



CITY OF KIRKLAND
City Manager's Office
123 Fifth Avenue, Kirkland, WA 98033 425.587.3001
www.ci.kirkland.wa.us

MEMORANDUM

To: David Ramsay, City Manager
From: Erin Leonhart, Intergovernmental Relations Manager
Date: January 21, 2010
Subject: 2010 LEGISLATIVE UPDATE 3

The 2010 State Legislative session is in its second week. The first legislative cut-off date is February 5th when bills must have progressed out of their committee of origin, with the exception of House fiscal committees, Senate Ways & Means and Transportation committees. This is an update on the City's interests as of January 21st. Status reports from Gordon Thomas Honeywell for January 11th and January 18th are attached to this memorandum. A report with the current status of topics on the legislative agenda will be available at the Council meeting on February 2nd.

COUNCIL LEGISLATIVE COMMITTEE – JANUARY 12

The Council Legislative Committee (Mayor McBride, Council member Asher, Council member Marchione) met on January 12th to discuss priorities and processes for the legislative session as well as some bills of interest and Federal Appropriations requests for FY 2011.

Legislative Committee meeting schedule for 2010 – Mondays at 5:30pm except for holiday weeks.

Process for Support/Opposition of Bills – If on Legislative Agenda, okay to sign in support/opposition. Intergovernmental Relations Manager will notify Legislative Committee by email or discuss at meeting in advance when possible.

Amended Legislative Agenda – Distributed to 45th & 48th District Legislators. Letters of support sent about the Clean Water Bill (bill TBD), Street Utility (HB2618). Intergovernmental Relations Manager working with Public Works and Bellevue staff on proviso language related to SR-520 Bicycle/Pedestrian gap.

2010 Priorities

- Ability to impose Annexation Sales Tax Credit on City's revenues starting in 2010
- Funding in the SR 520 Bridge Replacement and HOV Program to complete the missing link between 108th NE and 124th NE
- AWC Priorities (Fiscal Flexibility, Clean Water Bill, Street Utility)
- Secure Medicine Bill (the fiscal note created during the 2009 session indicating that costs will be recovered from producers after the first year can be found here: [Secure Medicine Bill Fiscal Note](#))
- Mercury Light Bill (the fiscal note created during the 2009 session indicating that costs will be recovered from producers can be found here: [Mercury Light Bill Fiscal Note](#))

AWC Conference January 27-28

Council Members Attending – Sweet, Marchione, McBride (will pay expenses if able to make it)
Meetings with 45th & 48th District Legislators not attending dinner – Scheduled
Meetings with 32nd District Legislators – Scheduled

House Bill 2408 - Requires local governments considering modifications of zoning requirements to notify, by mail, owners of real property to which the modification applies. [HB2408 Fiscal Note](#) indicates no impact to State Department of Commerce but potentially significant impacts to local governments. Testimony at the public hearing addressed concerns about mail and lacking specifics about what type of zoning changes would require mailing.

House Bill 2650 – Fiscal Flexibility (Rep. Springer’s Bill) – Public Hearing moved to January 19 at 1:30pm, Kirkland signed in support. The bill reflects the AWC Fiscal Flexibility priority exactly. Ability to use Real Estate Excise Tax funding for park maintenance and broader public safety use of gambling revenues of interest to City staff.

House Bill 2637, Fiscal Flexibility (Hunter’s Bill) – Referred to Finance Committee and included in public hearing on January 19. Property Tax revisions remove supplanting language and change “shall” to “must.” One issue not listed in the Gordon Thomas Honeywell report is it would allow cities to extend utility tax to water/sewer districts. Exception clause in section related to County Utility Tax option would exclude incorporated areas.

2011 Federal Appropriations Requests – Forms due to Senators Murray and Cantwell by February 12th (*new)
120th Street Extension
116th Avenue Non Motorized
Public Safety Training
*City Hall/Public Safety Expansion
*Fire District 41 Combined Fire Station

COUNCIL LEGISLATIVE COMMITTEE – JANUARY 20 (CANCELLED)

The Council Legislative Committee did not meet on January 20; however, these notes were provided to the committee.

