



Skagit County - Government Relations Report January 24, 2021

During the second week of the legislative session, the House of Representatives and Senate were busy holding public hearings and voting to advance bills. In addition to new bill introductions, bills are continuously being revised as they move through the legislative process which requires ongoing monitoring and review. As of Friday, January 23, a total of 352 bills have been introduced in the House and 336 in the Senate. Only three weeks remain until the first legislative deadline, February 15, 2021, when all bills must be voted out of their respective policy committees to remain alive.

At the end of the week, Democrats announced the introduction of a \$2.2 billion COVID-19 relief package ([Senate Bill 5344/House Bill 1368](#)), that allocates federal funding. They have also announced that they plan to pass bills that would provide relief from unemployment insurance tax increases, waive liquor license fees for businesses impacted by closures (potential impact to city revenues), and a B&O tax exemption for funds that businesses received as COVID-19 assistance. Republicans announced a counter proposal ([House Bill 1334](#)) that would have spent \$4 billion on similar priorities and would have utilized \$2.1 billion out of the Budgets Stabilization Account (i.e. the “rainy day fund”). The Democrat proposal is scheduled for a public hearing and is likely to be accelerated through the legislative process to be approved and submitted to the Governor to be signed into law next week.

Legislative Priorities

Skagit County Morgue

Skagit County is requesting \$135,000 in the capital budget for the construction of a new county morgue. This project would greatly increase caseload capacity for the County and provides regional benefit, including increased capacity for soft-tissue donation. Sen. Keith Wagoner (R- Sedro-Woolley) is sponsoring this request in the Senate and Rep. Dave Paul (D- Oak Harbor) is sponsoring the bill in the House. We have submitted the capital budget request forms for this project in both chambers and are working to coordinate a virtual tour with the sponsors within the next few weeks.

Didg^wálič Wellness Center

Skagit County is a strong advocate for statewide and regional investments in behavioral health. The County supports the Swinomish Tribe’s request for \$9 million in capital budget funding to expanding the existing didg^wálič Wellness Center. The request is part of Phase III of the Wellness Center, which includes the addition of detox, emergency housing, transitional and workforce housing components. GTHGA has drafted a letter of support for the project on behalf of the County, which we will share with the County for review. The final version of the letter will be shared with the Swinomish Tribe’s lobbyist to pass along to legislators.

Re-Appropriate Funds for Sedro-Woolley E&T

Skagit County received \$1.5 million in the 2017-19 biennium and \$6.6 million in the 2019-2021 biennium in funding for the Skagit County Evaluation and Treatment Center. Sen. Keith Wagoner (R- Sedro-Woolley) and Rep. Carolyn Eslick (R- Sultan) relayed that they will ensure these funding amounts are reappropriated; both legislators sit on their respective chamber’s appropriations



committee. As budget negotiations advance, we will work with other members of the delegation to demonstrate support for the project, likely providing written materials in support of the re-appropriation.

Levy Certification Timing

Skagit County is putting forward [House Bill 1309](#), which would better align the dates by which the County must certify property tax levies and budget adoption. Currently, the County must adopt the budget before certifying property tax levies for all taxing districts, making compliance impossible. Rep. Carolyn Eslick (R- Sultan) is sponsoring the proposal with Rep. Ramel (D- Bellingham) cosponsoring. The bill was introduced early this week and has been scheduled for a hearing in the Finance Committee on Tuesday, January 26th. County Administrator Trisha Logue will be testifying on behalf of the County at the committee hearing. We have distributed the bill to other non-charter counties for their support.

Other Items

GTHGA is monitoring the following priority items on your behalf. We will provide updates on these items as legislative action occurs. We will continue to be in contact with you on legislative proposals relevant to these items.

