



**CITY OF KIRKLAND**

City Manager's Office

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**MEMORANDUM**

**To:** Kurt Triplett, City Manager  
**From:** Lorrie McKay, Intergovernmental Relations Manager  
**Date:** December 18, 2012  
**Subject:** CITY OF KIRKLAND 2013 LEGISLATIVE AGENDA

**RECOMMENDATION:**

It is recommended that the City Council consider a resolution approving the proposed 2013 Legislative Agenda.

**BACKGROUND DISCUSSION:**

At its December 11, 2012 meeting, Council was presented with a proposed draft Legislative Agenda for consideration for the 2013 legislative session (Resolution Exhibit A) as well as a draft 2013 Legislative Support Agenda (Resolution Exhibit B).

Council had no questions or comments about the draft General Principles and no questions or comments about the draft Legislative Priorities. However, after the last Council meeting, the City Manager subsequently met with the Executive Board of the Master Builders Association (MBA) to discuss and evaluate priority #7, the notion of allowing current transportation impact fees to be spent on multi-modal capacity adding projects for trails and/or transit corridors on railbanked rights of way. At that meeting, it was suggested by the MBA that the City could interpret the existing law to allow these uses already. At the time of this memo's drafting, the City Attorney is taking time to explore and validate this suggestion. Following the City Attorney's due diligence, staff may recommend that Council remove priority #7 from the 2013 Legislative Agenda.

On December 11, Council provided feedback and recommended edits to the draft 2013 Legislative "Support" Agenda. Councilmember Nixon raised concerns about three items on the support agenda that might conflict with other City positions or practices. Following discussion, two concerns raised were determined to be consistent and thus, were unchanged. Councilmember Nixon expressed concern about one priority of the Washington Fire Chiefs Association (WFCA) to "Oppose Ambulance Billing Direct to Patients" as the summary phrase was ambiguous and appeared to conflict with Kirkland's support of a transport fee. Initial inquires to the WFCA led staff to recommend that the Council to strike that item from support.

However, upon additional follow-up, staff determined this item to in fact be consistent with City policy and therefore, recommends Council support it. A more accurate title might be "Oppose insurance direct payment to patient for transport costs." The WFCA's intent behind the legislative priority in question is to draft a bill that would mandate insurers pay the fee for ambulance transport directly to the transport provider (including public fire/EMS entities), or send payment to the order of both the patient and transport provider.

The problem that the WFCA is trying to address is one that exists nationally, and that is beginning to surface in the state of Washington, where the amount that an ambulance transport provider bills to

insurers is being paid directly to the patient and the patient is not releasing the payment to the transport provider. This in turns creates a collection issue for the transport provider which requires significant staff hours to resolve. Additionally, receiving direct payment for transport has the effect of encouraging the use of the emergency medical response system for non-medical reasons.

The WFCAs support transport billing as a revenue source to assist in recovering the cost for emergency medical ambulance transport service and has made it a priority during the 2013 legislative session to protect those interests. Staff recommends Council support the WFCAs priority to "Oppose Ambulance Billing Direct to Patient."

Councilmember Sternoff inquired about identifying additional stakeholder support for allowing local governments the option to award contracts to vendors whose pre-tax bid unit price is lowest.

Mayor McBride stressed the importance to the City of including the 2013 legislative priorities of the Environmental Priorities Coalition (EPC) and inquired when they would be available. The EPC's legislative priorities were released to the public on December 13 and are included in Exhibit B, the City's 2013 Legislative Support Agenda.

Additional changes to the 2013 Legislative Support Agenda reflect updated and/or final legislative priorities of all organizations that had not been available for the City's draft review. Further, the December 11 draft contained placeholders for several ally organizations and their draft legislative priorities. In those instances where, upon inquiry there appears to be no legislative priorities forthcoming, those placeholders were deleted. Specifically, placeholders for the Cascade Bicycle Club; Bellevue Network on Aging; Washington Association of Area Agencies on Aging; and the Washington Chapter of the American Planning Association were removed. Should 2013 legislative priorities from these allies come forward, staff will bring them to Council's attention for consideration.