Local Government Fiscal Flexibility Bills (HB 2749, HB 2650 & HB 2773) - Follow-up from Tuesday’s public hearing in House Finance Committee

- The Finance Committee held a public hearing on all three bills since their goal is to pass one comprehensive bill out of Committee
- Multiple cities and counties testified in support of all three bills
- The tourism industry testified against part of HB 2650 that would expand permitted use of Hotel-Motel Tax Revenues
- The WA Realtors testified against expanded use of Real Estate Excise Tax in HB 2650 and HB 2749 (as they have in the past)
- Utilities and a paper industry representative testified against County Utility Tax and City Tax on Water-Sewer Districts in HB 2749

SB 6344 – Establishing contribution limits for city council campaigns – The list of public offices requiring campaign contribution limits is expanded to include the office of city council. Contributions from an individual, a union, or business may not in the aggregate exceed \$800 per election to a candidate for city council. Local districts with contribution limits currently established for city council campaigns may continue to apply such standards so long as the contribution limit does not exceed \$800. The Public Disclosure Commission adjusts this limit for inflation every even-numbered calendar year. (NOTE: The City of Kirkland limits the amount a council candidate may accept. The proposed limitation, similar to the existing state law, is a limitation on the contributor.)

HB 2388 – Concerning public health financing – House Bill 2388 puts a tax on candy. The revenue from the tax would be put into an account to be distributed to counties to fund public health. Counties are

supporting this as an option; however, the primary message to the Legislature is that funding for public health cannot go below that provided in the Governor's Budget.

ANNEXATION SALES TAX CREDIT

The Intergovernmental Relations Manager is continuing to work with Representative Larry Springer to seek clarification that the City can impose the annexation sales tax credit provided for in RCW 82.14.415 on the City's revenues beginning in 2010 to pay the cost incurred preparing for the effective date, using the logic that the City "annexed" when the City Council approved Ordinance 4229, formally accepting the annexation area to the City of Kirkland.

As directed by the City Council on January 19th, staff from the City Manager's Office and Finance and Administration Department is developing talking points for City Council members and a letter to Legislators from the 45th, 48th and 32nd Legislative Districts related to this issue. The Council members attending the AWC Legislative Action Conference on January 27-28 will be meeting with many of these Legislators so materials will be prepared ahead of those meetings.

Attachment



LEGISLATIVE REPORT

To: City of Kirkland

From: Briahna Taylor

Date: January 11, 2010

The Legislative Session is scheduled to start Monday, January 11th and adjourn on Thursday, March 11th (60 days as required by the Constitution).

CONTENTS:

1. Upcoming this Week
2. Budget/Revenue
3. AWC Information
4. Bill Tracking

1. UPCOMING THIS WEEK

GMA Comprehensive Plan Deadline Extensions

The Governor's Budget eliminated funding for grants to local governments to develop growth management plans. The Association of Washington Cities and the Washington State Association of Counties met with the Governor's Office this last week to refine a legislative proposal to extend the deadlines for comprehensive plan updates. Discussions are focused on whether a 2-3 year extension should be granted to help local jurisdictions through these tough economic times, *or* whether the GMA comprehensive plan update schedule should be permanently changed to align with the availability of census data.

Gambling

GTH-GA expects legislation providing local governments with limiting authority to be introduced during the first week of the legislative session. The legislation will be prime sponsored by Rep. Tami Green and co-sponsored by Rep. Steve Conway. The bill will include the following concepts:

- Making previous ordinances that limited gambling activities legally enforceable.
- Providing local governments with a tool to limit gambling activities – limits the number of cardrooms, the number of tables, and other gambling activities.

GTH-GA met with the Muckleshoot Tribe last week and hopes to meet with the Puyallup Tribe early next week. There will be a substitute version of the legislation to incorporate the tribes' concerns.

