

CITY OF SEATTLE

2009 State Legislative Agenda Final Report – Sine Die

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SESSION PRIORITIES – 2009

Public Safety – We strive to ensure all people feel safe and protected in their homes, businesses, and on our streets. This includes changing state law to comply with federal law regarding involuntary mental health commitment, prohibiting those who have been involuntarily committed for fourteen days from possessing firearms. We will also seek greater flexibility for local governments who opt to ensure the safety of their communities through local actions to regulate firearms or weapons in public areas. We will seek support for the prevention of youth gang violence, building on the first steps in HB 2712 from the 2008 legislative session.

Passed:

HB 1498 would make changes to state law regarding when a person's right to possess firearms is revoked after a certain time of involuntary commitment for mental health treatment, making state law consistent with federal law. **The governor signed this legislation on April 30, 2009. Seattle supported this legislation.**

House Operating Budget (ESHB 1244): \$3.7 million was appropriated for competitive grants to community-based organizations to provide at-risk youth intervention services, including but not limited to case management, employment services, educational services, and street outreach intervention programs. This funding will augment the work of Seattle and other communities in reducing youth and gang violence. Seattle supported legislators' efforts to secure these funds.

Did Not Pass:

SB 5010 and SHB 1039 would establish a statewide Chemical, Biological, Radioactive, Nuclear or Explosive (CBRNE) emergency response program. **Both bills died this session.**

Housing Resources – Seattle believes that housing—its availability and affordability is critical to the quality of life of our residents and neighborhoods. With continued strong population growth in the region and an uncertain housing market, it is important to provide adequate housing opportunities to all and to put resources and incentives to work towards bridging the affordability gap for those who need it most. We seek to maintain state resources for the Housing Trust Fund at \$200 million per biennium as well as resources for transitional and short-term rent programs for those who are currently homeless or at risk of becoming homeless. The City also supports more effective incentive zoning statutes, additional incentives for private employers and developers to provide housing, and support for housing financing tools like the Housing Everyone Financing Tool (HEFT).

Passed:

SHB 1464 and SSB 5544 would make modifications to the incentive zoning for affordable housing statute. The Senate bill died in the Senate Rules Committee. On April 13, SHB 1464 was signed into law by the governor. Seattle supported this bill.

Did Not Pass:

HB 1973 and SB 5856 would have created a financing tool for affordable housing. The House version passed out of its policy committee but was not heard in the Finance Committee. The Senate version did not make the policy cutoff. **Both bills died this session. Seattle supported these bills.**

SHB 1696 would have provided an incentive to employers to provide housing assistance to employees and had an amendment reducing the qualifying affordability threshold from 120% of Area Median Income (AMI) to 80% AMI. SHB 1696 did not make it out of House Finance. The Senate version, SB 5585 did not make it out of Ways and Means. Seattle supported these bills.

Health Care

It is critical that a stable, long term revenue source be identified for public health. We also support efforts to ensure all persons have accessible, affordable, and culturally competent health care. We believe all persons in Washington State should have access to affordable prescription drug coverage, alcohol and substance abuse treatment, comprehensive mental health, and dental health services. We also support identifying enhanced and stable funding for drug and alcohol treatment programs. The Senate Operating budget proposes a decrease of \$4 million for public health during the 2009-11 biennium. The House budget proposes a decrease of \$41 million. These numbers are decreases from the \$68 million currently in the biennial budget.

Did Not Pass:

2SHB 1985 would require local health districts to comply with minimum health standards as a condition for receiving state funding. This bill died in the House Rules Committee.

SB 6074 would have allowed health districts within all or part of a county and would have provided a property tax of up to thirty cents per one thousand dollars of assessed value to be used solely for public health. This bill died in the Senate Ways & Means Committee.

<u>Seattle Center</u> – Tourism and cultural activity are vital elements of the economic engine of Seattle. In order to maintain and improve the programming offered to the public, Seattle Center warrants additional attention and resources. We request the legislature's authorization of a less-than-1% revenue-neutral shift of the existing hotel/motel tax, to be directed toward Seattle Center tourism improvements.

Did Not Pass:

SSB 6116 would take the 2 percent car rental tax, the 0.5 percent restaurant tax, the two percent state shared hotel-motel tax, 75 percent of the one percent car rental tax and state sales tax credits and re-prioritize their use after the Safeco and Qwest bonds are paid off. The King County Council could use the existing taxes for arts and heritage programs, tourism promotion, youth sports activities, regional centers, publicly owned stadiums, community development, and low-income housing. It

would have allowed Seattle funding from this source for Seattle Center and Key Arena under specific conditions and was consistent with the basketball settlement agreement which could have meant pursuing a new team or collecting \$30 million. This bill never made it to the Senate floor for a vote. **Seattle supported this legislation.**

SHB 2252 would take the 2 percent car rental tax, the 0.5 percent restaurant tax, the two percent state shared hotel-motel tax, 75 percent of the one percent car rental tax and re-prioritize their use after the Safeco and Qwest bonds are paid off. It would set aside specific funding for the arts and heritage programs and housing and allows additional funding for regional centers (outside Seattle), art and heritage programs, low income housing (as described in HB 1490 related to transit oriented development), community development, and human services. This bill did not meet the needs for Seattle Center or the basketball settlement.