#### The State Budget

As required by law, Governor Gregoire proposed a 2013–15 budget on Dec. 18. The AWC's DRAFT summary of impacts to cities (Attachment 1) is included in this packet. Incoming Governor-elect Jay Inslee can choose to follow this budget, modify it, ignore it and wait to work on a budget with legislative leaders, or create his own. Regardless of the decision made by the Governor-elect, Governor Gregoire's budget is a basic starting point in the budget development process. The Legislature will review Governor Gregoire's proposal for ideas and then begin work on a variety of iterations. The final biennial operating budget (and separately, the biennial Capital Budget and Transportation Budget) will be one of the last things the Legislature completes, not just because of the difficulty involved but also because new revenue forecast numbers will be released approximately the third week in March. These new estimates will be the assumptions legislators use in drafting a final budget.

#### The 2013 Legislative Session

This year's regular session is a long 105-day session beginning on January 14, 2013 and extending to April 29, 2013. The legislature will finalize the cutoff schedule on the first day of session.

Majken Ryherd and Jim Richards of Waypoint Consulting were retained by contract to serve as Kirkland's State lobbyists.

#### The City's State Delegation:

##### 1<sup>st</sup> Legislative District

Senator Rosemary McAuliffe  
Representative Luis Moscoso  
Representative Derek Stanford

##### 45<sup>th</sup> Legislative District

Senator Andy Hill  
Representative Larry Springer  
Representative Roger Goodman

##### 48<sup>th</sup> Legislative District

Senator Rodney Tom  
Representative Ross Hunter  
Representative Cyrus Habib

Staff will work with the City's lobbyist to draft, support or oppose State legislation consistent with this agenda, with specific focus on the legislative priorities as determined by the Council. Throughout the session the City's lobbyist and staff will also track relevant legislation that potentially impacts the way the city operates and will write letters to the state legislature supporting or opposing issues as identified in

the legislative agenda. Staff will apprise the Council of issues needing City action and will provide updates at each Council meeting.

**Attachments:**

1. Resolution of the City Council Approving the 2013 Legislative Agenda
2. Resolution Exhibit A 2013 Legislative Agenda
3. Resolution Exhibit B 2013 Legislative Support Agenda
4. Attachment 1 AWC's DRAFT Summary of Impacts to Cities – Governor Proposed FY 2013-15 Budget



## DRAFT Governor Proposed FY 2013-15 Budget - Impacts on Cities

*This summary describes some of the impacts to cities in the Governor's 2013-2015 Budget Proposal 12-18-2012. For more information, please visit the LEAP website at: <http://leap.leg.wa.gov/leap/default.asp>*