1201 Pacific Ave, Suite 2100
Tacoma, WA 98401
Phone: (253) 620-6500
Fax: (253) 620-6565

www.gth-gov.com

203 Maryland Ave., NE
Washington, DC 20002
Phone: (202) 544-2681
Fax: (202) 544-5763

Clean Water Act (Storm Water)

AWC and the environmental community are working on an amended version of [House Bill 1614](#). When an amended draft is available, GTHGA will provide the draft.

Public Records Request Legislation

The Association of Washington Cities has worked to develop two pieces of legislation, which have now been introduced. These bills hope to make public records request more efficient. Neither bill has yet been scheduled for a hearing.

[House Bill 2582](#) indicates that a local government may respond to a public records request by directing the requestor to a website address, where the document is posted. The bill also includes provisions for requestors without internet access. This legislation would help with those documents that are commonly requested, but not the e-mails of city employees and other similar documents. The bill is sponsored by Representative Chris Hurst.

[House Bill 2583](#) allows a voluntary conference between the agency and the requestor to clarify the request. If an agency or requestor files a lawsuit based on the request without participating in a conference, the court would have the discretion to reduce any award for costs, including penalties.

Recommendations coming forth from the Washington Coalition for Open Government: The following are the priorities for the Washington Coalition for Open Government as established by its Board of Directors:

- Restore the original intent of the attorney-client communications exemption;
- Expand access to legislative and court records;
- Exempt recordings of executive session;
- Create a non-judicial process for review of PRA and OPMA disputes;
- Require open government training for government employees and elected officials;
- Prevent arbitrators or judges from ordering destruction of public records contrary to law;
- Reject elimination of the Sunshine Committee

Both GTH-GA and AWC will be closely monitoring proposals regarding any of these priorities.

Fiscal Flexibility – HEARING THIS FRIDAY

The Association of Washington Cities and the Washington State Association of Counties have worked collaboratively with the Governor's Office, Representative Ross Hunter, Representative Larry Springer, and Senator Debbie Regala to develop a few pieces of legislation to create greater fiscal flexibility for local governments. Below is a summary of the two pieces of legislation that will be heard Friday as well as the Governor's proposal:

[House Bill 2650](#) – Prime Sponsor is Representative Larry Springer. Bill includes:

- REET 1/REET 2 Flexibility
- Removes non-supplant language from 1/10 of 1% sales tax for criminal justice purposes and adds "human services" as a criminal justice purpose. (Local option; imposed by County, portion distributed to the cities)

- Removes non-supplant language in metropolitan park revenues received by Pierce County's metropolitan park district – does not impact the 50% of the revenues that are directed towards Pt. Defiance Zoo.
- Local option sales and use tax of 3/10 of 1% that can currently be used on criminal justice and fire protection can also be used on human services or any combination of criminal justice, fire protection, and human services purposes.
- Removes non-supplant language from the 1/10 of 1% for chemical dependency & mental health; changes the non-supplant schedule included in last years' bill.
- Creates flexibility with the gambling tax – rather than using funding for public safety purposes enforcing gambling, it can be used for all public safety.
- Flexibility with the lodging tax – revenue can be used on public safety and anything that promotes tourism, rather than just tourism.

[House Bill 2637](#) – Prime Sponsor is Rep. Ross Hunter. Bill includes:

- Removes non-supplant language for 3/10 of 1% for criminal justice
- Removes non-supplant language for 1/10 of 1% for chemical dependency & mental health
- Flexibility for property tax levy
- Authorizes a County Utility Tax
- REET Flexibility for park operations (Takes effect 2012)
- Clarifying Brokered Natural Gas

Governor's Bill – Has not yet been introduced. Bill includes:

- Bill eliminates or modifies a few supplant clauses:
 - o county mental health 1/10th thru 2014;
 - o city/county criminal justice 1/10th;
 - o city/county 3/10th public safety.
- The bill also allows county council authority for the 3/10ths public safety sales tax thru 2014, thereafter voter approval required. Retains the 60 – 40 split of revenue between the county and cities.

