



CITY OF SEATTLE 2011 STATE LEGISLATIVE BULLETIN

December 12, 2011

Number 2

Weekly Overview

This was the second week of the 2011 Second Special Session, which began on Monday November 28th. The special session is scheduled to last up to 30 days, and the 2012 regular session begins on January 9th.

While the second week was quieter outside the doors of the capitol building, inside the House and Senate held productive committee hearings and work sessions that will help them understand the effects of the cuts and changes made last session and the potential impacts and complexities of cuts and policy changes being considered for the future. Today, the Ways and Means committees for both houses will be releasing budget proposal bills with \$300-400 million in cuts, and we expect to see consideration of more bills that are “necessary to implement the budget” and on-going work sessions in the coming week.

Senate Republicans and “Road Kill Caucus” members have both made a call for various reform measures to be passed before they will vote in favor of new revenue, to help close the nearly \$2 billion budget gap.

On December 7th, the Association of Washington Cities hosted a Mayors Exchange in Olympia where approximately 60 Mayors engaged in workshops and meetings regarding legislative matters. Mayor McGinn attended, and a number of key legislators presented.

This is an abbreviated version of the bulletin; during the special session we will be providing less frequent and shorter bulletins since there is less to update on than during the regular session, but we will continue to provide updates as new information becomes available.

Updates on Priorities

Budget:

The House and the Senate Ways and Means committees have announced that they will be releasing budget proposals (HB 2058 and SB 5883, respectfully) at 11:00 am today, December 12th. It is expected that these proposals will include \$300-400 million in cuts and will not include high-profile state programs. Both bills are scheduled for hearings at 3:30 pm today.

Both the House and the Senate have introduced Governor request legislation on some of the Governor's proposed revenue alternatives, including the sales tax, reducing the period of time for tax refund filing, and limiting the B&O tax deduction for first mortgage interest to banks that operate in fewer than ten states, and closing nonresident manufacturing B&O loophole.

Legislation:

The committee work session topics included sessions on:

- Community Supervision, which explored the idea of moving supervision of felony offenders to counties, including presentations by the Department of Corrections, the Washington Association of Prosecuting Attorneys and the Washington Association of Sheriffs and Police Chiefs;
- Implementation of the Liquor Initiative, which discussed the logistics and challenges of moving to a private system, including the complexities of taxing, inventory, and divesting the state resources; and
- Tenant Screening, which included presenters representing tenants, landlords, and credit agencies and discussed options for adequate and affordable tenant screenings.

In addition to work sessions, the legislature is considering select legislation, including SJM 8009 (Requesting respectfully for adoption of the federal main street fairness act) which is scheduled for a public hearing in the Senate Ways and Means committee on Tuesday. The Senate Joint Memorial asks Washington's congressional delegation and President Obama to support the Main Street Fairness Act's passage, which would support increased collection of sales taxes for online purchases.

Looking Ahead

The special session will continue this week. In addition to the budget releases and hearings today, the House and Senate will continue to hold work sessions, including Senate sessions on funding for agriculture, education, and the Children's Administration.

On Tuesday, the Senate Financial Institutions, Housing & Insurance is holding a hearing on SB 5952 (which matches HB 2048) to extend and grow the document recording fee to benefit housing and homeless programs. The City supported the House companion bill, HB 2048 in the 2011 session, and while it did pass the House, it failed to pass the Senate in the final days of the Spring special session. Thank you to Councilmember Licata for offering to testify in support of the legislation.