<b>State-Shared Revenues</b>	
<b>Liquor Revolving Account</b>	Funded at \$98.9M. Retains current liquor profit sharing of \$49.4M.
<b>Liquor Excise Tax Account</b>	Eliminates local government share of liquor taxes. \$50.5M reduction to cities and counties.
<b>Streamlined Sales Tax Mitigation</b>	Funded at \$48.8M (a 3.4% reduction - transferred to the state general fund).
<b>Municipal Criminal Justice Assistance Account</b>	Funded at \$29.4M (a 3.4% reduction - transferred to the state general fund).
<b>City-County Assistance Account</b>	Funded at \$16.2M (a 3.4% reduction - transferred to the state general fund).
<b>Annexation Sales Tax Credit</b>	Left intact.
<b>Capital Budget</b>	
<b>Public Works Trust Fund</b>	Funds the Public Works Trust Fund at \$387M, which includes \$350M in local government loans, \$22M for pre-construction loans, and \$5M each to emergency needs, energy and water efficiency projects, and water system acquisition. While the Governor's budget appears to only redirect \$100M from this account to the state general fund, it revises the Public Works Trust Fund board-approved list by removing about \$350M in funding for the 2014 construction loan list. If this is adopted, it would remove a number of projects from the list and lower the maximum loan amount to something less than \$13M.
<b>Local Toxics Control Account</b>	\$21M transferred to the state general fund. During the 13-15 biennium, funds may be used for local government stormwater planning and implementation, local government shoreline update grants, and excess fund balances may be transferred to the state general fund.
<b>Stormwater</b>	\$1.9M for Low Impact Development training program. No additional funding for new grants to local governments.
<b>Remedial Action Grants</b>	Funded at \$71.5M.
<b>Coordinated Prevention Grants</b>	Funded at \$28.2M
<b>Drinking Water Assistance Account</b>	Funded at \$170M.
<b>Community Economic Revitalization Board</b>	Funded at \$9M.
<b>Puget Sound Restoration and Salmon Recovery Grants</b>	\$80M for Puget Sound restoration and \$75M for Salmon Recovery.
<b>Washington Wildlife &amp; Recreation Program (WWRP)</b>	Funded at \$65.5M.
<b>Washington Heritage Grants</b>	Not funded.
<b>Housing Trust Fund</b>	Funded at \$65M.
<b>Economic Development Strategic Reserve</b>	\$1.5M appropriated to Governor.

**Programs**

<b>Pensions</b>	No changes.
<b>Training for Law Enforcement</b>	During FY 2013-2015, law enforcement agencies will continue to directly pay 25% of the cost to send officers to training. Agencies will also continue to pay the costs of ammunition.
<b>Auto Theft Prevention Authority</b>	Funded at \$8.6M.
<b>Public Defense Grants</b>	Office of Public Defense is funded at \$65M - a 14.6% increase over last biennium.
<b>Gang Prevention Grants</b>	No funding provided (\$250,000 was provided in FY 2012 - the first year of the program)
<b>Sex Offender Address Registration</b>	Funding provided to WASPC at \$5M per year.
<b>Impaired Driver Safety Account</b>	Funded at \$1.6M (same as the 2011-2013 biennium).
<b>Drug Task Force</b>	\$1.5M to county drug task force (a 25% reduction).
<b>Public Health</b>	Funded at \$48M (same as last biennium) for county public health assistance.
<b>Funding for Critical Access Hospitals</b>	No changes in payments to critical access hospitals.
<b>Transitional Housing</b>	Transitional Housing and Operating and Rents program is funded at \$7.5M (same as last biennium)
<b>Water Rights Processing</b>	Funded at \$14.3M (same as last biennium).
<b>Hydraulic Project Approval Program</b>	Funded at \$674,000.
<b>Growth Management Activities</b>	\$4.2M from Public Works Assistance Account for grants to local governments to update comprehensive plans. \$1.6M from the General Fund for 6.5 FTEs to provide technical assistance to local governments.
<b>Local Gov't Fiscal Note Program</b>	Funded.
<b>Municipal Research and Services Center</b>	Funded.

RESOLUTION R-4955

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KIRKLAND APPROVING A CITY OF KIRKLAND LEGISLATIVE AGENDA TO BE ADDRESSED TO THE 2013 SESSION OF THE STATE LEGISLATURE.

WHEREAS, actions of the State Legislature in respect to local government issues, services and funding have a profound impact upon the ability of local governments to provide adequate local services; and

WHEREAS, the Kirkland City Council supports legislation that promotes the City Council's goals and protects the City's ability to provide basic municipal services to its residents; and

WHEREAS, the City of Kirkland seeks to defend against state revenue reductions or legislation that hamper the City's ability to complete the Finn Hill, Juanita and Kingsgate-area annexation; and

WHEREAS, the City of Kirkland seeks to protect shared state revenue sources available to the City, and provide new revenue options and flexibility in the use of existing revenues; and

WHEREAS, the Kirkland City Council supports long-term sustainability efforts related to City financial, environmental and transportation goals; and