Regional Transportation – We believe that a well-maintained and supported transportation system is critical in advancing economic prosperity, meaningfully reducing greenhouse gas levels, and accommodating projected population growth in a sustainable manner. We support efforts to reduce vehicle miles traveled and to promote increased use of new and existing tools to move people and goods through cleaner, more efficient choices. We believe the State should fully fund the transportation infrastructure system, particularly when there is an identified safety risk. The State should also play an increased role in funding transit and transportation choices as part of our state system. We support legislative efforts to improve bicycle and pedestrian safety, including the Safe Routes to School program, and to examine strategies that enhance local enforcement of traffic laws. We support the continued progress on and funding toward the Alaskan Way Viaduct corridor. We support efforts to develop a full funding package for replacement of SR 520. Seattle supports tolling and congestion pricing as a demand management tool and encourages development of a regional road pricing system to help fund transportation alternatives to single occupancy vehicles. Seattle strongly supports an economy-wide cap-and-trade program that includes all major sources of emissions, including natural gas and transportation.

Passed:

ESSB 5768 authorizes the replacement of the State Route 99/Alaskan Way Viaduct with a bored tunnel. The legislation caps the state portion of the project at \$2.4 billion which is in the transportation budget and allows tolling for an additional \$400 million. It requires updated cost estimates by January 1, 2010, incentives and penalties to avoid cost overruns, and a single point of information on all components related to the overall tunnel project. Finally, it requires cost overruns to be "...borne by property owners in the Seattle area who benefit from replacement of the existing viaduct with a deep bored tunnel." Seattle supported this legislation although not the new policy of trying to make a local government --or its residents-- pay for a state project over which it has no authority or control.

SHB 2211 allows tolls on the State Route (SR) 520 corridor, sets up a tolling authority to set a schedule of toll rates to maintain travel time, speed, and reliability in the corridor and increase the toll rates. It caps the total cost of the project at \$4.65 billion. It sets up a work group consisting of all the legislators from the 43rd and 48th districts and two each from the 45th and 46th districts plus one from outside the SR 520 corridor. This work group must recommend design options and a financing plan by January 1, 2010.

ESHB 1978 appropriates the transportation funds from the federal economic stimulus plan. Funding for Mercer Street and Spokane Street was not included. This bill was signed by the governor on March 5.

ESSB 5352, the transportation budget, includes \$2.4 billion for the AWV replacement and an additional \$10 million for the Spokane Street project. There was no new funding proposed for the Mercer Street project. The legislature passed the budget and the governor must sign it by May 19.

Did Not Pass:

HB 1591 would have made technical changes to the Transportation Benefit District Statute and allowed the voter approved sales tax to extend out to thirty years for bonding purposes. An amendment would have allowed councilmatic authority for an additional \$20 (for a total of \$40) if used for transit purposes. This bill did not come up for a vote in the House. **Seattle supported this legislation.**

HB 1947, allowing a new local option street utility based on the levels of use of residents and businesses, did not make it out of the House Transportation Committee. **Seattle supported this legislation.**

HB 2036 would have set up a "transportation infrastructure improvement zone" to capture increased tax revenue and help finance the State portion of the costs of the AWV replacement tunnel. This bill was never heard in the House Transportation Committee.

SB 6064 would allow transportation accountability regions and regional transportation accountability boards to plan, finance, construct and operate regional transportation projects, which essentially means any state or local road or transit project. A plan will be placed before the voters along with the necessary financing – taxes, tolls, user fees, etc. A nine-person voter approved board would be established. All state and local taxes on the transportation projects would be exempt. This bill did not make it out of the Senate Transportation Committee.

Education

The state constitution mandates the State to provide K-12 education for all children, including special needs children. Although the City of Seattle does not operate, manage, or fund public education, successful public schools are the heart of our neighborhoods and a quality education for all students is the key to the social and economic vitality of our city and state. We are committed to the success of our Seattle

schools and believe the State should continue to provide for the full funding of K-12 education.

Passed:

ESHB 2261 and ESB 6048 state that the Legislature intends to monitor the progress of developing formulas, processes, and systems and to begin a schedule of implementation in the 2011-12 school year. The Senate bill died in the House Rules Committee. On April 23, ESHB 2261 was delivered to the governor for signature. Seattle supported these bills.

STATEMENT OF POLICY – 2009

The policy statements below represent ongoing priorities for the City of Seattle and its residents. The City urges the State Legislature to initiate and support legislation that advances the following principles:

Civil Rights

Every person, including undocumented immigrants, has the right to live, work, learn, feel safe and play free from discrimination. We support local discretion with regard to implementing I-200 restrictions in both education and employment opportunities. We support legislation that prevents discrimination in housing, employment, public accommodations, and lending practices. We also support efforts to reduce racial disproportionality in the areas of economic equity, environmental justice, criminal justice, health, and education.

Passed:

E2SSSB 5688 (companion bill 2SHB 1727) would expand rights, responsibilities, and protections for registered domestic partners. **Seattle supported this legislation. SB 5688 was passed by both chambers and delivered to the governor for signature.**

SB 5952 would expand the definition of "sexual identity" as it relates to protection under the malicious harassment statute. Seattle supported this legislation. It was signed by the governor on April 22.

SHB 1517 (companion bill SB 5534) would restore the right to vote to persons convicted of a felony in a Washington State Court when he or she ceases to be in the custody of the Department of Corrections. Seattle supported this legislation. It was signed into law on May 4 by Governor Gregoire.

