



## Skagit County - Government Relations Report February 6, 2021

One week remains until the first legislative deadline, February 15<sup>th</sup>, 2021, when all policy bills must be voted out of their respective policy committees to remain under consideration for the year. Bills that do not meet this deadline will be considered “dead” for this legislative session. Bills with a fiscal impact must be approved by a second fiscal committee by February 22<sup>nd</sup>, 2021. After the first legislative deadline, the number of bills under consideration will significantly narrow.

The COVID-19 relief proposal ([House Bill 1368](#)) that allocates \$2.2 billion in federal assistance to public schools, public health, housing assistance, and small businesses continues to advance through the legislative process. The bill has been voted out of the House of Representatives and is now being considered by the Senate. Legislators also continue to discuss potential tax reforms. This past week, the House Finance Committee held a public hearing on a wealth tax proposal ([House Bill 1406](#)) that would tax those with tangible assets over \$1 billion (approximately 100 taxpayers).

As previously reported, the legislative process has key deadlines that bills need to meet to remain under consideration. Below is an outline of the deadlines for this year’s legislative process:

<b>Session Cutoff Calendar</b>	
February 15, 2021	Policy Committee Deadline
February 22, 2021	Fiscal Committee Deadline
March 9, 2021	Chamber-of-Origin Deadline
March 26, 2021	Opposite Chamber Policy Committee Deadline
April 2, 2021	Opposite Chamber Fiscal Committee Deadline
April 11, 2021	Opposite Chamber Deadline
April 25, 2021	Session adjourns - Sine Die

## 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 capital budget request forms for the project. We have rescheduled the virtual tour of the Morgue facility for Thursday, February 11<sup>th</sup>, with both legislative sponsors and Coroner Hayley Thompson attending. This will be an opportunity for the sponsors to glean benefits of the project to share with capital budget leadership in their advocacy efforts.



### Didg'wálic' 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'wálic' 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 drafted a letter of support for the project on behalf of the County; Island County also jointly signed the letter. We have sent the finalized letter to the Swinomish Tribe lobbyist to distribute to capital budget leadership. Members of the 40<sup>th</sup> LD are cc'd. The Senate Behavioral Health Subcommittee is hosting a work session on capital budget proposals related to behavioral health next Friday, February 12<sup>th</sup>. The didg'wálic' Wellness Center is one of the featured projects; the Tribe will be participating in the work session. We have reached out to Davor Gjurasic, the Swinomish Tribe's lobbyist, to see if County participation would be helpful. Sen. Keith Wagoner (R- Sedro-Woolley) is the Ranking Minority Member on the Committee.

### 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 Association of County Assessors have adopted this bill as one of their top priorities for the session and will be strongly supporting the bill. On Tuesday, the Department of Revenue provided GTHGA and the County language to amend the bill. This language helps bring additional clarity to align the bill with its intent. County staff has approved the language, which was adopted by the Finance Committee during executive session on Thursday, February 4<sup>th</sup>. The bill then moved to the Rules Committee. GTHGA coordinated with Rep. Greg Gilday (R- Camano Island), who sits on the committee, to pull the bill for committee review at the next Rules meeting. The bill is now on Rules Review to be pulled to the floor.

### ***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). The bill was heard



in the Finance Committee on Monday, January 25<sup>th</sup>. The bill has been amended to include limitations on the REET 2 flexibility provisions, only allowing either \$100,000 or 35% percent of REET 2 funds, whatever is greater, to be used for operations and maintenance. The bill has been referred to the Rules committee for review, the step before being pulled to the floor for debate. Laura Han will be checking with County staff to determine whether the amendment as adopted would fund the County's intended project.

### 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.

Democrats have introduced two key proposals relating to restructuring local public health: [House Bill 1152](#) / [Senate Bill 5173](#), sponsored by Rep. Marcus Riccelli (D- Spokane) and Sen. June Robinson (D- Everett), and [House Bill 1110](#), also sponsored by Rep. Riccelli. [House Bill 1152](#) is Governor-request legislation establishing regionalized comprehensive public health districts encompassing a population of at least 250,000 individuals. The regional health districts would be under the jurisdiction of the state Department of Health, Board of Health membership expanded and changed, among other significant changes. [House Bill 1110](#) expands Local Board of Health membership to include at least four members, of which at least half must come from the following categories: health care providers/professionals; county public health professionals; public health consumers self-identifying as facing significant health inequities or representing historically marginalized communities, and community stakeholders, including representatives working with populations that experience health inequities. Public health stakeholders have been negotiating with the bill sponsor to incorporate some changes before either proposal moves out of committee. This week, we learned that House Bill 1152 will be significantly changed to respond to certain stakeholder concerns. The bill will be amended to **retain** local public health districts and their existing boundaries; additionally, Health Officer reporting to the state Department of Health will be removed. The bill will instead fold in the Board of Health restructure and expansion language from House Bill 1110. Bill proponents have indicated that the substitute bill will be dropped early next week, and stakeholders will be meeting to provide feedback on the substitute proposal on Tuesday, February 6<sup>th</sup>. While still problematic for many counties, this will be a more workable starting point to continue negotiations. At the Legislative Steering Committee meeting on Friday, February 6<sup>th</sup>, WSAC urged counties to relay to bill proponents which pieces of the proposal still need to be changed. House Bill 1152 has been scheduled for executive session on Wednesday, February 10<sup>th</sup>, at 8:00am in the House Health Care and Wellness Committee.

