

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

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Number 8

**Friday, March 5<sup>th</sup> at 5:00 pm** was the last day to consider opposite house bills – *except* for the budgets and the bills necessary to implement the budgets. The focus is now on budgets, revues, and reconciliation of differences on bills passed by both the House and Senate.

***SESSION PRIORITIES – 2010***

**Budget Safety Net: Do No Harm**

Both the Senate and House have now passed a supplemental operating budget. The Senate passed a revenue package with sufficient revenues to pay for their version of the budget. The House revenue package awaits a floor vote.

**ESSB 6444**, the supplemental operating budget, passed the House 55-43 on March 5<sup>th</sup> and now heads back to the Senate. The House version maintains funding for GA-U, the Senate's version cut GA-U by approximately \$90 million. Additionally, the House version also relies more heavily on proposed federal funding.

**ESSB 6143**, the Senate's revenue package, passed the Senate on March 7<sup>th</sup> by a vote of 25-23. The proposal includes a temporary .3 sales tax increase, eliminates certain tax exemptions, addresses recent court decisions, temporarily increases the B&O tax by .25 percent, and extends the sales tax to bottled water. It also includes a sales tax exemption up to a certain amount for people eligible for the federal Earned Income Tax Credit.

A related bill, **SB 6874** increases cigarette taxes and uses the revenue to fund health care. It passed the Senate on March 7<sup>th</sup> by a 29-19 vote.

**SHB 3191**, the House's revenue package, is now eligible to come to the floor for a vote. It eliminates certain tax exemptions, extends the state and local sales tax to candy, bottled water, cosmetic medical services, janitorial services, and custom software; increases tobacco taxes, and modifies certain B&O taxes including a .5 percent increase on lawyers, accountants, agents and consultants.

**SHB 3177** has passed out of the Rules Committee and is now eligible to come to a floor vote. 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 version of the Capital Budget contains an additional \$100 million for the Housing Trust Fund.

**2SHB 2782**, the Security Lifeline Act, had a public hearing and passed out of the Senate Human Services and Corrections Committee. It had a public hearing in the Senate Ways and Means Committee and is scheduled for possible executive session on March 8th. Assistant Chief Dick Reed from SPD testified in support of this legislation. HB 2782 would: facilitate easier access to existing public benefits and services; change the name of GA-U to Disability Lifeline, expedite DSHS's review of whether Disability Lifeline participants are eligible for federal SSI benefits and if so, assist them with the SSI application.

### **Education**

**2SHB 2731** passed the Senate 29-16 (4 excused), but was amended on the floor to say 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**, the Senate's early learning bill, passed the House 69-29. Legislators are now working to reach compromise on both bills so that they complement each other.

**E2SSB 6696** passed the House 76-22 on March 5<sup>th</sup> and now returns to the Senate for concurrence. SB 6696 is the Senate's 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.

### **Public Safety**

**EHB 1679**, the Jason McKissack Act, would reimburse medical expenses for certain disabled public safety personnel. It passed the Senate 46-0 and the House concurred in the Senate amendments 95-0. The bill now heads to the Governor's desk. Seattle **supports** this legislation.

### **Revenue/Fiscal**

**ESHB 3179** passed the Senate 28-18. 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. The Senate made some minor amendments so it now heads back to the House for concurrence. Seattle **supports** this legislation.

**HB 3176** had a hearing in the House Finance Committee on Saturday February 13<sup>th</sup>. HB 3176 increases state revenues by closing certain tax loopholes, ending certain tax preferences, and extending the B&O tax to out of state businesses that operate in Washington.

### **Transportation**

**E2SHB 1591** passed the Senate 44-2 without amendment so the bill now heads to the Governor's desk. 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 **supports** this legislation.

**ESHB 1775** would have allowed the City to regulate limousines. It passed out of the Senate Transportation Committee but did not pass the Senate before policy bill cutoff so the bill is now dead for the session. Seattle **supported** this legislation.

