



CITY OF SEATTLE 2012 STATE LEGISLATIVE BULLETIN

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Week Overview

This week the House Ways and Means and Capital Budget chairmen released their proposed operating and capital budgets, including a jobs package and an education-related construction package. These bills were heard and passed out of their respective committees. Additionally, the policy committee cut-off for bills in the opposite house was on Friday, and the opposite house fiscal committee cut-off is this Monday.

The House proposal would preserve key parts of the safety net, including the Basic Health Plan and Disability Lifeline. It makes significant cuts to state-local shared revenues, however, and assumes passage of additional taxing authority for local governments to help offset state cuts.

Areas of Primary Focus

Protecting the most vulnerable

Budget: The House Democratic Caucus released their budget proposal this week, took public testimony on it, and then passed it out of Committee on Saturday. The budget preserves key parts of the safety net including the Basic Health Plan and Disability Lifeline. Amendments were made to the budget in the Ways and Means Committee on Saturday morning, and City Departments continue to analyze the budget details.

Human Trafficking: The legislature has introduced a package of bills to address the problem of human sex trafficking in our state, including [ESSB 6251](#), to criminalize the advertising of minors as a class C felony, which is prime-sponsored by Senator Kohl-Welles. Seattle **supports this legislation** and it passed the Senate 49-0 on February 8th. It has now moved to the House, where it had a public hearing in the Public Safety Committee. Chief Jim Pugel and Craig Engelking testified in support of the legislation on behalf of the City. It has passed out of Committee and is now eligible to come to a vote on the House floor.

Education

K-12 Reform: [ESSB 5895](#) reforms the way teachers and principals are evaluated. The bill is largely agreed upon, and it passed the Senate 46-3. It has passed out of the House Education Committee, was heard in the House Ways and Means Committee on Friday, and is scheduled for a committee vote on Monday. It requires school districts to revise the way

they evaluate teachers and principals with a basic rating system that must reflect student growth data, requires more focused evaluations, increases accountability and support, and creates a pilot project to help determine the best ways to include teacher performance in reduction in force and assignment decisions.

[E2SHB 2337](#) directs OSPI to identify and develop a library of openly licensed courseware for K-12 education. The bill passed the House 88-7 and was passed out of the Senate Early Learning & K-12 Education this week. The bill has been referred to Senate Ways & Means.

Economic Development

Transportation Funding: [ESSB 6582](#) provides a number of local transportation options. Councilmember Tom Rasmussen testified in support of the legislation in the House Transportation Committee. The bill was amended in committee and now authorizes King County to councilmanically impose a 1% MVET with the County keeping 62.5% and the rest distributed between cities. It also includes councilmanic authority for TBDs to impose up to \$40 vehicle fees. The bill is now in Rules, and we will continue working with legislators, the County, other cities, and stakeholders to perfect the legislation

Meanwhile, [SSB 6455](#), which would raise transportation fees primarily to generate state revenue, is also moving. This Governor request bill originally included a \$1.50 fee per barrel of petroleum, but that provision was stripped out, and the legislation now raises considerably less revenue. The bill has passed out of the House Transportation Committee and is now in Rules.

Jobs Now Package and Capital Budget: Along with the supplemental capital budget, the House Capital Budget chair heard and passed out of committee an infrastructure jobs package ([HB 2793](#)) and an education construction proposal ([HB 2792](#).) The jobs proposal would bond against certain dedicated revenue streams and use the bond revenue to invest in a set of infrastructure projects including environmental clean-up, water quality improvement, toxic waste site clean-up, and energy efficiency. The education construction bonds would be funded by lottery revenue and focus on community and technical colleges and skills centers. In addition to the jobs package, the capital budget ([PSHB 2168](#)) includes funding for affordable housing, weatherization, and higher education construction.

Public Safety

DWLS3: [E2SSB 6284](#) reforms Washington's approach to certain traffic infractions. The compromise bill, **which Seattle supports**, had a public hearing in the House Transportation Committee. City Attorney Pete Holmes testified in favor of the legislation on behalf of the City.