Did Not Pass:

SHB 1766 and SSB 5672 would have amended state discrimination laws by adding protections for tenants and others dealing in real estate transactions from being discriminated against on the basis of lawful source of income such as SSI, Section 8, and other public and lawful sources of income. Seattle supported these bills. Neither of these bills received a vote in their respective chambers of origin.

Climate Protection & Environment

We believe all levels of government should implement practices and policies that provide for strong climate protection and mitigate greenhouse gas emissions. We believe the State should assert leadership through bold policy implementation to ensure we are well positioned when the federal government takes action.

Seattle supports a hard cap on greenhouse gas emissions and supports the aggressive implementation of a cap-and-trade program. We support flexible state funding to local government efforts to combat climate disruption. We support measures to mitigate the

impact of increased energy costs to lower income households. The Western states' and Seattle's climate protection goals are economy-wide; therefore, a cap-and-trade program that includes all major sources of emissions, including natural gas and transportation, is vital to both the City's and State's abilities to meet their goals. The urgent need for a comprehensive, economy-wide approach to emission reductions is precisely why Seattle does not support delaying the inclusion of transportation fuels and natural gas in a cap-and-trade program until 2015.

Passed:

E2SSB 5560 requires all state agencies to meet statewide emission limits and to submit strategies to the Department of Ecology on meeting those limits. As SB 5560 was passed out of the House, E2SSB 5138 was condensed and amended into SB 5560. SB 5138 requires several state departments to develop an integrated climate change response strategy to better enable state and local agencies, public and private businesses, nongovernmental organizations, and individuals to prepare for, address, and adapt to the impacts of climate change. Seattle supports this legislation and worked to amend the bill to include collaboration with local government agencies already engaged in adaptation work. Both the House and Senate approved the bill and sent it to the governor on April 25.

Did Not Pass:

E2SSB 5735 (companion bill 2SHB 1819), by request of Governor Gregoire, would take steps to implement a regional cap-and-trade program in line with the Western Climate Initiative. Seattle supported the original legislation and the version passed by the House. Though not actually taking any concrete steps toward a cap-and-trade program, the bill would have taken some worthwhile next steps: 1. It would direct the state to continue to be actively engaged in regional and national conversations about the development of a greenhouse gas reduction program; 2. It would take tangible steps toward the closure or overhaul of the Centralia coal-fired plant; 3. It would authorize an alternative fuels corridor pilot project capable of supporting electric vehicle charging, battery exchange technologies, and providing alternative fuel distribution. SB 5735 did not receive a vote in the Senate prior to adjournment.

Economic Development

We support state efforts to provide local governments with financing tools and remove needless regulatory barriers in order to attract and retain businesses. We also support incentives that promote increased job and apprenticeship opportunities, wage progression, and retention for workers. We encourage efforts aimed at increasing the participation of Women and Minority Owned Businesses (WMBE) in state and local contracting.

We support efforts to enhance our tourism industry, including performing arts and cultural organizations and institutions. We are supportive of state funding for Phase III of the University of Washington's Medicine/Life Science South Lake Union campus as well as for the School of the Environment on the University of Washington campus.

Passed:

2SSB 5045 allows cities, counties, and port districts, to create "revitalization areas" and use certain tax revenues which increase within the area to finance local public improvements. The following sources of revenues are used for the payment of bonds which are issued to finance improvements: increased local sales/use tax revenues and property tax revenues generated from within the revitalization area; additional funds from other local public sources; and a local sales/use tax that is credited against the state tax. **The bill was delivered to the governor for signature on April 22.**

Education

We believe it is the State's responsibility to fully fund K-12 education, and to implement programs that close the achievement gap. We also believe that the provision of state-wide, universal pre-K instruction assures that all children enter elementary school ready to learn. We support enhanced and stable funding for arts in public education.

Seattle believes that implementation of the Child Care Quality Rating and Improvement System is key in setting a standard for universal pre-K, and that Seattle could be an excellent model for early implementation. We support improved access of low-income four-year-olds to preschool and continued monitoring of the Department of Early Learning's progress toward a culturally relevant statewide kindergarten readiness assessment.

During challenging economic times, it is also particularly important to support community colleges, technical colleges, and state universities as they provide access to retraining and workforce development opportunities. Public educational institutions are also a major employer in Seattle and across Washington State and have a considerable impact on our economy.

See the Education heading under Session Priorities for related legislation.

Elections and General Government

We believe the State of Washington should pay for all elections related to state government and state offices. We support efforts to facilitate the secure use of electronic signatures for local governments. We support local governance structures that allow flexibility among jurisdictions to meet requirements, such as open public meetings, in a way that reflects the organizational structure of the jurisdiction and does not interfere with public access. Seattle feels strongly that the State should not pre-empt or otherwise prohibit local governments from establishing local policies that address their own diverse communities' needs and priorities.

Passed:

SSB 5367 (companion bill SHB 1434) creates a new spirits, wine, and beer nightclub license and was brought by the Liquor Control Board. **Seattle carefully monitored this legislation and succeeded in amending the bill to maintain the current definition of "public institution" in statute, and to clarify the time**

period currently available to local governments for liquor license renewals. SHB 1434 died in the House. SSB 5367 passed and was signed by the governor on April 29, 2009.