HB 2408 – Notice to Property Owners for Zoning Changes, Rep. Angel – HEARING MONDAY

The original version of [HB 2408](#) would require a local government to notify property owners of all zoning changes made. GTH-GA has worked with the prime sponsor, Rep. Angel to clarify the intent of the bill. There is an amendment that will be proposed to clarify that property owners only need to be notified when an entire zoning classification is changes – but not when minor changes are made. The hearing on the legislation will be Monday and GTH-GA is working with Rep. Angel's office to fine tune the amendment to satisfy additional concerns regarding the timing of the notification, etc. Note that a fiscal note has also been posted for the legislation.

HB 2442 – Restructuring Three Growth Management Hearings Boards into One Board – HEARING MONDAY

This bill would establish in essence a subcommittee (of three out of the seven board members) to hear cases in the Puget Sound region). Concerns about equity amongst the three regions appear to be addressed by the bill authors.

[HB 2491 - Requiring certain state agencies that manage natural resources to coordinate their land management with local governments – HEARING WEDNESDAY](#)

Requires the department of fish and wildlife, the department of natural resources, and the parks and recreation commission to coordinate with all applicable affected local government officials during the development, revision, and implementation of any public land use plan under the control or authority of the respective department or commission.

HB 2538 – Regarding High-Density Urban Development – HEARING WEDNESDAY

[House Bill 2538](#) incentivizes high-density, compact, in-fill development and redevelopment within existing urban areas – this zoning is option, but is incentivized. This is a scaled down version of House Bill 1490 that was introduced last year.

2. BUDGET/REVENUE

Budget

There are multiple hearings this week reviewing the Governor’s Budget that was released on December 9th. This is an opportunity to have provide input either via letter or public hearing on the Governor’s Budget – please contact GTH-GA if there specific changes in the Governor’s Budget you would like to testify on. [Click here to view the Governor’s Budget.](#)

When the Governor released her budget in early December, she balanced the budget by utilizing a \$900,000 reserve fund and cutting \$1.7 million in funding. At that point, she indicated that she would release a Book 2 Budget that would include revenue generating component to “buy back” programs that were cut. The Governor’s Book 2 Budget is expected to be released on January 12th after the State of the State.

Revenue

Repeal of I-960? – There has been a great deal of discussion regarding whether the Legislature will repeal I-960. This measure requires either a two-thirds vote in each house of the legislature or voter approval for all tax increases. The Legislature could repeal this permanently or could repeal it only for this session or only for a few pieces of legislation. Once repealed, the legislature could theoretically impose a tax with a simple majority.

3. AWC NEWS

City Legislative Action Conference – January 27th-28th

The Association of Washington Cities’ City Legislative Action Conference is January 27th-28th. This is an excellent opportunity to meet with your legislative delegation. If you plan to attend CLAC, please contact GTH-GA to schedule meetings/organize dinners or lunches.

4. BILL TRACKING

Bill Tracking

GTH-GA has started this year's bill tracking. While legislation from last year will carry over into this next legislative session, we are starting the bill tracking with those bills that have been filed this year. Very few bills that were introduced last legislative session will move this session. GTHGA will identify those bills that were introduced last year that are likely to move and add them to this bill tracking sheet the first two weeks of the legislative session.

Below is a link to all legislation that GTH-GA is monitoring on behalf of the City. If there is legislation you would like added or removed from this please contact GTH-GA.

[Monitored Legislation](#)

This link updates in REAL-TIME. GTH-GA suggests that you bookmark it and refer to it anytime you would like to view the tracking list.

If there is any legislation and/or notes that you would like added to the bill tracking lists, please let us know.



