

**CITY OF SEATTLE**  
**2010 STATE LEGISLATIVE BULLETIN**

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During the first week of the special session, the House and Senate have reportedly reached agreement on an overall revenue increase of approximately \$800 million. Differences remain, however, between the two chambers in terms of how they would raise the revenue. The main difference being that the Senate continues to support an increase to the sales tax and the House continues to oppose it. Meanwhile, Governor Gregoire is signing bills into law.

### ***SESSION PRIORITIES – 2010***

#### **Budget Safety Net: Do No Harm**

**ESSB 6444**, the supplemental operating budget, passed the Senate again by a 25-19 vote on March 15<sup>th</sup>. The bill is now in the House, eligible to come to a vote. Negotiations between the House and Senate continue.

**2ESSB 6143**, the revenue package, passed the Senate again on March 19<sup>th</sup> by a vote of 25-18 (6 excused). The House amended ESSB 6143 to reflect their own revenue package, and passed it 53-42 on March 20<sup>th</sup>. The primary difference between the two revenue packages is that the Senate relies on a temporary .2 sales tax increase, the House version does not. The bill is now back in the Senate.

**SHB 3177** concerns funds for affordable housing and is currently eligible to come to vote by the House of Representatives. SHB 3177 would require the county auditor to administer a surcharge of sixty-two dollars for each document recorded and authorizes the State Finance Committee to issue general obligation bonds to provide funds for the housing trust fund. Seattle **supports** this legislation. The House and Senate are currently negotiating the level of funding for the Housing Trust Fund in the capital budget.

**2SHB 2782**, the Security Lifeline Act, makes modifications to GA-U. The House and Senate have been in heavy negotiations and are nearing an agreement that could include faster screening and transition to SSI, require chemical dependency treatment if necessary (House budget includes funding for this); and places a 24 month time limit during a 5 year period, although clients may not be terminated until an SSI assessment has been completed. While the time limits mean a considerable number of clients will lose benefits, it appears to be the best outcome possible given current budget constraints. The focus will now shift to getting Governor Gregoire to agree to the compromise.

## Education

**SHB 2893** modifies school levy provisions. It has been delivered to the Governor and awaits her signature. The bill restores the school levy base and raises the levy lid by 4 percent for all school districts through 2017. This measure could provide up to \$21.2 million for Seattle Public School students. Without asking voters for a modification to the recently passed operational levy, \$7.3 million would be made available in 2011. An additional \$13.9 million would be available if voters approved. Seattle **supports** this legislation.

**2SHB 2731** relates to early learning for at risk children. It has been delivered to the Governor and awaits her signature. The bill says that the Legislature intends to create an entitlement program for early learning, maintain the number of early learning slots in the 2011-13 biennia, and phases in funding over the next several biennia until the program is fully funded. **SSB 6759** also relates to early learning and has been delivered to the Governor and awaits her signature. It creates a work group to examine the opportunities and barriers to developing a comprehensive plan for a voluntary program of early learning. The work group will examine the opportunities and barriers to adding early learning to basic education and to creating a program of early learning as a protected entitlement.

**E2SSB 6696** is the education reform bill that would require action plans for persistently low-achieving schools and their districts to target funds and assistance to turn around the identified low-achieving schools, as well as other reforms. It has been delivered to the Governor and awaits her signature.

## Public Safety

**EHB 1679**, the Jason McKissack Act, would reimburse medical expenses for certain disabled public safety personnel. It has been delivered to the Governor and awaits her signature. Seattle **supports** this legislation.

## Revenue/Fiscal

**ESHB 3179** relates to local excise tax provisions for cities and counties and was signed into law by the Governor on March 19<sup>th</sup>. This bill removes the non-supplant requirements, but it also contains additional provisions that would allow cities to impose a .1 public safety sales tax if the county fails to impose the full .3 by Dec 31<sup>st</sup>. In addition, HB 3179 clarifies the recent brokered natural gas court case to allow the City to continue collecting the tax. Seattle **supported** this legislation.

## Transportation

**E2SHB 1591** relates to flexibility in Transportation Benefit Districts and was signed into law on March 18th. HB 1591 provides greater flexibility for Transportation Benefit

Districts, primarily by allowing the sales tax to be collected up to 30 years thereby allowing it to be bonded against. Seattle **supported** this legislation.

**ESSB 6392** relates to the use of toll revenue in the SR 520 corridor. The final version of the bill allows bond proceeds from toll revenue to be used to begin construction including \$200 million for the Westside. It also creates several workgroups that will examine transit connections on the Westside, refinements to the design on the Westside, and high capacity transit planning and integrated funding. It has been delivered to the Governor and awaits her signature.

**Transportation budget proviso:** A budget proviso in section 221 of the supplemental transportation (**ESSB 6381**) budget ties public transportation grant funding administered by WSDOT to requirements that local governments provide private transportation providers use of high occupancy vehicle lanes, transit only lanes, and park and ride facilities. Seattle **opposed** this proviso and is seeking a veto. The bill has been delivered to the Governor and awaits her action.

### **Water Stewardship**

**HB 3181** and **SB 6851** would provide state funding for local stormwater clean up, primarily through a competitive grant program. It would increase the Hazardous Substance Tax – the existing funding source for the state and local toxics accounts (MTCA). Although neither bill passed in its respective chamber during the regular session, the proposal is on the list for consideration for the special session; it is both a generator of revenue and will lead to the creation of jobs when implemented. However, the outcome of a vote in either chamber is still uncertain.