REET 2 Flexibility

Skagit County requests that the Legislature allows temporary authority for jurisdictions to use REET 2 revenue for affordable housing operations and maintenance. This provision is included in [House Bill 1069](#), sponsored by House Local Government Chair Rep. Gerry Pollet (D- Seattle). Last week, the bill was passed out of committee with an amendment removing lodging tax flexibility provisions. REET 2 flexibility remains in the bill. The bill has been scheduled for public hearing in the Finance Committee on Monday, January 25th and scheduled for executive session on Thursday, January 28th. For the sake of efficiency, fiscal committee chairs generally prefer limited testimony due to the high volume of bills that pass through their committee. Since the County testified in support of this bill in the policy committee, we recommend that the County signs in support of the bill without providing testimony.

COVID Relief and Recovery

The COVID-19 pandemic has significantly impacted local governments and the communities they serve. Funding provided to counties for COVID-19 response is used for essential programs, including local public health, emergency rental assistance, emergency homelessness assistance, and small business economic relief. Skagit County requests that the Legislature continue to provide sufficient funding to maintain COVID-19 response and other essential county functions.

On Thursday, January 21st, the House Health Care and Wellness Committee heard the Governor's public health restructure bill, [House Bill 1152](#), sponsored by Rep. Marcus Riccelli. The bill was met with mixed reactions, with support from the Governor's office, Secretary of Health Dr. Umair Shah, and other individuals and community groups. WSALPHO organized multiple panels to testify with concerns on the proposal, including a group of Commissioners, Local Public Health Officers, and Administrators. The Committee was unable to hear the entire list of those signed in to testify, including the panel of Commissioners; however, the panels of Local Public Health Officers and Administrators did an excellent job conveying many concerns associated with the bill, including timing issues, overlapping reform discussions, and gaps in the bill's outlined relationships between state and local public health leadership. Republican members of the Committee significantly pushed back on the



proposal prior to the public comment portion of the hearing. We expect that the Chair will pass the bill out of Committee soon, though the bill has not been scheduled for executive session.

The funding proposal attached to this discussion, [Senate Bill 5149](#), sponsored by Sen. June Robinson (D- Everett), is scheduled to be heard in the Senate Health and Long Term Care Committee next Wednesday, January 27th. WSALPHO will be testifying in support of this bill and has requested that individual counties sign in support of the proposal without testifying. The proposal imposes a covered lives assessment on health carriers, Medicaid managed care organizations, and third-party administrators to be deposited in the Foundational Public Health Services Account. The assessment is \$3.25 per member per month assessment in fiscal year (FY) 2023, \$143,000,000 in FY 2024, and \$200,000,000 in FY 2025 and thereafter. Beginning in FY 2024, health carriers, MCOs, and third-party administrators will pay a pro rata share of the total assessment based on their number of covered lives. By the 2025 – 2027 biennium, the assessment will generate \$400 million/biennium.

Democrats Introduce COVID-19 Relief Proposal

On Friday, the House and Senate Democrats jointly introduced proposals allocating federal funding for COVID-19 pandemic relief: [House Bill 1368](#), sponsored by Appropriations Chair Rep. Timm Ormsby (D- Spokane), and [Senate Bill 5344](#), sponsored by Ways and Means Chair Sen. Christine Rolfes (D- Bainbridge Island). The bill appropriates federal funding provided by Congress for the remainder of the current fiscal year (June 30, 2021). Distributions are provided for childcare, rent relief, food assistance, developmental disability and senior programs, medical and health care assistance, education, and public health activities, including testing and vaccine distribution.

Highlights are below:

- \$365 million for emergency rental and utility assistance. This includes a grant program distributed to local housing providers to provide emergency rental and utility assistance, an eviction rental assistance program, foreclosure prevention assistance, dispute resolution assistance, legal aid related to housing, evictions, and utilities, and grants for landlords suffering from a significant loss of rental income during to the eviction moratorium.
- \$240 million for Working Washington Grants, up to \$20,000 per business.
 - Of this funding, \$120 million is allocated solely to assist businesses in maintaining their operations. Businesses must:
 - Have had \$5 million or less in gross receipts during 2019;
 - Have expenses necessary to continue business that aren't covered by another government program;
 - Have experienced a reduction in business due to COVID-19 or state/local actions in response to COVID-19;
 - Operate in accordance with public health guidance.
 - The remaining \$120 million is available for eligible reopening costs. The program:
 - Includes payroll, rent, inventory, etc.
 - Is only available for businesses that totally closed, even temporarily. Businesses must demonstrate that the closure was a result of the Governor's 11/15/20 "Stay Safe-Stay Healthy" order.
 - Is only available to businesses with less \$5 million or less in gross receipts in 2019.