WHEREAS, the Kirkland City Council opposes the imposition of new mandates that draw on City resources and opposes any further shifting of costs or services from the State or County to cities; and

WHEREAS, the Kirkland City Council believes it appropriate to set forth its position as to issues affecting local government operations coming before the State Legislature during its 2013 session, including issues which the City Council requests the State Legislature to consider;

NOW, THEREFORE, be it resolved by the City Council of the City of Kirkland as follows:

Section 1. The "General Principles" and "City of Kirkland 2013 Legislative Priorities" set forth in the "City of Kirkland 2013 Legislative Agenda" attached hereto as Exhibit A and by this reference incorporated herein, are hereby adopted as Kirkland's recommendation to the 2013 Session of the State Legislature.

Section 2. The "2013 Legislative Support Agenda" attached hereto as Exhibit B and by this reference incorporated herein, is hereby adopted as reflecting the City's support of the policy principles underlying selected priority legislative items of the City's ally organizations. Formal City support of items on this list is contingent upon reviewing and approving the specific language of any legislative proposal drafted to advance a particular item.

Section 3. The City administration shall transmit the 2013 Legislative Agenda, including any subsequent changes or updates, to members of the State Legislature representing the legislative districts in which Kirkland is located, together with other members of the State Legislature and to the Association of Washington Cities, the Sound Cities Association and other ally organizations.

Passed by majority vote of the Kirkland City Council in open meeting this \_\_\_\_ day of \_\_\_\_\_, 2013.

Signed in authentication thereof this \_\_\_\_ day of \_\_\_\_\_, 2013.

\_\_\_\_\_  
MAYOR

Attest:

\_\_\_\_\_  
City Clerk



## **CITY OF KIRKLAND 2013 LEGISLATIVE AGENDA**

### **General Principles**

Kirkland supports legislation to promote the City Council's goals and protect the city's ability to provide basic municipal services to its citizens.

- Protect shared state revenue sources available to the city, and provide new revenue options and flexibility in the use of existing revenues.
- Support long-term sustainability efforts related to City financial, environmental and transportation goals.
- Oppose new mandates that drain City resources at a time of recession and limited revenues.
- Oppose any further shifting of costs or services from the State or counties to cities.
- Defend against state consolidation/central administration of taxes including Business & Occupation and telecommunication.

### **City of Kirkland DRAFT 2013 Legislative Priorities**

1. Kirkland supports providing state and local transportation revenue to maintain infrastructure investments and complete projects that enhance economic vitality.
2. Kirkland supports retaining the State Annexation Sales Tax Credit and defending against state revenue reductions or legislation that impact completion of the Finn Hill, Juanita and Kingsgate-area annexation.
3. Kirkland supports \$5 million in funding for the next phase of the NE 132<sup>nd</sup> Interchange ramp design and for the NE 132<sup>nd</sup> Interchange to be included in any statewide transportation package.
4. Kirkland supports eliminating the \$10 million ongoing diversion of liquor taxes and reinstating local share of excess liquor profits.
5. Kirkland supports the development of the Cross-Kirkland Corridor including support of continued state financial assistance (WWRP) and other tools to implement multiple uses including recreation and transportation.
6. Kirkland supports providing cities with financing options to support public/private partnerships (including flexibility in the use of existing tax sources).
7. Kirkland supports allowing current transportation impact fees to be spent on multi-modal capacity adding projects for trails and/or transit corridors on railbanked rights of way.
8. Kirkland supports allowing local governments the option to award contracts to vendors whose pre-tax bid unit price is lowest.



## **CITY OF KIRKLAND 2013 LEGISLATIVE SUPPORT AGENDA**

Kirkland generally supports the policy principles of the items below, however, formal City support is contingent upon reviewing and approving the specific language of any legislative proposal drafted to advance a particular item.

