

Skagit County Legislative Report March 10, 2019

The Legislature is working long hours and over the weekend to pass bills out of their chamber of origin prior to the Wednesday, March 13 cutoff deadline. Many bills have already passed. As of Friday afternoon, the House passed 250 bills and the Senate passed 218 bills. There are hundreds of bills on the floor calendars, or in their respective Rules Committee waiting to be pulled to the floor for a vote.

This week we learned more detail about the incredible pressure on the capital budget. The Local Community Project portion of the capital budget, which funds Legislator requested projects throughout the state, has received nearly \$770 million in requests and is expected to have about \$70 million in capacity. At the early stage of negotiations, Republican districts have been allocated between \$25 to \$30 million in funding, and Democratic districts have been allocated about \$40 million. Multiple legislators have told us that they are being told to expect less than \$1 million per legislative district.

GTH-GA advocates continue working with [Sen. Liz Lovelett](#) (D- Anacortes) and [Rep. Dave Paul](#) (D-Oak Harbor) to advance the county's capital budget request for upgrades to the emergency communications system. This week we drafted a letter of support from the Skagit County delegation to send to capital budget leaders. With Sen. Lovelett and Rep. Paul's assistance we succeeded in gathering signatures from all 12 legislators and the letter has been submitted.

Skagit County Requests for the Week

The focus of this week will be on floor action and then committee hearings later in the week. GTHGA has submitted requests for the City's budget priorities listed below, and we will continue to advocate for these requests while legislators are on the floor.

Upgrade County Emergency Communications System - \$2 million capital budget request

Bill Summaries

Outlined below are relevant bills GTHGA is tracking for the city. Where a position is indicated below, GTHGA will communicate these positions to legislators if they are considered by the entire chamber.

Bill #	Title	Short Description	Status	Sponsor	Position
EHB 1219 (SB 5195)	Providing cities and counties authority to use real estate excise taxes to support affordable housing and homelessness projects.	House Bill 1219, sponsored by Rep. Amy Walen (D- Kirkland), allows cities and counties to utilize real estate excise tax revenues for affordable housing. Cities and counties have the authority to use up to \$1 million of real estate excise tax revenues for affordable housing under current law, but the authority is scheduled to sunset in June 2019. Before passing the House, the bill was significantly amended. This version of the bill extends the sunset on the authority to January 1st, 2026, so long	S Housing Stabil	Walen	Support

		as the city or county documents that it has funds for certain capital projects in its capital facilities plan. The amendment also reinstates the financial cap on the use of REET II funding for affordable housing, limiting the annual amount to either \$100,000 or 25% of available funds not exceeding \$1,000,000. This cap does not apply to REET II funding used prior to June 30th, 2019.			
SHB 1406 (SB 5646)	Encouraging investments in affordable and supportive housing.	House Bill 1406, sponsored by Rep. June Robinson (D-Everett), would allow local jurisdictions to impose a .02 credit against the state sales tax to fund affordable housing. Cities that have imposed a local housing levy may impose the full .02 credit within city boundaries. Counties may impose the full .02 credit in unincorporated areas. In all other incorporated areas, the city and county would split the authority, and each would impose a .01 credit. If a city does not utilize the .01 credit within one year of the effective date of the bill, the county can then impose the .01 credit (and vice versa). The revenue may be used to acquire, rehabilitate, or construct affordable housing or fund the operations and maintenance of new units of affordable or supportive housing for persons whose income is at or below 60% of the adjusted median income for the jurisdiction imposing the tax. A credit against the state sales tax is not an increase in the state sales tax; rather, it is sales tax revenue that would otherwise be deposited into the state general fund that is instead redirected to the local level. The substitute version of the bill that passed the House specifies that to enact the maximum 0.02 percent rate, a city must levy a qualifying local tax no later than 12 months after the effective date of the bill, rather than within 12 months of the effective date, and states that the median income calculation for cities imposing the tax to be based on the city's median income, not the county's (addressing a drafting error).	S Housing Stabil	Robinson	Support
2SHB 1497 (SB 5732)	Concerning foundational public health services.	House Bill 1497, sponsored by Rep. June Robinson (D- Everett), integrates foundational public health service standards with current state public health practices. The bill requires that the state modify its priorities, funding	S Health & Long T	Robinson	Support

		allocation, and appropriation to fit the foundational public health service model and repeals prior statutes related to the definition, duties, planning, measurement, and funding of public health programs. The bill also requires the Department of Health, by October 1st, 2020, to present on a series of changes related to the implementation of foundational public health services, including planned delivery models, changes in public health system capacity, and improvements in health outcomes. The bill passed the House 96-4.			
HB 1590	Allowing the local sales and use tax for affordable housing to be imposed by a councilmanic authority.	House Bill 1590, sponsored by Rep. Beth Doglio (D- Olympia), allows counties to impose a .01 local sales and use tax for affordable housing with a councilmanic authority, rather than having to seek voter approval as is required under current law. The revenue generated could be spent on constructing affordable housing, constructing mental and behavioral health-related facilities, the operations and maintenance of affordable housing facilities to serve a population at or below 60% of the county's adjusted median income.	H 2nd Reading	Doglio	Support
EHB 1638	Promoting immunity against vaccine preventable diseases.	House Bill 1638, sponsored by Rep. Paul Harris (R- Vancouver), removes the philosophical or personal objection exemption from the requirement to receive the measles, mumps, and rubella vaccine. The bill also requires that a public school, a private school or a licensed day care center receive proof of immunizations before the child can attend the school or center. The bill passed out of the House with a series of floor amendments. This version of the bill maintains removal of the philosophical or personal exemption from the MMR vaccine, but allows: proof of disease immunity through laboratory evidence or a health care provider's attestation of disease immunity to be considered sufficient proof of immunization; individuals who do not have a positive antibody response to a full vaccine series to be considered nonresponders and therefore exempt from further vaccination; health care practitioners to use immune system problems or an adverse vaccine reaction	S Health & Long T	Harris	Support

