



**CITY OF KIRKLAND**

City Manager's Office

123 Fifth Avenue, Kirkland, WA 98033 425.587.3001  
www.kirklandwa.gov

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**MEMORANDUM**

**To:** Kurt Triplett, City Manager  
**From:** Lorrie McKay, Intergovernmental Relations Manager  
**Date:** February 11, 2013  
**Subject:** 2013 LEGISLATIVE UPDATE #2

**RECOMMENDATION:**

Council receives its second update on the 2013 legislative session.

**BACKGROUND DISCUSSION:**

The 2013 State Legislative Session opened on Monday, January 14 and at the writing of this memo, has completed its fourth week. The last day to read in committee reports in the house of origin, except fiscal committees and Senate Ways and Means and Transportation committees is Friday, February 22. The last day to read in committee reports from House fiscal committees and Senate Ways and Means and Transportation committees is Friday, March 1. This is an update on the City's legislative interests as of February 10.

**COUNCIL LEGISLATIVE COMMITTEE:**

The Council's Legislative Committee (Mayor McBride, Deputy Mayor Marchione and Council Member Asher) meets weekly on Fridays at 3:30pm.

The Council's Legislative Committee met on February 8 to discuss the status of the City's 2013 legislative priorities (Attachment A) and other bills of interest to the City (Attachment B).

**Week 3 (1/28 – 2/3)**

The primary focus in week 3

1. Department review and analysis of 22 bills introduced of interest to the City.
2. Councilmember Sternoff testified in support of SB 5110, local government purchasing bill.
3. Reviewed language of 1<sup>st</sup> Substitute of SB 5110 and identified issues and need for amendment.
4. Monitored transportation funding discussions among legislators and stakeholders.
5. Discussed Mayors Transportation Funding Forum sign-on letter and recommendation to full Council to add Mayor McBride's signature.
6. Monitored status of Annexation Sales Tax Credit.

**Week 4 (2/4 – 2/10)**

The primary focus in week 4

1. Department review and analysis of 18 bills introduced of interest to the City.
2. Communicated concerns and issues with 1<sup>st</sup> Substitute of SB 5110 and need for amendment.
7. Staff testified in support of HB 1268, local government purchasing bill.
3. Monitored transportation funding discussions among legislators and stakeholders.
4. Monitored status of City's legislative priorities.
5. Monitored status of Annexation Sales Tax Credit.

**2013 LEGISLATIVE PRIORITIES:**

As mentioned above, a detailed matrix tracking the status of Kirkland’s legislative priorities (as of February 8) is attached to this memorandum. Below is an at a glance summary:

<b>2013 Legislative Priority</b>	<b>Bill Number</b>	<b>Hearing Status</b>
Support state and local transportation revenue to maintain infrastructure investments and complete projects that enhance economic vitality.		House Transportation Chair to release proposal week of the 18 <sup>th</sup> .
Support retaining the State Annexation Sales Tax Credit and defend against state revenue reductions or legislation that impact completion of the Finn Hill, Juanita and Kingsgate-area annexation.		
Support \$5 million in funding for the next phase of the NE 132nd Interchange ramp design and for the NE 132nd Interchange to be included in any statewide transportation package.		1/30 - Rep Springer emailed the House Transportation Chair formal requests.
Support eliminating the \$10 million ongoing diversion of liquor taxes and reinstating local share of excess liquor profits.	HB 1368	2/8 - Heard in Local Government
Support 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.		The Cross Kirkland Corridor ranked #2 among the WWRP Proposed Trail Projects to be funded in 2013. \$500,000 with a \$500,000 match.
Support providing cities with financing options to support public/private partnerships.	HB 1306 SB 5293	2/5 - Heard in Technology & Econ. Dev. 1/25 – Read into Ways and Means.
Support allowing local governments the option to award contracts to vendors whose pre-tax bid unit price is lowest.	SB 5110 HB 1268	2/8 - Passed by Senate (48 yeas, 1 excsd) 2/5 - Heard in Local Gov.