SSB 5130 relates to prisoners making public records requests and was signed by the governor on March 20, 2009.

Did Not Pass:

HB 1154 would have prohibited local governments from imposing fees, taxes, or other charges on the transfer of disposable shopping bags. **This bill never received a hearing in the House.**

<u>Energy</u>

We support the development of a long-term energy strategy that includes planning for adequate energy capacity and supply. We also support measures which assist in our continued ability to meet our zero greenhouse gas emissions goal. We support the inclusion of low-impact hydroelectric power as a renewable energy source in any legislation related to renewable energy portfolio standards. We also support opportunities for greater enforcement of building codes to ensure energy efficiency.

We note the need for adaptation research in the North Cascades/Skagit Watershed to better understand the effect of climate disruption on hydropower and energy markets more broadly. We also support increased opportunities for solar production as well as an expanded role for zero-emission vehicles. We believe that new technology jobs are critical to a strong green economy, and we are supportive of the recently established Green Industries Job Training Account.

Passed:

E3SSB 5854 (companion bill E2SHB 1747) promotes low-energy-use building codes, disclosure of buildings' energy use scores, financing energy-saving upgrades to existing buildings, and reducing low-income households' utility bills. While the original versions of the bills allowed cities and counties to create a "conservation utility", this authority was removed from the later versions. Additionally, E3SSB 5854 had an amendment added that prohibits local governments from adopting residential energy codes that exceed the requirements of the state code. The House version, **E2SHB 1747**, was not heard in the Senate Ways and Means Committee. **On April 22, E3SSB 5854 was delivered to the governor for signature. Seattle supported these bills.**

ESSB 6170 provides tax incentives for renewable energy development, including fuel cells, sun, wind, biomass energy, tidal and wave energy, geothermal resources, anaerobic digestion, and technology that converts otherwise lost energy from exhaust or landfill gas. On April 26, ESSB 6170 was delivered to the governor for signature. Seattle supported this legislation.

Did Not Pass:

ESSB 5840 proposed changes to I-937, the energy independence act. The bill went to conference committee and the conference committee report included an amendment that would have provided only Tacoma Power and Clark PUD with a 3% cost cap, leaving other utilities, including City Light, with the initiative's 4% cost cap. **Seattle carefully monitored the provisions of these bills. Neither the House nor the Senate brought the conference report to their respective floors for a vote.**

Growth Management, Land Use and Annexation

We support the Growth Management Act (GMA) as the primary means of planning for growth. We support the further integration and streamlining of state land use and related statutes while preserving environmental protections. We support better integration of land use and transportation.

We support efforts to protect and provide local government tools to implement "growth pays for growth" policies. We support state funding to assist jurisdictions in meeting planning requirements and infrastructure needs of the Growth Management Act and the Shoreline Management Act. In addition, we support funding to help support the infrastructure and operating needs of cities where growth is being concentrated or where annexations occur. We support legislation that would allow Seattle to receive a sales tax credit if it annexes all or a portion of the North Highline unincorporated area.

Passed:

2ESSB 5321 continues the current sales tax credit for annexations over 10,000 by cities under 400,000. It allows smaller cities an extra 0.1% sales tax credit if an annexation "commences" before 2010 and provides Seattle or Burien up to \$5 million per year if an annexation of over 18,000 people in North Highline area takes place. Finally, it allows casinos to remain open in newly annexed areas if there is a city-wide ban already in place. This must be determined by the municipality. This bill passed the legislature and is waiting for action by the governor. **Seattle supported this legislation.**

ESSB 5808 adds a new optional interlocal method of annexation and establishes for every city and town using the property-owner petition method the need to secure agreement from owners of at least 60% of the assessed valuation, reduced from the previous 75% for non-code cities. Seattle supported this bill. This legislation was signed on April 10.

Hazardous and Solid Waste

We support measures to reduce toxins entering the waste stream and support cleaning up hazardous waste sites through state assistance to local governments for the handling, treatment, storage, and disposal of hazardous materials.

We support development of common industry standards for recycled products, funding for recycling facilities, the promotion of product stewardship, and legislative initiatives to increase waste reduction and recycling. Specifically, we support product stewardship for fluorescent lighting products, surplus pharmaceuticals, as well as framework legislation to ensure manufacturers' responsibility for waste products, such as fluorescents, paint, and carpeting.

Did Not Pass:

2SHB 1469 would have established a product stewardship recycling act for mercurycontaining lights. 2SHB 1469 did not pass out of the House Rules Committee. The Senate version, SB 5543, died in its respective policy committee. **Seattle supported these bills.**

2SHB 1165 and **SB 5279** would have provided for the safe collection and disposal of unwanted drugs from residential sources through a producer-provided and funded product stewardship program. 2SHB 1165 did not pass out of the House Rules Committee. The Senate version died in its respective policy committee. **Seattle supported these bills.**

Homeland Security and Emergency Management

We support efforts to protect the public from terrorist threats and believe funding should be based on threat and risk assessments, both foreign and domestic. It is also critical that the State implement measures and provide funding to prepare our communities for natural disasters. We support legislation protecting information regarding emergency preparedness and critical infrastructure. Finally, we support efforts to balance the need to effectively combat terrorism while protecting civil liberties and freedoms.