LEGISLATIVE REPORT

To: City of Kirkland

From: Briahna Taylor

Date: January 18, 2010

CONTENTS:

5. Upcoming this Week
6. Budget/Revenue (No change)
7. AWC Information (No change)
8. Bill Tracking

5. UPCOMING THIS WEEK

Fiscal Flexibility – HEARING THIS TUESDAY

The hearing scheduled for last Friday was moved to Tuesday, January 19th at 1:30PM. Please see the attached chart for a detailed description of the three pieces of legislation that will be heard.

GMA Comprehensive Plan Deadline Extensions

There are two bills that will be introduced early next week. The first piece of legislation extends the deadline for GMA Comprehensive plans for three years temporarily. This will likely be Governor-request legislation. The second piece of legislation extends the deadline for GMA comprehensive plans for three years and then requires GMA updates every 10 years thereafter. Both pieces of legislation will likely have hearings during the week of the 25th.

HB 2408 – Notice to Property Owners for Zoning Changes, Rep. Angel

The original version of [HB 2408](#) would require a local government to notify property owners of all zoning changes made. GTH-GA has worked with the prime sponsor, Rep. Angel to clarify the intent of the bill. There is an amendment that will be proposed to clarify that property owners only need to be notified when an entire zoning classification is changes – but not when minor changes are made.

At the hearing last Monday, there was a great deal of testimony in opposition to the legislation. The proposed amendment has been identified as still broad and extending beyond simple “re-zones.” The bill is on the large list of bills that *could* have action taken on them at Monday’s Local Government Committee meeting. GTH-GA has confirmed with the Committee Chair that without a more narrow amendment, the bill is not likely to pass the committee.

Public Records Request Legislation

On Friday, AWC and GTH-GA met with Rep. Lynn Kessler, the Majority Leader, to discuss legislation regarding public records. The meeting went very well and Rep. Kessler seemed inclined to work with cities to address harassment through public records requests. AWC also presented to her the legislation being proposed by the legislation this year.

The Association of Washington Cities has worked to develop two pieces of legislation, which have now been introduced.

[House Bill 2582](#) / [Senate Bill 6367](#) indicates that a local government may respond to a public records request by directing the requestor to a website address, where the document is posted. The bill also includes provisions for requestors without internet access. This legislation would help with those documents that are commonly requested, but not the e-mails of city employees and other similar documents. The bill is sponsored by Representative Chris Hurst. BOTH BILLS ARE SCHEDULED FOR HEARINGS ON TUESDAY, JANUARY 19th.

[House Bill 2583](#) / [Senate Bill 6368](#) - allows a voluntary conference between the agency and the requestor to clarify the request. If an agency or requestor files a lawsuit based on the request without participating in a conference, the court would have the discretion to reduce any award for costs, including penalties.

Clean Water Act (Storm Water)

AWC and the environmental community are working on an amended version of [House Bill 1614](#). When an amended draft is available, GTHGA will provide the draft. Additionally, conversation have begun regarding developing an alternative funding source.

SB 6214 – Restructuring Three Growth Management Hearings Boards into One Board – HEARING MONDAY

This bill would establish in essence a subcommittee (of three out of the seven board members) to hear cases in the Puget Sound region). Concerns about equity amongst the three regions appear to be addressed by the bill authors. The House version of this legislation was heard last week.

HB 2516 – Siting of small alternative energy facilities – HEARING MONDAY

This bill allows parities to use the EFSEC permit process to side small alternative energy resource facilities in lieu of the permit process of cities or counties. This is an express preemption of siting small facilities. Cities and counties are opposing the legislation – *please contact GTH-GA if you would like to sign up in opposition.*

HB 2625 – Addressing bail for felony offenses – HEARING TUESDAY

Prime sponsored by Representative Troy Kelley, the legislation indicates that bail for the release of a person arrested and detained for a felony offense must be determined on an individualized basis by a judicial officer.

SB 6261 – Addressing utility services collections against rental property – HEARING TUESDAY

Senate Bill 6261 indicates that local governments can only collect from property owners four months of unpaid utility bills, whether or not the city uses the lien authority as the collection tool. This would limit the authority that local governments currently have to recover delinquent utility bills from property owners.