**HEARINGS AND CORRESPONDENCE:**

<u>Bill</u>	<u>Cmte</u>	<u>Dt/Time</u>	<u>City Rep.</u>	<u>SME</u>
<a href="#">SB 5110</a> Local Government Purchasing	HLG	2/5 1:30pm	Lorrie McKay	Tracey Dunlap

Cmte (Committee) Legend

HLG = House Committee on Local Government

**BILL TRACKING:**

Waypoint Consulting is tracking other bills of interest to the City. To date, Waypoint has identified 122 bills for the City to review, analyze and potentially take positions on. Staff are actively reviewing these bills and assessing their potential impact on the way the city operates, measuring them against our 2013 legislative agenda and providing recommended positions to the Legislative Committee. (Attachment C). A copy of the Engrossed Substitute Senate Bill 5110, passed by the Senate is attached. (Attachment D). As mentioned above, a bill tracker on positions that the City has taken (as of February 8) is attached to this memorandum.

Matrices updated February 15, for both Kirkland’s legislative priorities and an updated bill tracker will be emailed to Council in advance of the meeting on February 19.

- Attachments:
- A. Status of City’s 2013 legislative priorities
  - B. List of bills the City is tracking and positions
  - C. Total List of bills reviewed by City and analysis
  - D. Text of Engrossed Substitute SB 5110 - Regarding local government purchasing

City of Kirkland Legislative Priorities and Status: 2013 Legislative Session

Attachment A

Updated 2.8

	Legislative Priority	Bill #	Prime Sponsor	Status
1	Support state & local transportation revenue			
2	Retain the State Annexation Sales Tax Credit			Not discussed. Monitoring
3	\$5M for the next phase of the NE 132nd Interchange ramp design and for it to be included in any statewide transportation package			1/30 - Rep Springer emailed Chair Clibborn formal requests.
4	Eliminate the \$10 million ongoing diversion of liquor taxes and reinstate local share of excess liquor profits	HB 1368 SB 5703	Rep Tharinger Sen Hobbs	2/8 - Heard in Local Government
5	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			The Cross Kirkland Corridor ranked #2 among the WWRP Proposed Trail Projects to be funded in 2013. \$500,000 with a \$500,000 match.
6	Provide cities with financing options to support public/private partnerships	HB 1306 SB 5293	Rep Wylie Sen Cleveland	2/5 - Heard in Technology & Econ. Dev. 1/25 – Read into Ways and Means.
7	Allow local governments the option to award contracts to vendors whose pre-tax bid unit price is lowest	SB 5110 HB 1268	Sen Tom Rep Springer	2/8 – Amended by Tom on floor. ESSB Passed Yeas, 48; Nays, 0; Excsd, 1 2/5 - Heard in Local Gov.