Did Not Pass:

HB 2029 and HB 2351 would have increased the state and county enhanced 911 excise tax and would have expanded the enhanced 911 excise tax to include interconnected voice-over internet protocol (VOIP) service lines. **Seattle carefully monitored the provisions of these bills.** These bills did not pass.

Human Services

We strongly support maintaining and enhancing state funding for critical human services programs, and preserving the human services safety net to support our vulnerable populations and maintain healthy communities. We support opportunities for self-sufficiency, poverty relief, and upward mobility. We also support modification of asset limits in public benefit programs. We support improving child care subsidy policies and professional development coordination to improve the quality of early education, pre-school, and after-school programs. Seattle also continues to support the legislative goals of the Area Agency on Aging.

Passed:

OIR worked with our Human Services and other closely related divisions prior to session to evaluate our top level priorities in the state operating and capital budgets. Given the \$9+ billion deficit in the biennium budget, in general, most of our priority programs endured smaller cuts than we had feared, though there were cuts across

the board, and some of them were severe. In the Operating and Capital Budgets for 2009-11, here is how our human services program priorities fared:

<u>General Assistance-Unemployable (GA-U)</u> provides cash assistance (up to \$339/month) and medical benefits for single adults who are unemployable for 90 days, but less than a year and not receiving social security or eligible for other funding sources. Many tenants in housing funded by the Seattle Office of Housing rely on GA-U for rent. King County's monthly average of GA-U clients is 5,106 or 31.8% of GA-U caseload statewide.

GA-U: cash assistance is cut by \$24.8 million, to be achieved by moving more GAU recipients to the federal social security program, veterans' benefits and into employment. The only benefit cut reduces the amount that recipients can keep if they are working.

GA-U: medical is reduced by \$40 million to be achieved by savings due to moving more recipients into managed care.

 \rightarrow Advocates have classified this as a "total victory" given the broader cuts to human services and to state programs, more broadly.

The <u>Housing Trust Fund</u> is one of the key sources for funding affordable housing throughout the state. In Seattle, Trust Fund support is crucial to funding housing for homeless people and implementing the Ten-Year Plan to End Homelessness. The Trust Fund leverages four times its funding from other public, private and philanthropic sources, including the City of Seattle Housing Levy.

Housing Trust Fund: Funded at \$100 million for the biennium → While this is a cut to the existing program, it is significantly better than what had been expected after the Senate had proposed funding the HTF at \$30 million. The FY 2009-11 level of \$100 million rolls back the 2008 supplemental budget increase to \$200 million, bringing the HTF back to its 2007-09 level.

The main recipient of <u>Adult Day Health</u> funding in Seattle is ElderHealth NW, which provides frail elders with a place to go in the daytime, meals, activities, as well as nursing and rehabilitative services.

Adult Day Health

Dev Disabilities \$1.32 million state \$1.85 million total, including federal \$
Long Term Care \$18 million state \$34.9 million total, including federal \$
These cuts to Adult Day Health are devastating: about a 70% reduction from current level. All clients living in Adult Family Homes have been eliminated. This is roughly 1,000 people, or about half the program's current clients. All transportation funding was eliminated. The only relative victory here was that the governor had recommended the total elimination of the program. Some funding for in-home clients was retained, but no funding to get them to and from centers. In King County there are 10 agencies with 17 sites serving approximately 1,400 clients. Providers anticipate a 20-40% cut in participants. Seattle contracts with

4 agencies at 10 sites and serves 1,069 participants. About 37% (395 of 1069) will be eliminated from ADH.

Bottom line: The legislature took 1,000 people off the program, leaving them in real health jeopardy, and gave up another \$19 million in available federal Medicaid matching funds. Additionally, the cumulative effect of a series of cuts in the home care arena which impact clients and workers is significant. For some, their package of services may be sliced up 4-5 different ways.

Non-Medicaid Mental Health Services provides funds for mental health services for people not eligible for Medicaid. These services include: critical crisis services (e.g., involuntary treatment, psychiatric hospital care, evaluation and treatment, and services for children and older adults), as well as programs that help people transition from hospitalization back to the community and outpatient treatment for those not on Medicaid or who lose their Medicaid coverage.

Non-Medicaid Mental Health: \$23.2 million state and total

→ T he cuts are not nearly as bad as had been feared. King County will lose about \$3.5 million in funding for non-Medicaid MH services, but had feared a loss of up to \$10 million. The reduction does mean that some people who fall off Medicaid while in treatment will not be able to continue to receive mental health treatment, but the impact is not devastating.

<u>Chemical Dependency Treatment</u> provides detoxification services for individuals, treatment services for adult drug court offenders, outpatient and residential services for thousands, as well as living stipends for individuals who participate in the Alcoholism and Drug Addiction Treatment and Support program.

Chemical Dependency

- Low-income treatment and detoxification \$12.38 million (state and total)
- Chemical dependency professionals in Childrens Administration & Economic Services (DSHS) *eliminated*

→ The cut to King County is about \$1.7 million, and many people who are not on Medicaid (or some other funding source) will not be able to get chemical dependency treatment. However, because the legislature did not dictate how the reductions would have to be made (such as dictating that half of detoxification would have to be cut), it gives the county greater flexibility to manage the reductions in a way that won't devastate our treatment services. The elimination of chemical dependency professionals in DSHS Children's Administration and Economic Services means that children and parents with dependency issues will no longer be identified in DSHS offices and will not get into treatment.

