts, using reserves or one time funding sources. The budget includes new revenue of almost \$500 million. The three major sources of revenue are an increase of 60-cents for each pack of cigarettes beginning on July 1, 2005 and another 20-cent increase on July 1, 2006 which would raise \$173 million. It also includes a new version of the estate tax for estates worth over \$1.5 million in 2005 and over \$2.0 million beginning in 2006 which would raise approximately \$135 million. Finally, there is a proposed liquor tax of \$1 per liter which would raise approximately \$50 million. Highlights of the budgets include:

Operating Budget – SB 6090:

The Senate budget restores the \$82.2 million scheduled to be lost by a reinterpretation of the Medicaid rules relating to mental health services. The Federal government changed its interpretation of how money saved by a state could be used. Previously the state could redirect those dollars to cover services for people not eligible for Medicaid. The reinterpretation means those saved dollars stay with the Federal government. The Governor’s budget resorted \$80 million.

Like Governor Gregoire’s budget General Assistance for the Unemployable (GAU) was not completely eliminated but there is an \$18 million reduction. This reduction leaves approximately \$96 million for GAU. However, the Senate provides strategies to ensure the reduction does not have a negative impact, including investing in naturalization and improving mental health, vocational rehabilitation and employment services.

The Omnibus Mental and Substance Abuse Disorders Act of 2005 (SB 5763) received \$27.2 million to address some of the programmatic costs of implementing this Act. The Senate recognizes that not all the costs of this Act can be determined at this time.

The Senate budget requires medical assistance recipients to pay a \$3 per prescription co-pay beginning in January 2006. While the co-pay may appear small, many of the human service advocates are concerned that the impact will mean many recipients will either not get needed medication or they will remove themselves from the program. This does not apply to children, pregnant women or persons enrolled in a manage care program.

Capital Budget – SB 6094:

Housing Trust Fund - \$82,000,000

WA Wildlife & Recreation Program (WWRP) - \$54,000,000 (Myrtle Edwards Park Beach Restoration, Ercolini Park Acquisition, Lower Woodland Skate Park, Phase I and South Lake Union)

Asian Counseling and Referral Service - \$2,000,000;

Governor's Budget - \$5,000,000

McCaw Hall - \$3,000,000;

Governor's Budget - \$3,500,000

Wing Luke Museum - \$1,500,000;

Governor's Budget - \$3,000,000

Discovery Park - \$1,000,000;

Governor's Budget - \$0

Colman School - \$500,000;

Governor's Budget - \$700,000

El Centro de la Raza - \$900,000;

Governor's Budget - \$500,000

Filipino Community Center - \$200,000;

Governor's Budget - \$200,000

SESSION PRIORITIES

Transportation Solutions

The Senate will propose a new transportation revenue package and project list on April 4. We have been told the package will include a new gas tax increase of 3-cents in 2005, 2-cents in 2006 and then a penny a year for as long as ten years. The funding package will include \$2 billion for the Alaskan Way Viaduct project and \$1.2 billion for the SR-520 project. In addition to these projects local government would receive new direct distribution and new local transportation funding options including a vehicle license fee and household excise tax.

SB 6012 would make transportation an authorized use for parking and business improvement areas.

This bill passed out of the House Transportation Committee and now goes to the Rules Committee.

Seattle supports this legislation.

State Funding

E2SSB 5581 creates the life sciences discovery fund using revenue from the tobacco settlement case.

These revenues will be used to support the Bio 21 effort and future statewide, comprehensive strategies to lead the nation in life sciences-related research & employment. This bill was passed out of the House Technology, Energy & Communications Committee and referred to the Appropriations Committee.

Seattle supports this legislation.