There has been little movement on foundational public health funding proposals. The FPHS funding proposal associated with House Bill 1152, [Senate Bill 5149](#), sponsored by Sen. June Robinson (D- Everett), has been scheduled and removed from executive session as of Friday, February 5<sup>th</sup>. 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 total in FY 2024, and \$200,000,000 total in FY 2025 and thereafter. The proposal will eventually generate \$400 million/biennium. The covered lives assessment is extremely controversial with businesses and unions and faced significant pushback at the hearing last week,



though bill proponents are determined to move the proposal forward. Two other FPHS funding bills have been introduced: [Senate Bill 5020](#), sponsored by Sen. Karen Keiser (D- Kent), which assesses a penalty against drug manufacturers on revenue generated from prescription drug price increases that are unsupported by clinical evidence; and [Senate Bill 5371](#), sponsored by Sen. June Robinson (D- Everett), which imposes a statewide sweetened beverage tax modeled after Seattle's sweetened beverage tax. None of these bills have been scheduled for executive session at this point -- we anticipate action on these proposals further along in session as concerns are addressed outside of committee.

#### Democrats Introduce COVID-19 Relief Proposal

House and Senate Democrats jointly introduced a proposal 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 provides \$2.2 billion in total and appropriates funding 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. The House passed this bill passed off the floor with amendments adjusting the bill's business grant program on Monday, February 1<sup>st</sup>. There is no change in appropriated funding. Republican members attempted to hang multiple amendments on the bill allocating funding from the Rainy-Day Fund, none of which passed. The House version of the bill was passed out of the Senate Ways and Means Committee on Thursday, February 4<sup>th</sup>, without further amendment. During a Democratic leadership press conference this week, leadership indicated the bill would be debated on the Senate floor next Wednesday, February 10<sup>th</sup>; accordingly, the bill has been moved to second reading in the Senate Rules Committee, the step prior being pulled to the floor in the legislative process.

#### 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

### **Housing & Local Government (Senate) - Virtual, - 2/9 @ 8:00am**

SB 5390 - Public Hearing - Increasing housing supply through the growth management act and housing density tax incentives for local governments. (Remote testimony.)

### **Local Government (House) - Virtual, - 2/9 @ 10:00am**

HB 1232 - Public Hearing - Planning for affordable housing under the growth management act. (Remote testimony.)



HB 1298 - Public Hearing - Concerning regulation of accessory dwelling units located outside of urban growth areas. (Remote testimony.)

HB 1337 - Public Hearing - Concerning accessory dwelling units. (Remote testimony.)

**Finance (House) - Virtual, - 2/9 @ 1:30pm**

HB 1410 - Public Hearing - Protecting taxpayers from home foreclosure. (Remote testimony.)

**Health Care & Wellness (House) - Virtual, - 2/10 @ 8:00am**

HB 1152 - Exec Session - Supporting measures to create comprehensive public health districts. (Concerns)

**Civil Rights & Judiciary (House) - Virtual, - 2/10 @ 10:00am**

HB 1412 - Exec Session - Concerning legal financial obligations.

**Local Government (House) - Virtual, - 2/10 @ 10:00am**

HB 1241 - Exec Session - Planning under the growth management act.

**Civil Rights & Judiciary (House) - Virtual, - 2/12 @ 8:00am**

HB 1412 - Exec Session - Concerning legal financial obligations.

**Local Government (House) - Virtual, - 2/12 @ 8:00am**

HB 1241 - Exec Session - Planning under the growth management act.

HB 1298 - Exec Session - Concerning regulation of accessory dwelling units located outside of urban growth areas.

HB 1337 - Exec Session - Concerning accessory dwelling units.

**State Government & Elections (Senate) - Virtual, - 2/12 @ 10:30am**

ESHB 1056 - Public Hearing - Concerning open public meeting notice requirements and declared emergencies. (Remote testimony.)

**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**

Bill Details

Status

Sponsor

Position

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<a href="#"><u>HB 1025</u></a> (SB 5006)	<b>Local parks funding options</b> Concerning local parks funding options.	H Finance	Wicks	Support
<a href="#"><u>2SHB 1069</u></a>	<b>Local gov fiscal flexibility</b> Concerning local government fiscal flexibility.	H Rules R	Pollet	Support
<a href="#"><u>HB 1152</u></a> (SB 5173)	<b>Comp public health districts</b> Supporting measures to create comprehensive public health districts.	H HC/Wellness	Riccelli	Concerns
<a href="#"><u>SHB 1309</u></a>	<b>Levy certification dates</b> Concerning the dates of certification of levies.	H Rules R	Eslick	Support
<a href="#"><u>HB 1502</u></a>	<b>Electric ferries/counties</b> Concerning the procurement and design of electric ferries by counties.	H Transportation	Pollet	Support
<a href="#"><u>SB 5006</u></a> (HB 1025)	<b>Local parks funding options</b> Concerning local parks funding options.	S Ways & Means	Van De Wege	Support

