



CITY OF SEATTLE 2012 STATE LEGISLATIVE BULLETIN

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Number 1

Week Overview

The legislature convened on January 9th and have until March 8th to complete the 2012 regular legislative session. To close the nearly \$1.4 billion budget gap (including reserves) in the 2011-2013 biennial budget, they are considering devastating cuts as well as some revenue options, including a ½-cent sales tax increase. Programs being considered for cuts and potential elimination include Basic Health, the programs formerly known as Disability Lifeline (Housing and Essential Needs), health care and food assistance for immigrants, and local shared revenues.

The first week of session saw many committees holding work sessions and public hearings on the full range of topics. Governor Gregoire delivered her State of the State address, in which she outlined her priorities: half a cent temporary sales tax increase, funding for education and the safety net, efficiency reforms, new revenue for transportation, and marriage equality.

Areas of Primary Focus

Protecting the most vulnerable:

The legislature held work sessions on the changes to the Housing and Essential Needs program, the cuts to the TANF (Temporary Assistance for Needy Families), and nonprofits in the economy to learn more about the impact of the cuts and changes from the 2011 session. Many service providers from across the state testified about the families and individuals that they are seeing struggling in this economy, and the importance of preserving what remains of the safety net programs. These issues will continue to be considered as the budget negotiations move forward.

Human Trafficking: The legislature introduced a package of bills to address the problem of human sex trafficking in our state, including SB 6251 to criminalize advertising of minors as a class C felony, which is sponsored by Senator Kohl-Welles. Seattle supports this legislation.

Education:

It is unclear what impact the recent court decision on education funding (McCleary) will have on the passage of a new revenue source and the immediate prioritization of funding for education. The court stated that school districts cannot be made to rely on local levy funding to meet basic education, and that the state's funding formula no longer matches the needs. The court has retained supervision over the issue.

Economic development:

Transportation Package: Governor Gregoire has proposed a \$3.8 billion transportation package. Although specific details have yet to be released, it would be funded through a significant barrel fee on petroleum (\$1.50/barrel) and significant increases to other transportation related fees. We expect the bill to be introduced this week, and are working to include local transportation options as part of the proposal.

Public safety:

Medical Marijuana: Senator Jeanne Kohl-Welles has sponsored legislation (SB 6265) to clarify the rules around collective gardens and nonprofit patient cooperatives, to make it easier for cities to ensure access to medical marijuana for patients, while also protecting public safety. Seattle supports this legislation, and it is scheduled for a hearing on January 18th.

DWLS3: Senator Adam Kline has sponsored legislation (SB 6284) to authorize a civil collection process for unpaid traffic fines and remove the requirement for law enforcement intervention for the failure to appear and pay the traffic ticket. Seattle supports this legislation.

City fiscal health:

Local Revenue Authority: At the request Governor Gregoire, legislation has been introduced in both the House and Senate that would have the state take over the administration of local B&O taxes. Seattle opposes this legislation because it would result in an estimated loss of \$23-43 million a year in City revenue. Seattle is working with the other major B&O cities on a common portal that will simplify tax filing for businesses.

Other Issues of Significant Interest

Marriage Equality: The Governor, Senator Murray, and Representative Pedersen are leading the way on promoting marriage equality legislation this session (SB 6239.) The City's Human Rights Commission and LGBT Commissions have passed resolutions in favor of this issue, and these have been sent to the Seattle legislative delegation. Seattle Supports this legislation

Affordable Housing: SB 5952/HB 2048 to extend and grow the document recording fee to benefit housing and homeless programs is scheduled for executive session in the Senate Committee on Financial Institutions and Housing & Insurance on January 18th. Seattle supports this legislation.

SEPA modernization: The City testified in support with concerns on HB XXXX, sponsored by Rep. Joe Fitzgibbon. This challenging aims to update SEPA to eliminate unnecessary steps where possible and promote responsible development while still ensuring the environment is protected.

Carpet Recycling: Seattle Public Utilities testified in support carpet recycling legislation (SSB 5110) that was included as part of a committee meeting that included a number of other bills aimed at protecting the environment and promoting product stewardship.

Energy and City Light: Seattle City Light participated in a Senate Energy, Natural Resources & Marine Waters Committee work session on Bonneville Power Administration's environmental dispatch and the impacts of the oversupply of hydropower and wind. The work session covered the reasoning behind the policy and how the redispatch impacted public and private utilities and the wind developers. Although there has been legislation introduced on this issue, it is unclear if it will move forward because BPA is in settlement negotiations with multiple stakeholders.

Looking Ahead

The week of January 16-20 will have hearings on modernization of the state environmental protection act (SEPA), medical marijuana, and education reform and work sessions on the implementation of the liquor initiative.