City Fiscal Health

Budget: The House budget, [SHB 2127](#), would make significant cuts to local governments. The biggest reductions come from permanently cutting the local share of state liquor taxes and criminal justice shared revenues. These two cuts total approximately a \$5.5 million loss for Seattle for 2013. Other cuts and shifts total an excess of another \$1 million a year to the City. In addition, there are many cuts to state programs that will result in additional challenges at the local level that will increase costs. These are difficult to quantify, however. Meanwhile, to help backfill the direct cuts, the House plans to introduce legislation that would

give local governments additional revenue options. These options include additional sales tax authorities for counties (with revenue shared with cities), a utility tax for counties, and restaurant tax for cities.

Local Revenue Authority: The cities continue to work with the Governor's office and the Department of Revenue. The Governor now plans to focus legislative efforts on simplifying the state B& O classifications and has expressed a desire to work collaboratively with cities to improve coordination between the state and cities with the administration of the B&O tax. The cities will continue to move ahead with work to create a common portal for businesses to file all their local B&O taxes.

[SSB 6574](#) allows the City to continue to collect an admissions tax for Husky football games while the Huskies are temporarily relocated to Century Link for this season. **Seattle supports this bill** because without it, we would lose up to \$900,000 in revenue in 2012. Seventy-five percent of those funds are dedicated to City arts programs. **Councilmember Licata testified in favor of this bill** previously in the Senate and in the House Ways and Means committee this week. The bill passed the Senate and was heard and passed out of the House Ways and Means Committee on February 24th.

Other Issues of Significant Interest

Marriage Equality: On Wednesday, February 1st, [ESSB 6239](#) was passed by the Senate in a 28 to 21 vote, after the inclusion of seven amendments related to religious exemptions. The bill then passed the House, 55-43, and on February 13th, the Governor signed it into law, effective June 7, 2012. **Seattle supported this legislation.**

Affordable Housing: [ESHB 2048](#) passed the House by a vote of 55-42. This bill, which is sponsored by Rep. Kenney, would extend and grow the document recording fee to benefit housing and homeless programs. **Seattle supports this legislation.** The bill passed out of the Senate Financial Institutions and Housing & Insurance Committee and was referred to Ways and Means on February 23rd.

Fair Tenant Screening Act: [SSB 6315](#), concerning the fair tenant screening act, which is sponsored by Senator Frockt, passed the Senate 46-0 and was passed out of the House Judiciary Committee this week. The bill is currently in Rules, waiting to be scheduled for a vote on the House floor. **Seattle supports this bill** because it would reduce the costs of tenant screenings while helping to ensure that landlords have the information they need to make sound rental decisions.

Transportation Benefit District Rebate Program: [ESB 6215](#), sponsored by Senator Frockt, would authorize a TBD that imposes tolls, a sales tax, or a vehicle fee to establish a rebate program for the purpose of refunding taxes and fees paid by low income individuals. It passed the Senate 29-20. Councilmember Nick Licata testified in support of the legislation in the House Transportation Committee and it passed out of Committee on February 24th. **Seattle supports this legislation** because it would give us an option to help make our current TBD authority more equitable. However, the bill was amended in the Senate to include limits on the amount of the refund and eligibility criteria that may not be feasible to administer. We are working with Sen. Frockt and others to determine if the bill can be amended to address these issues.

Hazardous Site Clean-Up: [E2SSB 6211](#), which would help accelerate the cleanup of hazardous waste sites, is eligible for a vote in the Senate. **Seattle supports the bill** because it would provide some new tools that could be particularly helpful with the Duwamish cleanup, such as Brownfield Renewal Areas and the creation of a grant-funded trust that could help provide funding for the Duwamish and other sites over multiple biennia. Thank you to Sen. Murray for sponsoring a floor amendment to restore the grant funded trust provisions. Seattle is working with legislators, staff, and other stakeholders to perfect the bill. The bill was passed out of the House Environment Committee, had a hearing in the House Capital Budget Committee, and is scheduled for a vote in that fiscal committee on February 27th.

SEPA Modernization: [E2SHB 2253](#) passed the House 92-6, and it was heard and passed out of the Senate Environment Committee this week. The bill has been referred to the Senate Ways & Means Committee. This legislation, which is sponsored by Rep. Fitzgibbon and Sen. Nelson, aims to modernize SEPA and promote responsible development by streamlining the process while still protecting the environment. The House and Senate prime sponsors are working closely together on this legislation, and **Seattle supports the legislation** and continues to engage in this process as the legislation is perfected.