Bill	Title	Position	Status
<b>Support</b>			
<a href="#">HB 1007</a>	Covering of loads on public highways	Support	Heard 1/17 - Transportation
<a href="#">HB 1009</a>	Prohibiting certain liquor self-checkout machines	Support	1/31 1st Sub Exec'd - 2/1 Passed to Rules
<a href="#">HB 1016</a>	Designating facilities and infrastructure of water purveyors as essential public facilities under GMP	Support	2/5 - Passed to Rules
<a href="#">HB 1018</a>	Expanding criminal penalties for assault (specific to HIV infection as a noxious substance).	Support	Heard 1/17 - Public Safety
<a href="#">HB 1020</a>	Prohibiting level III sex offenders from residing in a community protection zone.	Support	Heard 1/23 - Public Safety
<a href="#">HB 1037</a>	Establishing a cost-recovery mechanism for public records sought for commercial purposes	Support	Heard 1/23 - Gov Ops & Elections
<a href="#">HB 1045</a>	Authorizing certain local authorities to establish maximum speed limits	Support	1/28 - Passed to Rules
<a href="#">HB 1047</a>	photographs, microphotographs and electronic images from traffic safety cameras and toll systems.	Support	2/4 - Passed to Rules
<a href="#">HB 1049</a>	the administration and operation of flood control districts.	Support	2/5 - Passed to Rules
<a href="#">HB 1052</a>	local government selection of appropriate sewer systems in urban areas.	Support	2/1 - Exec Session in Local Gov
<a href="#">HB 1090</a>	Increasing \$ amount for dock construction that does not qualify as a substantial dev under SMA	Support	2/5 - Passed to Rules
<a href="#">HB 1096</a>	juvenile firearms and weapons crimes	Support	2/12 - Exec Session in Judiciary
<a href="#">HB 1128</a>	Local agencies' responses to public records requ	Support	1/25 - Heard in Local Gov
<a href="#">HB 1147</a>	1st degree unlawful possession of firearms	Support	2/13 - Hearing in Judiciary
<a href="#">HB 1183</a>	Wireless communications	Support	2/5 - Passed to Rules
<a href="#">HB 1187</a>	Grants for community outdoor/indoor athletic facil	Support	2/7 - Referred to Appropriations
<a href="#">HB 1217</a>	Strengthening the integrity, fairness, and equity in Washington's property assessment system.	Support	2/15 - Hearing in Finance
<a href="#">HB 1253</a>	Concerning the lodging tax	Support	1/28 - House Finance Committee
<a href="#">HB 1274</a>	local government practices and procedures	Support	2/7 - Exec action taken
<a href="#">HB 1234</a>	Delaying new storm water requirements for phase I jurisdictions	Support	First read 1/21 in Environment
<a href="#">HB 1235</a>	state investments in storm water control	Support	1/30 Heard in Environment
<a href="#">HB 1237</a>	creation of a storm water compliance project	Support	1/30 Heard in Environment
<a href="#">HB 1268</a>	<b>Regarding local government purchasing</b>	<b>Support</b>	<b>2/5 - Heard in Local Gov</b>
<a href="#">HB 1275</a>	Regarding water discharge fees	Support	1/30 Heard in Environment
<a href="#">HB 1305</a>	Vehicle prowling	Support	2/7 - Exec action taken
<a href="#">HB 1310</a>	Reducing the littering of retail carryout bags	Support	First read 1/23 in Environment
<a href="#">HB 1315</a>	Criminal justice training funding	Support	First read 1/23 in Appropriations
<a href="#">HB 1324</a>	Transferring ferry & FCZD authorities to MKCC	Support	2/5 - Heard in Local Gov
<a href="#">HB 1368</a>	Distribution of state liquor revenues to cities and counties	Support	2/8 - Heard in Local Gov
<a href="#">HB 1388</a>	Penalties for vehicular homicide & assault	Support	2/7 - Heard in Public Safety
<a href="#">HB 1512</a>	Fire suppression water facilities and services provided by municipal & other purveyors	Support	2/8 - Heard in Local Gov
<a href="#">HB 1138</a>	Clean energy jobs thru renewable energy incentives	Support	First read 1/16 in Environment
<a href="#">HB 1237</a>	Creation of a storm water compliance project	Support	1/30 Heard in Environment
<a href="#">HB 1401</a>	Timing of penalties under the GMA	Support	2/7 - Heard in Local Gov
<a href="#">HB 1654</a>	Regional fire protection service authority within the boundaries of a single city	Support	2/14 - Hearing in Local Gov
<b>Neutral</b>			
<a href="#">HB 1214</a>	Property tax relief for active duty military personnel injured in the line of duty.	Neutral	
<a href="#">HB 1254</a>	Addressing prevailing wage filings	Neutral	
<a href="#">HB 1264</a>	Concerning partial fire district mergers	Neutral	
<a href="#">HB 1434</a>	Environmental decisionmaking	Neutral	
<a href="#">HB 1557</a>	Concerning publicly owned industrial wastewater treatment facilities	Neutral	
<a href="#">HB 1604</a>	Frequency of local sales & use tax changes	Neutral	

