

**CITY OF SEATTLE**  
**2005 STATE LEGISLATIVE BULLETIN**

**APRIL 11, 2005**

**NUMBER 13**

The House released their version of the capital budget on April 5 and the operating budget on April 6. The operating budget was passed by the House by a vote of 55-41. 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 over \$400 million. The two major sources of revenue are an increase of 60-cents for each pack of cigarettes beginning on July 1, 2005 which would raise approximately \$175 million. It also includes a new version of the estate tax for estates worth over \$2.0 million which raises approximately \$128 million. Highlights of the budgets include:

**Operating Budget – SB 6090:**

Mental health funding for non-Medicaid recipients was funded at \$70 million. The total to be lost from the Federal government reinterpretation of the rules is \$82.2 million. The Governor funded it at \$80 million and the Senate at \$82.2 million.

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

Like the Senate budget, the House 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 managed care program. The Governor's budget did not impose co-pays.

Both the Senate and House budget also include a \$1 fee for transportation for persons receiving medical assistance. There is a great deal of concern this and the prescription co-pay will disproportionately hurt the disabled and elderly.

All of the budgets include \$48 million to "backfill" public health funding lost with the repeal of the motor vehicle license fee (MVET).

**Capital Budget – SB 6094:**

Housing Trust Fund - \$100,000,000

WA Wildlife & Recreation Program (WWRP) - \$50,000,000 (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 - \$2,500,000

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

Wing Luke Museum - \$1,500,000

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

Discovery Park - \$0

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 proposed a new transportation revenue package and project list on April 4. The revenue package included a new gas tax increase of 3-cents in 2005, 2-cents in 2006 and then a penny a year for ten years. The funding package includes \$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. The House is going to unveil their transportation package on April 11. There will be \$2.3 billion for the Alaskan Way Viaduct and \$1.5 billion for SR-520 in the latest proposal.

**SB 6012** would make transportation an authorized use for parking and business improvement areas. This bill is in the House 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 Appropriations Committee and has moved to the Rules Committee. **Seattle supports this legislation.**

## **Session Objectives**

### **Civil Rights**

A procedural maneuver by Republicans with the support of two Democrats re-referred **SHB 1515** which had passed out of the Senate Financial Institutions, Housing & Consumer Protection to Senate Judiciary Committee. This is a stumbling block for this bill and it is unclear if supporters will be able to get it out of committee. This bill has been before the legislature for 28 years. **Seattle supports this legislation.**

### **Clean Cars**

**ESHB 1397** which would adopt the California vehicle emission standards is in the Senate Rules Committee. **Seattle supports this bill.**

### **Consumer Protection**

**SSB 5692** which would regulate tax refund anticipation loans (RAL's) is awaiting floor action in the House. 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.

### **McCaw Hall**

The House Capital Budget proposal has \$2.5 million for McCaw Hall. The Senate Capital Budget proposal listed \$3 million for McCaw Hall and Gov. Gregoire's Capital Budget contained \$3.5 million.

### **Public Disclosure**

**2SHB 1758** 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 awaits floor action in the Senate.

## **POLICY ISSUES**

### **Energy**

**ESHB 1062** which establishes efficiency standards for appliances and other products passed the Senate by a vote of 34-15. The bill did not include TV adapters and a water standard for commercial washers. **Seattle supports this measure.**

### **Growth Management & Land Use**

**ESHB 2171** which extends the deadline for cities and counties to complete their critical areas ordinance by one year awaits action on the Senate floor. **Seattle supports this measure.**

### **Human Services**

**ES2HB 2163** which establishes funding for homeless programs passed the Senate by a vote of 28-18. The language contained in **SSB 5767** which required counties to develop Ten-Year Plans to End Homelessness was incorporated into this bill. Money would be used for Ten-Year Plans to End Homelessness programs. SB 5767 passed the house by a vote of 58-38. **Seattle supports these measures.**

### **Public Safety**

**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.

**ESHB 1401** which would require all nightclubs to have an automatic sprinkler system installed passed the Senate by a vote of 44-3. The bill now goes to the Governor for her signature. **Seattle supports this measure.**

**2SHB 1542** which would require legal defense for indigent persons passed out of the Senate by a vote of 42-6. This bill directs cities and counties to adopt standards for proper public defense. **Seattle supports this measure.**

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