Other notable human services-related programs:

The **<u>Basic Health Plan</u>** provides health care to residents who are below 200 percent of the federal poverty level.

Basic Health Plan: Reduced by 42% or \$236m, plus \$3.6m in according administrative program savings, accounting for roughly 40,000 less enrollees via attrition.

Public Health: Funding decreased by \$4 million, for a total in funding level for \$80 million

 \rightarrow Considering that the House budget proposed to essentially eliminate \$41 million of existing state funding for Washington's 35 local health departments, the total \$4 million reduction is a major accomplishment.

Infrastructure/Finance

Seattle believes that growth and density in the region should be focused in urban areas, which will require infrastructure improvements and community amenities to accommodate the expected increase. To meet this goal Seattle supports local control and flexibility in funding sources and additional tools to help attract people, businesses and jobs to the City and State. This includes:

- Removal of the requirement that the sale of certain city properties must first be made available for purchase for free parking;
- An exemption for car-sharing entities from the state rental car tax;
- Maintaining and improving Seattle Center as a vibrant regional attraction;
- Further clarification that cities can enact a use tax on brokered natural gas;
- Additional funding options to help construct jails located in King County; and
- Extension of the hotel/motel tax sunset for arts and culture in King County in 2020 and beyond, and the authority to spend down the arts endowment between 2013 and 2020.

Passed:

HB 1048 repeals RCW 35.87 which requires sale of municipal property in commercial zones to first be put out to bid for use as free parking. HB 1048 passed and was signed by the governor on April 28. **Seattle supported this legislation.**

E2SSB 5433 allows the 0.3% sales tax, permitted under existing statute with a public vote, the 0.1% sales tax for mental health and chemical dependency programs and voter approved multi-year lifts to be used for supplanting and extends the definition of "criminal justice" to include fire protection. The mental health and chemical dependency supplanting language begins at 50% for 2010 and decreases by 10% each year through 2014. It reduces the property tax for ferry districts to a maximum of 7.5 cents per \$1,000 assessed value (down from 75 cents) and also allows 7.5 cents per \$1,000 assessed value for transit in King County. Finally this legislation allows transit agencies, not including Sound Transit, to impose \$20 vehicle license fee if approved by the voters. **Seattle supported this bill.** This bill passed the legislature and is waiting for action by the governor.

ESHB 2075 provides a broad imposition of sales taxes on digital goods and digital automated services and provides amnesty for grey areas of past tax liability, and provide some exemptions. Passage of the bill was necessary to remain in compliance with the streamlined sales tax agreement (SSUTA). **Seattle supported this bill.** This bill passed the legislature and is waiting for action by the governor.

Did Not Pass:

HB 1422, allowing the taxation of brokered natural gas to be maintained at a status quo level, did not come up for a vote in the House. Without this legislation Seattle could lose \$3.3 million per year and pay back four years' worth of taxes collected under the current statute. Efforts were made to attach this language to other bills but those efforts were ultimately unsuccessful. **Seattle supported this legislation.**

HB 1874 and **SB 5737** would prohibit a city from levying a business license or B&O tax on sales of tangible personal property where tax liability is solely based on deliveries, whether by common carrier or a company's own trucks. Neither bill passed before the policy cut-off in the house of origin.

HB 2178 and SB 5875 would allow the necessary work on a future convention center expansion, including planning and acquisition of airspace at the convention center transit station located between Boren Avenue, Olive Way, 9th Avenue, and Pine Street. Neither bill made it past the committee cut-off in the house of origin.

SHB 2249 is a bill that only affects King County (KC) and the cities in King County that have proposed annexation areas. This bill would extend the existing sales tax credit for annexations over 10,000 to January 1, 2012. It allows KC to impose a utility tax in the unincorporated areas. Finally, it requires a performance audit of KC, specifically looking at overhead costs, service and streamlining improvements and local and regional services provided inside and outside of cities. The bill was amended and now it would make cities ineligible for state grants like TIB and PWTF if they didn't annex PAAs. The bill also requires KC to provide \$10 million annually to assist with annexations. Seattle carefully monitored the provisions of this bill. Although there was a striking amendment and numerous other amendments, this bill did not come up for a vote in the House.

SSB 5630 and SHB 1744 would expand the use of the second quarter REET to allow it to be used for the same capital projects as the first quarter. It would also allow funding of park facility operation and maintenance. Neither bill made it out of the house of origin. Efforts were made to attach this language to other bills but those efforts were ultimately unsuccessful.

SB 6118 would remove the current two percent sales tax credit imposed within Seattle on hotel rooms and provide a new two percent hotel tax imposed by Seattle. This would raise the current hotel rate to 17.6 percent. **Seattle testified that the new tax would not be imposed as currently written.**

Law & Criminal Justice

We support holding offenders accountable while striving to relieve demands on the adult and juvenile justice systems. We support changes to existing law to allow a local jurisdiction to employ a local ordinance that adds assault by vehicle as one of the exceptions to current statute, for prosecution in cases of serious injury or death. Seattle also supports greater flexibility in the successful use of photo radar speed enforcement on local arterials. We also support tools for local law enforcement agencies in ensuring security and safety on transit through revised unlawful transit conduct statutes.