**SSB 6570**, which would have allowed certain private transportation providers to use designated transit only lanes, had a public hearing in the House Transportation Committee. Seattle testified with concerns about the bill but offered suggested amendments to improve it. The bill failed to make it out of Committee before the policy bill cutoff.

### **Water Stewardship**

**HB 3181** and **SB 6851** would provide state funding for local stormwater clean up, primarily through a competitive grant program. The revenue would come from an increase in the Hazardous Substance Tax – the existing funding source for the state and local toxics accounts (MTCA).

The bill was amended in the House Finance Committee, reducing the tax increase from the original 1.3% to .4% (increasing .1% a year), with all of the money going to stormwater – an amount that we and other proponents consider too low. However, late on Friday a new version of the bill was released by legislative proponents in the House, which includes a .85 % increase (about \$100 million a year). In this version, essentially all of funding amount would go to stormwater. We understand the House intends to caucus on the bill on Monday.

SB 6851 is still technically in the Senate Ways and Means Committee. Senator Ed Murray, the bill's prime sponsor, and other Senate proponents of the bill have been considering amending their bill in the Senate to .8%, with all the money going to stormwater. The Senate Capital budget, which was released on Friday, assumes a .5% increase. The oil industry remains opposed to the bill. Seattle **supports** this legislation.

### ***ONGOING PRIORITIES – 2010***

#### **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. It passed the Senate 30-18 and now returns to the House for concurrence. 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**

**2ESHB 2912** passed out of the Senate Ways and Means Committee but failed to pass out of the Senate before policy bill cutoff. As it passed the House, it would have extended certain stadium taxes and dedicated the revenue to arts, affordable housing, tourism promotion, youth athletic facilities, regional centers, performing arts centers, and health and human services provided by nonprofit agencies.

### **Utilities**

**2ESSB 6261** is a bill addressing utility service collections against rental property. A compromise was reached between cities, landlord representatives and Columbia Legal Services representing tenants over a disputed section of the bill. This bill 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. The bill passed the House Thursday 98 – 0. The bill goes back to the Senate for concurrence.

### **Energy**

**ESHB 2925** affects Seattle City Light's impact fee agreement with Pend Oreille County regarding City Light's hydroelectric generation facility. The Senate made some technical, clarifying amendments so the bill now returns to the House for concurrence. Seattle **supports** this legislation as a reasonable compromise with Pend Oreille County.

### **Growth Management, Land Use and Annexation**

**HB 3067** is in the Senate Rules Committee and appears to be dead for the session. It would allow developers to defer payment of impact fees until purchase of a property, rather than at the time of application. It was amended to alleviate escrow companies of liability if the fees aren't paid. This bill affects only Snohomish and King County and their cities. Seattle **opposes** this legislation.

### **Hazardous and Solid Waste**

**ESSB 5543** would establish a product stewardship recycling act for mercury-containing lights and ban the sale of bulk mercury. The House passed the bill on March 2<sup>nd</sup> by a vote of 71- 27. Seattle **supports** this legislation.

**SSB 6557** would limit 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 water bodies, including Puget Sound, through stormwater run-off. This bill is a high priority of the Puget Sound Partnership. It passed the House on Thursday the 4<sup>th</sup> by a vote of 86-12. The bill returns to the Senate for concurrence. Seattle **supports** this legislation.

### **Planning & Development**

**SSB 6459** passed the House 96-0 and now awaits concurrence in the Senate. 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 passed the House of Representatives 72-26. 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** was passed by the House on Thursday 51-47. This bill authorizes an alternative cost-reimbursement process for water right applications as well as an expedited processing procedure for water right applications. It creates a Water Rights Processing Account to support processing of water right applications. We have been monitoring this bill and had an amendment added to it in the Senate. This bill was further amended on the House floor; and we are **concerned** about the amendment, which prohibits DOE from requiring meters on exempt wells. As we understand it, exempt wells can be drilled within SPU service area and the quantity cannot be limited for certain activities. We have had an initial discussion about the amendment with DOE staff and are considering next steps.

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.