Session Objectives

Civil Rights

SHB 1515 which adds sexual orientation to the state discrimination laws was amended, passed out of the Senate Financial Institutions, Housing & Consumer Protection Committee and referred to the Rules Committee. We continue to work with other advocates to help pass this bill. **Seattle supports this measure.**

Clean Cars

ESHB 1397 which would adopt the California vehicle emission standards was passed out of the Senate Water, Energy & Environment Committee and now moves to the Rules Committee. **Seattle supports this bill.**

Consumer Protection

SSB 5692 which would regulate tax refund anticipation loans (RAL's) was amended in the House Financial Institutions & Insurance Committee and passed out to the Rules Committee. The House version of the bill (HB 1251) was amended onto the Senate version. This bill would require all participants providing RAL's to register with the Dept. of Financial Institutions and provide a \$250 fee. This bill would also require the loan facilitator to disclose information including the loan schedule, information relating to electronic filing of the applicant's income tax return, the facilitator must not engage in dishonest, fraudulent or unfair business practices and applies the state's consumer protection act. Violators may be fined up to \$500 per offense. Seattle's ordinance would still be preempted.

Firearm Safety

SHB 1687 which would restrict the possession of firearms of persons who are found not guilty by reasons of insanity was passed out of the Senate Judiciary Committee. **Seattle supports this measure.**

McCaw Hall

The Senate Capital Budget proposal contains \$3 million for McCaw Hall. Gov. Gregoire's Capital Budget contained \$3.5 million and Gov. Locke had \$2 million in his last budget proposal.

Public Disclosure

2SHB 1785 would make some changes to the Public Disclosure Act as it relates to overly broad requests. Public agencies would not be allowed to refuse a request because it was overly broad however they could ask for a down payment, provide the information in smaller batches and continue to request clarification to help specify the request. As currently written the legislation does not affect the issue of attorney-client privilege. This bill passed out of the Senate Government Operations & Elections Committee and was referred to the Rules Committee.

POLICY ISSUES

Energy

ESSB 5098 and **ESHB 1062** which establishes efficiency standards for appliances and other products have been passed to the Rules Committees. Both committees removed the water standard for commercial washers and the TV adapters from the bills. **Seattle supports these bills.**

Green Buildings

2SSB 5509 which requires state public buildings to be built using high-performance green building standards passed out of the House by a vote of 78-19. This affects state buildings and public schools. This measure now awaits the Governor's signature.

Growth Management & Land Use

ESSB 5907 which would have removed minimum densities for cities planning under the Growth Management Act did not get out of the House Local Government Committee. **Seattle opposed this bill.**

ESHB 2171 which extends the deadline for cities and counties to complete their critical areas ordinance by one year passed out of the Senate Government Operations & Elections Committee. It will be referred to the Rules Committee. **Seattle supports this measure.**

Human Services

E2SHB 2163 which establishes homeless programs passed out of Financial Institutions, Housing & Consumer Protection. This bill adds a \$10 recording fee which would go towards programs to support

Ten-Year Plans to End Homelessness. The bill will be heard in Senate Ways & Means Committee April 4. **Seattle supports this measure.**

E2SSB 5763 Enacting the omnibus treatment of mental and substance abuse disorders act of 2005 passed out of the House Health Care Committee and referred to House Appropriations Committee. It passed out of Appropriations and now moves to the Rules Committee. The Senate budget appropriated \$27.2 million to partially fund this measure.

E2SSB 5213 which supports the long-term success of families with children by removing barriers to Temporary Assistance for Needy Families and the WorkFirst programs passed out of the House Children & Family Services Committee. It was referred to and passed out of Appropriations. It now moves to House Rules. This measure passed the Senate by a vote of 46-2. **Seattle supports this bill.**

Public Safety

ESHB 1401 which would require all nightclubs to have an automatic sprinkler system installed passed the Senate Labor, Commerce & Research Development Committee and now moves to the Rules Committee. **Seattle supports this measure.**

ESSB 5060 would allow local jurisdictions to use automated traffic safety cameras at two-arterial intersections, railroad crossings, and school speed zones. This bill passed the House Transportation Committee and will be referred to the Rules Committee.

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