Passed:

SHB 1553 makes several changes to current law regarding how a person files a claim for damages against state and local governments, including establishing that claim filing statutes are to be liberally construed with respect to the procedural requirements of the statute and substantial compliance will be deemed satisfactory for both the content and process for claim filing. Additionally, all cities will be required to adopt a standard claim form. Seattle opposed this legislation. It was passed by both the House and Senate and was delivered to the governor on April 25.

SB 6167 increases the dollar threshold values and some fines related to the property crimes of malicious mischief, theft, unlawful issuance of checks or drafts, theft of rental, leased, or loaned property, organized retail theft, and possessing stolen property. Identical legislation, ESSB 5225, was introduced early in session, but did not have the votes out of the House committee, and died there. SB 6167 was introduced late in session and its cost savings was written into the operating budget, and so it was carried forward as a cost-savings measure. **Seattle opposed these bills. SB 6167 was passed by both chambers and delivered on April 26 to the governor.**

Did Not Pass:

HB 1177 and SB 5615 would have established that persons found guilty of possession of 40 grams or less of marijuana commit a class 2 civil infraction and must pay a \$100 penalty, which would be deposited into the criminal justice treatment account. Seattle opposed these bills. HB 1177 never received a House hearing, and SB 5615 died in Senate Rules.

Libraries

We support the current governance structure of libraries that provides for an independent library board. We also support open access to library materials and information on paper and in electronic form.

Passed:

SHB 1291 would raise to 300,000 the maximum population for a city or town to join a special library district. Previously, it had been capped at a population of 100.000. While this bill has no direct impact on Seattle, Seattle supported this legislation. It was signed into law by the governor on April 9.

<u>Parks</u>

Preserving and protecting our natural resources is a major tenet in maintaining an urban quality of life. We encourage efforts to preserve and strengthen state support for parks, recreation, and open space programs.

Passed:

ESSB 5967 (companion bill HB 2124) relates to gender equity in parks facilities. SB 5967 would prohibit any city, town, county, or district from discriminating against any person on the basis of sex in the operation, conduct, or administration of community athletics programs for youth or adults. The proposal would also prohibit cities from authorizing or granting permits or other permission to third parties for community athletics programs if the third party's program discriminates against any person on the basis of sex. Seattle had concerns about this legislation and worked with the prime sponsor and proponents toward modification. Seattle supported this legislation. It was delivered to the governor on April 25.

Did Not Pass:

HB 1069 would have enacted new requirements for exterior and outdoor lighting fixtures. Seattle testified to strong concerns about the potential impacts on Seattle Parks and Recreation and other departments before the House Local Government Committee. The committee moved a substitute bill forward with a direction to the building code council to develop recommendations for reducing light pollution, followed by a report of their findings. This bill died this session.

Planning & Development

We support clarification that would allow courts to issue civil administrative warrants for conducting housing, property, and health inspections in order to enforce the City's codes. We oppose efforts to diminish current authority to access property for public safety and other business purposes. We support modifications to state condominium statutes to ensure that condominium conversions are fair and appropriately address the various difficulties associated with transition. Seattle also seeks legislation that brings towncars and executive sedans into regulatory parity with limousines and taxicabs. We also support legislation to encourage sidewalk cafes, which foster community connectivity and encourage economic development.

Passed:

2SHB 1481 requires that certain new public and private construction must include parking for electric vehicles and/or electric vehicle circuitry or infrastructure, exempts installation of electric vehicle infrastructure from most State Environmental Policy Act provisions, requires local governments to provide certain parking for electric vehicles, and provides tax incentives for electric vehicle infrastructure. On April 26, 2SHB 1481 was delivered to the governor for signature. Seattle supported this bill.

SHB 2199 authorizes local governments to grant relief from shoreline master program standards and use regulations adopted under the Shoreline Management Act (SMA) that apply within an urban growth area (UGA) if specified requirements

are met. On April 23, SHB 2199 was delivered to the governor for signature. Seattle supported this bill.

Did Not Pass:

SHB 1490 and SSB 5687 would reduce greenhouse gas emissions through land use and transportation requirements. SHB 1490 died in the House Rules Committee and SB 5687 died in the Senate Rules Committee. Seattle worked on this legislation with the prime sponsor and stakeholders and supported the prime sponsor's final striking amendment, which was not offered because the bill failed to come to the House floor for a vote.

HB 1775 and SB 5686 would have returned regulation authority over towncars and limousines to local jurisdictions, including Seattle. The bills died this session. Seattle supported this legislation.

SSB 5495 and SHB 1296 would have placed a moratorium on third-party rental housing inspection programs and prohibited local governments from assessing a fee for inspections. Both of these bills died in their respective Rules committees. **Seattle opposed these bills**.

<u>Revenue</u>

We strongly support maintaining and enhancing local taxing and fee authority and local revenue options. We do not support unfunded mandates. Seattle also supports enactment of comprehensive reform of the Washington State tax system to provide revenue stability for cities and counties and a more progressive state tax structure.

See the Infrastructure/Finance heading for related legislation.

Sexual Assault & Domestic Violence

We are committed to ending domestic violence and sexual assault for our residents. We continue to be concerned about juvenile victims of commercial sexual abuse. We support the provision of services, financial assistance, and other resources to victims of domestic violence and sexual assault in order to support their safety and ability to leave abusive relationships. We also support continued study of sex offender recidivism as well as the review of the Department of Health and Human Services' regulation of domestic violence perpetrator programs.