### **2013 Legislative Support**

#### **Legislation on Kirkland's Support agenda from 2012**

- Support brown grease to energy conversion legislation and programs.
- Support modification of the Washington State Department of Licensing's (DOL) implementation of the Commercial Driver's License process.
- Support legislation providing for the safe collection and disposal of unwanted drugs from residential sources through a producer provided and funded product stewardship program.
- Support an amendment to RCW 46.68.090 that would allocate gas tax revenues between counties and cities based on a per capita allocation rather than the current fixed percentages.

Additionally, Kirkland supports selected items of the 2013 legislative agendas for the following organizations:

#### **Association of Washington Cities**

##### **Ensure fiscal sustainability and flexibility**

- Restore diverted liquor revenue and retain existing state-shared city revenues during these fiscally challenging times.
- Preserve current local revenue authorities like local business licensing taxes and seek to develop new options.
- Retain flexibility in using Lodging Tax for operations and non-profits.

##### **Foster and invest in infrastructure and economic development**

- Collaborate with the state to increase multimodal transportation funding and expand sustainable revenue options.
- Authorize tax increment financing and fine-tune other tools that help foster job creation and retention in cities.
- Keep funding for critical infrastructure programs like the Public Works Trust Fund and don't divert capital investment dollars to the general fund.

##### **Enhance service provision**

- Allow cities to be more flexible and responsive to fiscal challenges, such as managing personnel costs.
- Provide state funding for critical mandates like municipal stormwater permits and refrain from adding any new unfunded or underfunded mandates.
- Strengthen public records access by curbing abusive requests.

## **Transportation Issues**

### **Eastside Transportation Partnership**

- Develop and fund a transportation package through an increase in the state gas tax and/or other revenue sources to pay for critical safety, maintenance and mobility improvements identified for I-405, I-90, SR 522 and SR 520 east of I-405.
- Increase funding options for local transportation needs; while maintaining funding for programs that support mobility, economic vitality and maintenance of the existing transportation system.
- Continue to evaluate tolling as a tool to help manage and finance specific projects in key corridors. Additionally, continue to monitor for impacts on other roadways as a result of SR 520 tolling and consider appropriate mitigation where necessary.

### **Transportation Choices Coalition**

- Pass a balanced biennial transportation budget that meets the following principles:
  - Increase the amount of state monies that are dedicated to transit, bicycle and pedestrian uses. Add money for the Complete Streets grant program.
  - Keep tolling revenue flexible for use on the movement of people and goods.
  - Codify future spending of new fees that passed in 2012.
  - Keep federal funding for Safe Routes to Schools that was agreed upon by the MAP-21 advisory committee.
- Pass local options:
  - Transit needs a menu of local options for transit investments that are less regressive and volatile.
  - Local options should be passed for all agencies, especially ones that have maxed out current capacity.
- Support a revenue package that meets the principles of Transportation for Washington.
- Pass a bill that includes improved health outcomes in transportation planning.
- Support Bicycle Alliance's bill for Safe Neighborhood speeds.

### **Bicycle Alliance of Washington**

- Local Government Control and Safe Neighborhood Streets
- Making Washington's Kids Safer
- Adding Health as a State Transportation System Policy Goal
- Potential safe passing legislation
- Transportation budget/local transportation options/new revenue legislation

## **Human Services Issues**

### **Eastside Human Services Forum**

#### **Preserving Services for Basic Needs**

- Protect programs that provide basic needs for all residents, such as food and healthcare including mental health, substance abuse, and medical interpretation.
- Protect funding for the Washington Information Network (WIN) 2-1-1.

#### **Preventing and Ending Homelessness**

- Protect the State investment in the Housing Trust Fund.
- Extend foster care for ALL youth until age 21.
- Protect the Housing and Essential Needs Program which replaced the Disability Lifeline.

#### **Supporting Early Learning and School Readiness**

- Protect the current investment in home visiting funding for evidence-based home visiting programs such as Healthy Start.

- Protect current investments in early learning such as the Early Childhood Education and Assistance Program (ECEAP), WaKids (the new State kindergarten learning assessment), and the Working Connections Child Care Program which provides subsidies for low-income working families or families seeking work.