		in a biological parent, brother, or sister as a viable medical exemption; parents to provide a written certification, with evidence from a health care practitioner, that the child has a biological parent or sibling whose immune system problems or adverse reaction would make the vaccine contraindicated for the child. The amended version of the bill grandfathers the restrictions in, exempting current high school students from the new requirement.			
HB 1679 (SSB 5676)	Authorizing cities planning under the growth management act to impose certain real estate excise taxes by councilmanic action.	House Bill 1679, sponsored by Rep. Noel Frame (D- Seattle), provides counties and cities planning under the Growth Management Act more flexibility over imposing a .25 percent tax on the sale of real estate (REET II). The bill removes the current provision requiring voter approval before cities or counties may implement the tax.	H Finance	Frame	Support
HB 1718	Providing cities and counties flexibility with existing resources.	House Bill 1718, sponsored by Rep. Mike Volz (R- Spokane), makes a number of changes to county and city financing tools with the intent of providing more flexibility in their use. The bill: 1) removes prohibitions on supplanting existing local government expenditures with proceeds from a locally imposed 0.1 percent sales and use tax dedicated to mental health and substance abuse; 2) allows all county authorities to seek voter approval for the criminal justice regular levy; 3) allows jurisdictions to use revenue generated with a levy lid lift to supplant existing funds; 4) Establishes the Developmental Disability and Mental Health Levy as a separate property tax levy outside the county general levy; 5) establishes the Veterans' Assistance Levy as a separate property tax levy outside the county general levy; and 6) requires the county legislative authority to budget the direct costs of administering the Veterans' Assistance Fund and prohibits the charging of indirect costs or fees.	H Rules R	Volz	Support
HB 2119 (SB 5975)	Concerning the distribution of moneys derived from certain state forestlands.	House Bill 2119, sponsored by Rep. Debra Lekanoff (D- Bow), allows a county to pay, distribute, and prorate payments of money from the former Common School Trust Land exchanged into the State Forestlands Trust in the same way that general taxes are paid for	S Ways & Means	Morris	Support

		the former forestlands subject to the exchange. The bill addresses revenue loss for the junior taxing district (the Burlington School District) as a result of the state's Blanchard Forest Strategy. The bill has been drafted narrowly to apply to this singular situation. The bill passed through the House with no amendments.			
SB 5195 (EHB 1219)	Providing cities and counties authority to use real estate excise taxes to support affordable housing and homelessness projects.	Senate Bill 5195, sponsored by Sen. Patty Kuderer (D- Bellevue), allows cities and counties to utilize real estate excise tax revenues for affordable housing. Cities and counties have the authority to use up to \$1 million of real estate excise tax revenues for affordable housing under current law, but the authority is scheduled to sunset in June 2019. This legislation removes the cap on the amount of money that can be spent on affordable housing and makes the authority permanent. At the public hearing on the proposal, cities and counties supported the bill, while the Washington Realtors Association expressed concerns. The Washington Realtors support extending the sunset on the authority but oppose removing the cap or making the authority permanent.	S 2nd Reading	Kuderer	Support
SSB 5366	Expanding the property tax exemption for new and rehabilitated multiple-unit dwellings in urban centers.	Senate Bill 5366, sponsored by Sen. Keith Wagoner (R- Sedro-Woolley), allows all cities and towns to provide property tax exemptions for eligible multi-unit residential housing projects in urban centers until July 1, 2022.	S 2nd Reading	Wagoner	Support
SB 5505 (HB 2125)	Addressing the use of local stormwater charges paid by the department of transportation.	Senate Bill 5505, sponsored by Sen. Steve Hobbs (D- Lake Stevens), addresses local stormwater charges, which are paid by the Department of Transportation. As drafted, the bill would require that any fees that are levied by counties to be used solely for stormwater control facilities as they related specifically to state highway runoff, preempting counties from utilizing the funds for other needs. The bill passed through the Senate without amendment.	H Trans	Hobbs	Oppose
SSB 5537	Expanding community-based behavioral health facilities	Senate Bill 5537, sponsored by Sen. John Braun (R- Centralia), authorizes the State Finance Committee to issue up to five hundred million dollars of general obligation bonds to finance behavioral	S 2nd Reading	Braun	Support

	through issuance of state bonds.	health capital improvements. Eligible projects include construction of evaluation and treatment centers, crisis triage and stabilization centers, detoxification centers, transitional and long-term housing, residential treatment centers, and more. The bill establishes both taxable and tax exempt bond accounts. Provisions authorizing the state to issue bonds must be ratified by the public in the next general election before going into effect.			
SSB 5676 (HB 1679)	Authorizing cities planning under the growth management act to impose certain real estate excise taxes by council action.	Sen. Dean Takko (D- Longview) introduced Senate Bill 5676, which authorizes county or city legislative authorities planning under the growth management act to impose real estate excise taxes without issuing a referendum. The taxes may not exceed .025 percent of the selling price and may be used toward capital projects. An amended version of the bill passed through the Senate Committee on Local Government, adding a referendum process to repeal an ordinance imposing REET II.	S Rules 2	Takko	Support
SB 5779	Concerning ballot drop box placement requirements.	Senate Bill 5779, sponsored by Sen. Patty Kuderer (D- Bellevue), would eliminate the requirement that the county auditor must have a minimum of one ballot drop box per 15,000 registered voters in the county. Instead, one ballot drop box would be required for every 20,000 registered voters in the county. The bill also eliminate that a ballot drop box must be in every city, town and place in a county with a post office.	S 2nd Reading	Kuderer	Support