**Monitoring**

<u>Bill Details</u>	<u>Status</u>	<u>Sponsor</u>	<u>Position</u>
<a href="#"><u>ESHB 1056</u></a>	<b>Public meetings/emergencies</b> Concerning open public meeting notice requirements and declared emergencies.	S State Govt & EI	Pollet
<a href="#"><u>SHB 1070</u></a>	<b>Housing/local tax revenue</b> 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 Rules R	Ryu
<a href="#"><u>SHB 1099</u></a>	<b>Comprehensive planning</b> Improving the state's climate response through updates to the state's comprehensive planning framework.	H Approps	Duerr
<a href="#"><u>HB 1110</u></a>	<b>Local boards of health</b> Concerning the composition of local boards of health.	H HC/Wellness	Riccelli



<a href="#"><u>SHB 1117</u></a>	<b>Comp. planning/salmon</b> Promoting salmon recovery through revisions to the state's comprehensive planning framework.	H ENVIDPS	Lekanoff
<a href="#"><u>HB 1157 (SB 5390)</u></a>	<b>Housing supply</b> Increasing housing supply through the growth management act and housing density tax incentives for local governments.	H Local Govt	Bateman
<a href="#"><u>HB 1201 (SB 5149)</u></a>	<b>Found. public health funding</b> Funding foundational public health services.	H Finance	Riccelli
<a href="#"><u>HB 1202</u></a>	<b>Police misconduct/civil rem.</b> 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 Exec Action	Thai
<a href="#"><u>HB 1232</u></a>	<b>GMA/affordable housing plans</b> Planning for affordable housing under the growth management act.	H Local Govt	Barkis
<a href="#"><u>HB 1241</u></a>	<b>Growth management act plans</b> Planning under the growth management act.	H Local Govt	Duerr
<a href="#"><u>HB 1298 (SB 5221)</u></a>	<b>Accessory dwelling units</b> Concerning regulation of accessory dwelling units located outside of urban growth areas.	H Local Govt	Vick
<a href="#"><u>HB 1308</u></a>	<b>Apprenticeship utilization</b> Expanding apprenticeship utilization requirements.	H Cap Budget	Riccelli
<a href="#"><u>HB 1332 (SB 5402)</u></a>	<b>Property tax deferral/COVID</b> Concerning property tax deferral during the COVID-19 pandemic.	H Finance	Sullivan
<a href="#"><u>HB 1337</u></a>	<b>Accessory dwelling units</b> Concerning accessory dwelling units.	H Local Govt	Gregerson
<a href="#"><u>HB 1362</u></a>	<b>Property tax revenue growth</b> Modifying the annual regular property tax revenue growth limit.	H Finance	Duerr



<a href="#"><u>ESHB 1368 (SB 5344)</u></a>	<b>Federal funding/COVID-19</b> Responding to the COVID-19 pandemic through state actions supported by federal funding.	S 2nd Reading	Ormsby
<a href="#"><u>HB 1407</u></a>	<b>Fees of county officers</b> Concerning fees of county officers.	H Civil R & Judi	Volz
<a href="#"><u>HB 1410</u></a>	<b>Home foreclosure/taxes</b> Protecting taxpayers from home foreclosure.	H Finance	Volz
<a href="#"><u>HB 1412</u></a>	<b>Legal financial obligations</b> Concerning legal financial obligations.	H Civil R & Judi	Simmons
<a href="#"><u>HB 1414</u></a>	<b>Marijuana licensing/zoning</b> Aligning marijuana licensing decisions by the liquor and cannabis board with local zoning ordinances.	H Commerce & Gami	Goehner
<a href="#"><u>HB 1440</u></a>	<b>Small wireless facilities</b> Bringing innovation and investment to Washington's economy by streamlining the requirements for deployment of small wireless facilities.	H Comm & Econ De	Boehnke
<a href="#"><u>SB 5042</u></a>	<b>GMA actions effective date</b> Concerning the effective date of certain actions taken under the growth management act.	S Rules 2	Salomon
<a href="#"><u>SB 5149 (HB 1201)</u></a>	<b>Found. public health funding</b> Funding foundational public health services.	S Health & Long	Robinson
<a href="#"><u>SB 5221 (HB 1298)</u></a>	<b>Accessory dwelling units</b> Concerning regulation of accessory dwelling units located outside of urban growth areas.	S Housing & Loca	Gildon
<a href="#"><u>SB 5275</u></a>	<b>Intense rural dev. areas</b> Enhancing opportunity in limited areas of more intense rural development.	S Housing & Loca	Short
<a href="#"><u>SB 5368</u></a>	<b>Rural economic development</b> Encouraging rural economic development.	S Housing & Loca	Short





**SB 5390**  
**(HB**  
**1157)**

**Housing supply**

S Housing & Loca

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Increasing housing supply through the growth management act and housing density tax incentives for local governments.

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