HB 2611 – Concerning annexation of a city, partial city, or town to a fire protection district – HEARING WEDNESDAY

Addresses the disposition of existing voter-approved indebtedness at the time of annexation of a city, partial city, or town to a fire protection district.

HB 2618 – Street Maintenance Utility – HEARING WEDNESDAY

The Association of Washington Cities' street utility legislation will be heard on Wednesday.

SB 5548 – Impact fee credit legislation – HEARING WEDNESDAY

Senate Bill 5548 is a bill that carries over from last year. Last year, the bill passed the House and Senate in different forms and agreement between the two versions could not be found. The legislation would provide developers with impact fee credits for transportation improvements. Over the interim, GTH-GA has participated in a work group to look at this issue. While the hearing on Wednesday is on the original legislation, the Master Builders Association, AWC, and WSAC have agreed that narrowing this to transit improvements would be appropriate. At the hearing Wednesday, this message will be communicated.

SB 6344 – Establishing contribution limits for city council campaigns – HEARING THURSDAY

The list of public offices requiring campaign contribution limits is expanded to include the office of city council. Contributions from an individual, a union, or business may not in the aggregate exceed \$800 per election to a candidate for city council. Local districts with contribution limits currently established for city council campaigns may continue to apply such standards so long as the contribution limit does not exceed \$800. The Public Disclosure Commission adjusts this limit for inflation every even-numbered calendar year.

HB 2388 – Concerning public health financing – HEARING FRIDAY

House Bill 2388 puts a tax on candy. The revenue from the tax would be put into an account to be distributed to counties to fund public health. Counties are supporting this as an option, however, the primary message to the Legislature is that funding for public health cannot go below that provided in the Governor's Budget.

6. BUDGET/REVENUE (No Change)

Budget

There are multiple hearings this week reviewing the Governor's Budget that was released on December 9th. This is an opportunity to have provide input either via letter or public hearing on the Governor's Budget – please contact GTH-GA if there specific changes in the Governor's Budget you would like to testify on. [Click here to view the Governor's Budget.](#)

When the Governor released her budget in early December, she balanced the budget by utilizing a \$900,000 reserve fund and cutting \$1.7 million in funding. At that point, she indicated that she would release a Book 2 Budget that would include revenue generating component to “buy back” programs that were cut. The Governor’s Book 2 Budget is expected to be released on January 12th after the State of the State.

Revenue

Repeal of I-960? – There has been a great deal of discussion regarding whether the Legislature will repeal I-960. This measure requires either a two-thirds vote in each house of the legislature or voter approval for all tax increases. The Legislature could repeal this permanently or could repeal it only for this session or only for a few pieces of legislation. Once repealed, the legislature could theoretically impose a tax with a simple majority.

7. AWC NEWS (No Change)

City Legislative Action Conference – January 27th-28th

The Association of Washington Cities’ City Legislative Action Conference is January 27th-28th. This is an excellent opportunity to meet with your legislative delegation. If you plan to attend CLAC, please contact GTH-GA to schedule meetings/organize dinners or lunches.

8. BILL TRACKING

Bill Tracking

GTH-GA has started this year’s bill tracking. While legislation from last year will carry over into this next legislative session, we are starting the bill tracking with those bills that have been filed this year. Very few bills that were introduced last legislative session will move this session. GTHGA will identify those bills that were introduced last year that are likely to move and add them to this bill tracking sheet the first two weeks of the legislative session.

Below is a link to all legislation that GTH-GA is monitoring on behalf of the City. If there is legislation you would like added or removed from this please contact GTH-GA.

[Monitored Legislation](#)

This link updates in REAL-TIME. GTH-GA suggests that you bookmark it and refer to it anytime you would like to view the tracking list.

If there is any legislation and/or notes that you would like added to the bill tracking lists, please let us know.