Passed:

SHB 1505 authorizes diversion for sexually exploited juveniles. On April 28, the governor signed SHB 1505 into law. Seattle supported this bill.

Sustainable Farming and Healthy Food

We support efforts to establish sustainable food and farming systems, increase food security, and improve access to healthy food for all people. We support food policies that encourage the use of renewable energy resources, minimize energy use and waste, develop new markets for farmers, promote sustainable agricultural systems and

farmland management, preserve farmland, and assist small farmers and farm laborers. We support the establishment of a State Food Policy Council that develops, recommends, and coordinates food system policies.

There was no legislation introduced relating to this issue.

Telecommunications and Cable

Seattle is committed to ensuring all our residents are provided affordable, equitable access to telecom and cable services, through competition and consumer protection. Seattle supports preserving local franchising authority to assure local control of our rights of way, ability to guarantee the highest consumer protection standards, protection of local revenue, build-out requirements in all communities and sufficient public, educational and government access channels. We oppose legislation that diminishes these priorities. We also oppose legislation that would diminish cities' existing authority to construct and operate a municipal broadband network serving the public.

Passed:

E2SHB 1701 provides that the authority for overseeing broadband adoption and deployment efforts in the state is vested in the Department of Information Services (DIS). Seattle had specific concerns about this legislation and worked with the prime sponsor and proponents toward modification. Seattle supports this legislation. It was delivered to the governor on April 26.

Did Not Pass:

2SHB 1700 would require the department of information services to survey highspeed internet infrastructure owned or leased by state agencies and create a map. **Seattle carefully monitored the provisions of this bill. 2SHB 1700 never received a floor vote.**

E2SSB 5916 would have provided that the authority for overseeing broadband adoption and deployment efforts in the state is vested in DIS. It also would have authorized DIS to oversee implementation of federally funded or mandated broadband programs and to adopt rules to administer the programs, and provides parameters for mapping of high-speed internet service and infrastructure. **Seattle had supported this bill as amended**.

E2SHB 1698 would have designated the Department of Information Services as the single eligible entity for the purposes of the Broadband Data Improvement Act and authorizes the DIS to continue the work of the 2008 High Speed Internet Strategy Work Group and implement high-speed internet strategies, subject to available state or federal funding. The bill received a public hearing in the Senate Committee on Economic Development and Trade & Innovation on March 19. Seattle had supported this legislation as amended.

SB 5917 would have declared an intention to conduct a statewide assessment of the availability, location, service levels, and other characteristics of high-speed internet

services and other advanced telecommunications services in the state. It also would have created the broadband development and deployment account. Seattle carefully monitored the provisions of this bill. SB 5917 never received a floor vote.

SB 5628 and HB 1585, studying the telecommunications and information industries, would weaken or even eliminate local regulatory authority over anyone providing video, voice and data services over Internet Protocol, including protections against discrimination and privacy infringement. Seattle testified in opposition to these bills. Both bills died.

Ten-Year Plan to End Homelessness

Seattle will work with other local jurisdictions and the State to help assure appropriate financial participation by all levels of government for critical human services. To that end, Seattle supports State efforts to assist with the implementation of the Ten-Year Plan to End Homelessness including:

- Measures to require state institutions, including the Department of Corrections, and the foster care system to create informed and responsible discharge practices;
- Measures to facilitate development of low-income and affordable housing; and
- Efforts to use existing funds more efficiently, working to fund provision of services and housing in a coordinated fashion.

Passed:

ESHB 2331 increases the Homeless Housing and Assistance Act document recording surcharge from \$10 to \$30 for the 2009-11 biennium. Revenues can be used for local efforts to end homelessness and the state portion of this new money would be used for items and allocations for key state programs for addressing homelessness in Seattle, including THOR, ESAP, the Independent Youth Housing Program, Maintenance & Operation of Housing Trust Fund facilities, and others. On April 26, this bill was delivered to the governor for signature. Seattle supported this bill.

Tribal Governments

We respect and uphold the unique sovereign status of tribes. We understand their treaty rights, the importance of their efforts to create a sufficient tax base, and their reliance on specific sources of revenue to operate programs for the benefit of their people.

There was no legislation introduced relating to this issue.

Water Stewardship

We support the efficient use of water and promote environmental stewardship, including funding for salmon recovery. We support legislative efforts to address a variety of water issues, including in-stream flows, protection of municipal water rights, disputes over water rights and implementation of watershed planning. We support improvements in

water quality through effective storm water management programs that set goals which are achievable and not cost-prohibitive. We support maintaining current funding for priority environmental programs related to water quality. Seattle also supports the removal of disincentives to shoreline restoration embedded in the Shoreline Management Act. We support the Puget Sound Partnership's efforts to restore and protect the health of Puget Sound.

Passed:

E ESSB 5583 improves the effectiveness of water bank and exchange provisions by allowing the trust water rights program to be used by the Department of Ecology for water banking purposes statewide. On April 22, ESSB 5583 was delivered to the governor for signature. Seattle supported this legislation.

Did Not Pass:

SHB 1614 would have established and permanently funded a grant program to help pay for stormwater projects in communities across the state. A fee of \$1.50/barrel of oil would have been imposed at the refinery. This bill was estimated to raise approximately \$100 million/year – at least 97% of it to be available as grants to cities to help address stormwater challenges and obligations. SHB 1614 did not pass out of the Senate Rules Committee. Seattle supported this legislation.