#### Supporting the Most Vulnerable Older Adults and People with Disabilities

- Protect Washington's current long term care infrastructure and maintain the investment in services that enable older adults and people with disabilities to remain in their homes and in the community, such as the Community Alternative Program waiver, programs and services funded by the Senior Citizens Services Act, and family caregiver programs.
- Protect vulnerable adults through programs such as the State Long Term Care Ombudsman, Office of Public Guardianship, and through continued oversight of Adult Family homes.

#### **Washington Low Income Housing Alliance**

- Housing Trust Fund - Significant new Capital Budget allocation.
- Housing and Essential Needs - Protect against cuts & seek policy fixes that improve the program and address ACA (Affordable Care Act) changes.
- Fair Tenant Screening Act - Address the high cost of the reports and regulate the reporting of evictions and DV records.
- Affordable Housing, Equity and Infrastructure financing mechanism - Either oppose attempts for any TIF-like tool that does not include significant support for affordable housing, or support a negotiated bill via the PSRC Growing Transit Communities process.

### **Environmental Issues**

#### **Environmental Priorities Coalition**

- Clean Energy Solutions - This priority would drive Washington forward by developing a climate policy that accelerates clean energy investment and helps free consumers from the economic dead weight of fossil fuel dependence.
- Toxic-Free Kids and Families - This legislation will remove unnecessary flame retardants from children's products and furniture in our homes and prevent chemicals identified by the state as a concern for kids health from being used as replacements.
- Conservation Works – Advocating for the state to commit capital funding to fiscally-responsible projects that benefit the entire state by protecting Puget Sound, reducing toxic runoff, expanding recreation opportunities, and improving habitat and forest health.

### **Water Issues**

#### **WRIA 8**

- Support \$80 million for Puget Sound Acquisition and Restoration (PSAR) funding which supports implementation of the highest priority projects throughout Puget Sound.
- Support \$40 million request in Recreation and Conservation Office capital budget request, to serve as state match to federal Pacific Coastal Salmon Recovery Fund.
- Support funding for salmon recovery Lead Entities in the Recreation and Conservation Office's general fund budget request.
- Support a study bill of the draft Watershed Investment District legislation.

### **Cascade Water Alliance**

- **Lane Case:** Clarify to make more workable recent decisions of the Washington State Supreme Court (Lane v. City of Seattle and City of Bonney Lake V. City of Tacoma) that have left important unresolved questions about who pays for fire hydrants, what costs may be recovered and the mechanism or process that may be used for cost recovery.
- **High Efficiency Toilet Legislation:** Cascade proposes a measure that would require By January 1, 2014, toilets sold or installed in this state must be high efficiency toilets that go beyond the current standard (1.6 gallons per flush) and use less than 1.3 gallons per flush, which would, if every home in the US replaced old toilets with new high efficiency toilets would save more than 900 billion gallons of water per year.

### **Public Safety Issues**

#### **Washington Association of Sheriffs and Police Chiefs**

- Sustainable Funding for the Criminal Justice Training Commission (CJTC)
- Mandatory Reporting of all gunshot wounds by Medical Providers
- Continued Basic Funding for Statewide Law Enforcement Programs such as Victim Notification, Jail Booking and Reporting System, Sex Offender Address Verification, Uniform Crime Reporting, and Washington Auto Theft Prevention Authority Task Forces

#### **Washington Fire Chiefs Association**

- All Risk Mobilization
- Simple Majority for M & O Levies
- Fire Training Academy Burn Tower Funding
- Oppose Ambulance Billing Direct to Patients
- Raise EMS Levy Cap to \$.75

### **Parks Issues**

#### **Washington Recreation and Parks Association**

- Advocate for increased WWRP funding in 2013-15 Capital Budget
- Support State Parks efforts to secure general-fund monies
- Pursue legislation to re-establish funding for the Youth Athletic Facilities (YAF) Account