- Is largely for reimbursement costs – up to 25% of a grant can be provided in advance.
 - Commerce must conduct outreach to underrepresented and unserved communities.
 - Distributions must be equitably distributed across geography and to members of historically disadvantaged communities.
- Creates the COVID-19 Public Health Response Account in the Office of Financial Management. In this account, the bill deposits:
 - \$428 million for COVID-19 public health activities;
 - \$68 million for vaccine distribution, and
 - \$100 million for epidemiology and laboratory capacity.

The proposal also allocates:

- Approximately \$161 million to the Department of Social and Health Services for various programs, including SNAP benefits, TANF, the Washington Immigrant Relief Fund, and expanding cash disaster benefits.
- \$6 million to the state Health Care Authority for health care and public health expenses.
- \$50 million to the Department of Children, Youth, and Families to provide financial support to childcare providers.
- Approximately \$26 million to the Department of Agriculture for the Food Assistance Program.
- Approximately \$714 million to the Office of the Superintendent of Public Instruction for school reopening assistance.
- \$5 million to the Student Achievement Council for undocumented student relief grants to assist those affected by the COVID-19 pandemic.

The House version of the bill is being heard in the Appropriations Committee on Tuesday, January 26th, and is scheduled for executive session on Thursday, January 28th.

Support Capital Budget Funding for:

- Heritage Grant Program
- Washington State Housing Trust Fund
- Washington State Recreation and Conservation Office Grants
- Brian Abbot Fish Barrier Removal Board

Upcoming Events

Finance (House) - Virtual, - 1/25 @ 10:00am

SHB 1069 - Public Hearing - Concerning local government fiscal flexibility. (Remote testimony.)
(Support)

HB 1070 - Public Hearing - Modifying allowed uses of local tax revenue for affordable housing and related services to include the acquisition and construction of affordable housing and facilities. (Remote testimony.)

Health Care & Wellness (House) - Virtual, - 1/25 @ 1:30pm



HB 1110 - Public Hearing - Concerning the composition of local boards of health. (Remote testimony.)

Civil Rights & Judiciary (House) - Virtual, - 1/26 @ 10:00am

HB 1202 - Public Hearing - Addressing meaningful civil remedies for persons injured as a result of police misconduct, including by allowing for an award of attorney fees in addition to damages and injunctive and declaratory relief. (Remote testimony.)

Finance (House) - Virtual, - 1/26 @ 1:30pm

HB 1309 - Public Hearing - Concerning the dates of certification of levies. (Remote testimony.) (Support)

Appropriations (House) - Virtual, - 1/26 @ 3:30pm

HB 1368 - Public Hearing - Responding to the COVID-19 pandemic through state actions supported by federal funding. (Remote testimony.) (If measure is referred to committee.)

Health & Long Term Care (Senate) - Virtual, - 1/27 @ 8:00am

SB 5149 - Public Hearing - Funding foundational public health services. (Remote testimony.)

Housing & Local Government (Senate) - Virtual, - 1/27 @ 10:30am

SB 5275 - Public Hearing - Enhancing opportunity in limited areas of more intense rural development. (Remote testimony.)

Finance (House) - Virtual, - 1/28 @ 8:00am

SHB 1069 - Exec Session - Concerning local government fiscal flexibility. (Support)
HB 1070 - Exec Session - Modifying allowed uses of local tax revenue for affordable housing and related services to include the acquisition and construction of affordable housing and facilities.

Environment & Energy (House) - Virtual, - 1/28 @ 1:30pm

HB 1099 - Exec Session - Improving the state's climate response through updates to the state's comprehensive planning framework.
HB 1117 - Public Hearing - Promoting salmon recovery through revisions to the state's comprehensive planning framework. (Remote testimony.)