A striking amendment to **HB 3181** has been crafted by legislative proponents. It includes a .85 % increase (about \$100 million a year). A number of additional amendments are being discussed, some which would provide tax credits in certain circumstances and others which would place more requirements on local governments in order to receive the funding. **SB 6851** currently includes a .5% increase – 85% to a new storm water account for local storm water clean-up and 15% to the motor vehicle account for WSDOT storm water projects. Seattle **supports** this legislation.

### ***ONGOING PRIORITIES***

#### **Race and Social Justice/Civil Rights**

**E2SHB 3026** relates to school district compliance with state and federal civil rights laws and was prime sponsored by Rep. Sharon Tomiko Santos. The bill was delivered to the Governor and awaits her signature. The bill represents one of the recommendations made by the Achievement Gap Oversight and Accountability Committee. It prohibits discrimination in Washington public schools on the basis of race, creed, religion, color, national origin, military status, sexual orientation including gender expression or identity,

the presence of any sensory, mental, or physical disability, or the use of a trained guide dog or service animal by a person with a disability. It directs OSPI to develop rules and guidelines to eliminate such discrimination, and allows private court actions to be brought for violations of the law and rules that are developed. Seattle **supports** this legislation.

### **Economic Development**

**SSB 6889** concerns the governance and financing of the Washington State Convention and Trade Center. It passed the Senate 39-1 (9 excused) on March 20<sup>th</sup>. SSB 6889 allows an additional public facility district (PFD) to be created in King County for the purpose of acquiring and operating the Center once it is transferred from the public nonprofit that currently operates it. The new PFD would be governed by a nine person board, three of them appointed by the city of Seattle, three by King County, and three by the Governor. The PFD may impose a 2 percent lodging tax in Seattle that credits against the state sales tax rate. This bill is part of a settlement of a lawsuit against the state brought by Seattle hotels. Proponents of the bill testified that it will put the Center in a good position for future expansion.

### **Utilities**

**ESB 6261** is a bill addressing utility service collections against rental property. Governor Gregoire signed it into law on March 19<sup>th</sup>. It will require some changes in our billing practices and notice of shutoff in situations where a tenant has paid rent (with an understanding that the landlord will pay the water/power bills) but where a landlord has failed to pay the bill. The changes protect our lien authority.

### **Energy**

**ESHB 2925** affects Seattle City Light's impact fee agreement with Pend Oreille County regarding City Light's hydroelectric generation facility. The bill was delivered to the Governor and awaits her signature. Seattle **supports** this legislation as a reasonable compromise with Pend Oreille County.

### **Hazardous and Solid Waste**

**ESSB 5543** relates to mercury reduction and was signed into law by Governor Gregoire on March 19<sup>th</sup>. It will establish a product stewardship recycling act for mercury-containing lights and ban the sale of bulk mercury. Seattle **supported** this legislation.

**SSB 6557** relates to limiting the use of copper in brake materials and was signed into law by Governor Gregoire on March 19<sup>th</sup>. It limits the use of copper in brake friction material, phased over the next ten years. Copper has been shown to have a significant negative impact on salmon and other aquatic species. It enters our water bodies, including Puget Sound, through stormwater run-off. This bill is a high priority of the Puget Sound Partnership. Seattle **supported** this legislation.

## **Planning & Development**

**SSB 6459** relates to inspections of rental properties and was signed into law by Governor Gregoire on March 19<sup>th</sup>. SSB 6459 establishes limitations on local government's authority to conduct mandatory rental inspection programs and provides local governments the authority to conduct civil administrative search warrants. Although improved by the House, the City is still **concerned** that this bill would permit a certificate of inspection to be issued even when illegal or hazardous housing conditions exist, and that the procedural requirements to obtain a search warrant are overly burdensome and take too long, especially when dangerous conditions exist.

## **Sustainable Farming and Healthy Food**

**SSB 6343** would establish the Washington Food Policy Forum. It was delivered to the Governor and awaits her signature. SSB 6343 would establish a Washington Food Policy Forum to advance the following six food system goals: support local food; increase healthy food in schools; reduce hunger; develop health & nutrition programs; and protect resources needed for sustained local food production. Seattle **supports** this legislation.

## **Water Stewardship**

**E2SSB 6267** relates to water rights processing. It was delivered to the Governor and awaits her signature. The bill authorizes an alternative cost-reimbursement process for water rights applications as well as an expedited processing procedure for water rights applications. It creates a Water Rights Processing Account to support processing of water rights applications. The bill was amended on the House floor, which would have prohibited DOE from requiring meters on exempt wells. However, when the bill returned to the Senate, the House amendment was ruled beyond the scope and object of the bill and was removed. Both chambers passed the underlying bill, which was sent to the Governor.

The **Senate budget** contains a **proviso** requiring the Washington Dept. of Fish and Wildlife to do an environmental impact statement before declaring the Cedar River Watershed (game management unit 490) open for deer and elk hunting. The City of Seattle/Seattle Public Utilities strongly **supports** this language. We are asking our legislators to help assure that the proviso is in final budget bill passed by the legislature.