Peer Car Sharing: [ESHB 2384](#) would regulate personal vehicle sharing programs. **Seattle supports the bill**, which is sponsored by Representative Hudgins. This bill passed the House by a vote of 73-23. [ESHB 2361](#), to allow usage-based automobile insurance, also passed the House by a 73-23 vote on Friday. Both bills passed out of the Senate Financial Institutions and Housing & Insurance Committee and are waiting to be scheduled for a vote on the Senate Floor.

Product Stewardship: The legislature considered a number of bills to protect our environment through product stewardship. [2SSB 6120](#), to limit toxics in children's products was heard in Senate Ways and Means on January 26, where Seattle's letter of support was shared with the committee members. The bill passed the Senate on Friday, February 10th, 41-6, but in a considerably weakened form. The bill has since passed the House Environment Committee and the House General Government Appropriations & Oversight Committee, and it has now been referred to Rules to be considered for a floor vote. [ESSB 6180](#), reducing costs and inefficiencies in elections, would reduce the size of printed voters' guides, passed the Senate 47-0, and had a public hearing in the House State Government Committee. This week, the bill was passed out of the House State Government & Tribal Committee Affairs Committee and House Ways and Means. **Seattle supports these bills. Seattle also supported** [SSB 5234](#), which would create a statewide program to collect and dispose unwanted medicines; however this bill failed to make it out of the Senate prior to cutoff.

Towing: [ESHB 2372](#), concerning fees and rates for tow truck services and vehicle storage, would direct the Department of Licensing to set maximum towing fees across the state. As the bill came out of the Transportation Committee, it contained a statewide cap on towing rates, which Seattle supports, but it also preempted local regulations, which we opposed. Rep. Pollet offered a floor amendment to remove the local preemption, which we supported. The amendment was adopted and the bill passed 55-43. On February 27th, the bill is scheduled for a public hearing in the Senate Transportation Committee.

Energy Independence Act: [SSB 6414](#), which allows for a prequalification process for public utilities under I-937, passed out of the Senate unanimously. The bill has now passed the House Environment Committee and has been referred to Rules. Seattle City Light testified in support of the bill at hearing in the House Environment Committee because this bill would help allow some significant energy conservation projects to move forward. It was voted out of the committee and is now in Rules.

[SHB 2783](#) amends the Fuel Mix Report and the off-ramp provision in I-937 to allow purchases from the coal-fired Chehalis TransAlta facility. Seattle City Light testified with concerns because the amendment to the Fuel Mix Report would allow purchases from TransAlta be recorded as "other." City Light believes that undermines the purpose of the report which is to communicate to our customers the sources of fuel. The bill passed out of Committee and is now in Rules.

City Speed Limits: In order to improve public safety on city streets, [SHB 1217](#) would make it easier for local authorities to set 20 mph speed limits on certain local, non-arterial streets. This bill passed the House 96-0 and was passed out of the Senate Transportation Committee this week. The bill is currently in the Rules Committee. **CP Sally Clark testified in support of this legislation on behalf of the City.**

Health Care: [ESHB 2330](#) would ensure that any health insurance plans that provide coverage for maternity care must also provide equivalent coverage for the voluntary termination of pregnancy, within current law, and with the exception of a federally designated plan that does not cover this procedure under federal law. It passed the House 52-56, was passed out of the Senate Health Care Committee, and on February 22nd, it had a public hearing in the Senate Ways & Means Committee. **Seattle supports this legislation.**

Design Build Professionals' Liability: [EHSB 1559](#) addresses indemnification agreements involving design professionals. It passed the House 98-0, on February 23rd, the bill passed out of the Senate Committee on Labor and Commerce & Consumer, and bill is now in the Rules Committee. **Seattle, along with AWC and other governmental entities, opposes this legislation** because it protects the design professional instead of those harmed, shifts liability from design professionals onto governments, and will interfere with cities' ability to negotiate contracts with design professional. We are working with legislators and stakeholders on language to improve the bill.

Credit Unions: [SB 5913](#) increases the permissible deposit of public funds with credit unions. It passed the Senate 43-2, had a public hearing in the House Business and Financial Institutions Committee, and has been referred to Rules, where it was placed on second reading. **Seattle supports this legislation.**

Looking Ahead

Bills must be out of fiscal committees by Monday, and then both the House and Senate will turn to floor action for the remainder of the session. The Legislature is set to adjourn on March 8th.