Appropriations (House) - Virtual, - 1/28 @ 3:30pm

HB 1368 - Exec Session - Responding to the COVID-19 pandemic through state actions supported by federal funding. (If measure is referred to committee.)



Civil Rights & Judiciary (House) - Virtual, - 1/29 @ 8:00am

HB 1202 - Exec Session - Addressing meaningful civil remedies for persons injured as a result of police misconduct, including by allowing for an award of attorney fees in addition to damages and injunctive and declaratory relief.

Environment & Energy (House) - Virtual, - 1/29 @ 10:00am

HB 1099 - Exec Session - Improving the state's climate response through updates to the state's comprehensive planning framework.

Bill Summaries

Outlined below are relevant bills GTHGA is tracking for the County. Bills that are in the “lobbying” category are those that GTHGA is taking action to either advance or stall; bills that are marked as “monitoring” are those that GTHGA is keeping track of but not actively lobbying.

Lobbying

<u>Bill Details</u>	<u>Status</u>	<u>Sponsor</u>	<u>Position</u>
<u>HB 1025</u> (SB 5006) Local parks funding options Concerning local parks funding options.	H Finance	Wicks	Support
<u>SHB 1069</u> Local gov fiscal flexibility Concerning local government fiscal flexibility.	H Finance	Pollet	Support
<u>HB 1152</u> (SB 5173) Comp public health districts Supporting measures to create comprehensive public health districts.	H HC/Wellness	Riccelli	Concerns
<u>HB 1309</u> Levy certification dates Concerning the dates of certification of levies.	H Finance	Eslick	Support
<u>SB 5006</u> (HB 1025) Local parks funding options Concerning local parks funding options.	S Housing & Loca	Van De Wege	Support

Monitoring

<u>Bill Details</u>	<u>Status</u>	<u>Sponsor</u>	<u>Position</u>
<u>ESHB 1056</u> Public meetings/emergencies Concerning open public meeting notice requirements and declared emergencies.	H Passed 3rd	Pollet	



<u>HB 1070</u>	Housing/local tax revenue Modifying allowed uses of local tax revenue for affordable housing and related services to include the acquisition and construction of affordable housing and facilities.	H Finance	Ryu
<u>HB 1099</u>	Comprehensive planning Improving the state's climate response through updates to the state's comprehensive planning framework.	H Env & Energy	Duerr
<u>HB 1110</u>	Local boards of health Concerning the composition of local boards of health.	H HC/Wellness	Riccelli
<u>HB 1117</u>	Comp. planning/salmon Promoting salmon recovery through revisions to the state's comprehensive planning framework.	H Env & Energy	Lekanoff
<u>HB 1201</u> (SB 5149)	Found. public health funding Funding foundational public health services.	H Finance	Riccelli
<u>HB 1202</u>	Police misconduct/civil rem. Addressing meaningful civil remedies for persons injured as a result of police misconduct, including by allowing for an award of attorney fees in addition to damages and injunctive and declaratory relief.	H Civil R & Judi	Thai
<u>HB 1241</u>	Growth management act plans Planning under the growth management act.	H Local Govt	Duerr
<u>HB 1298</u> (SB 5221)	Accessory dwelling units Concerning regulation of accessory dwelling units located outside of urban growth areas.	H Local Govt	Vick
<u>HB 1337</u>	Accessory dwelling units Concerning accessory dwelling units.	H Local Govt	Gregerson
<u>HB 1368</u>	Federal funding/COVID-19 Responding to the COVID-19 pandemic through state actions supported by federal funding.		Ormsby
<u>SB 5042</u>	GMA actions effective date Concerning the effective date of certain actions taken under the growth management act.	S Housing & Loca	Salomon
<u>SB 5149</u> (HB 1201)	Found. public health funding Funding foundational public health services.	S Health & Long	Robinson



[SB 5221](#) **Accessory dwelling units** S Housing & Loca Gildon
(HB 1298) Concerning regulation of accessory dwelling units located outside of urban growth areas.

[SB 5275](#) **Intense rural dev. areas** S Housing & Loca Short
Enhancing opportunity in limited areas of more intense rural development.