<b>Oppose</b>			
<a href="#">HB 1019</a>	Regarding identification of requestors of public records (requiring that identification if warranted).	Oppose	Heard 1/23 - Gov Ops & Elections
<a href="#">HB 1026</a>	Requiring use of resident workers on public works. (public works jobs must use at least 75% of state rez)	Oppose	Heard 1/23 - Labor & Workforce Dev
<a href="#">HB 1143</a>	Providing accountability to procurement policy	Oppose	2/5 - Heard in Gov Ops & Elections
<a href="#">HB 1165</a>	Prohibiting adopting & developing enviro and dev policies that infringe private property rights w/o due process	Oppose	First read 1/17 Judiciary
<a href="#">HB 1166</a>	Requiring compensation for government required actions on private property	Oppose	First read 1/17 Judiciary
<a href="#">HB 1167</a>	Repealing growth management planning requirements in chapter 36.70A RCW	Oppose	First read 1/17 Local Gov
<a href="#">HB 1232</a>	rental vouchers to a registered sex offender	Oppose	1/29 - Heard in Public Safety
<a href="#">HB 1239</a>	Concerning the powers of water-sewer districts	Oppose	2/5 - Passed to Rules
<a href="#">HB 1444</a>	Concerning stewardship of household mercury-containing lights	Oppose	2/7 - Heard in Environment
<a href="#">HB 1559</a>	Requiring crisis intervention training for peace officers	Oppose (w/conditions)	First read 1/30 - in Public Safety

Bill	Title	Position	Status
<b>Support</b>			
<a href="#">SB 5005</a>	fiscal relief for cities and counties in times of declining revenues.	Support w/caveat	1/14 - First Read Gov Ops
<a href="#">SB 5020</a>	Modifying indigent defense provisions.	Support	2/8 - Exec Action scheduled Law & Justice
<a href="#">SB 5066</a>	Authorizing certain local authorities to establish maximum speed limits	Support	2/7 - Passed to Rules
<a href="#">SB 5110</a>	<b>Local government purchasing</b>	<b>Support</b>	<b>2/8 - Passed by Senate (48 yeas, 1 excsd)</b>
<a href="#">SB 5053</a>	Modifying vehicle prowling provisions	Support	2/8 - Exec Action taken Law & Justice
<a href="#">SB 5093</a>	Concerning a transportation benefit district vehicle fee	Support	1/30 - Heard Transportation
<a href="#">SB 5096</a>	Trnsfring ferry & FCZD authorities to MKCC	Support	First read 1/18 - in Governmental Ops
<a href="#">SB 5133</a>	Grwth mngmnt hearings board mmbtrs meet land use experience quals	Support	2/5 - Heard in Gov Ops 10a
<a href="#">SB 5113</a>	Concerning the enforcement of speed limits on roads within condominium associations	Support	<b>2/8 - Passed by Senate (49 yeas)</b>
<a href="#">SB 5253</a>	Retail store carryout bags	Support	1/24 - First Read Energy, Enviro & Telecomm
<a href="#">SB 5323</a>	Nuisance abatement assessment	Support	2/4 - Heard in Human Srvc & Correction 10a
<a href="#">SB 5435</a>	Creation of a storm water compliance project	Support	1/30 - First Read Energy, Enviro & Telecomm
<a href="#">SB 5520</a>	Establishing a regional fire protection service authority formation process for cities	Support	2/11 - Hearing in Governmental Ops
<b>Neutral</b>			
<a href="#">SB 5167</a>	Regarding the ability of a local legislative authority to regulate genetically modified organisms	Neutral	
<a href="#">SB 5176</a>	Addressing criminal incompetency and civil commitment	Neutral	
<a href="#">SB 5515</a>	Concerning fees for certain vehicle title, registration, and permitting services	Neutral	
<b>Oppose</b>			
<a href="#">SB 5011</a>	Prohibiting adopting and developing environmental and developmental policies that infringe private property rights without due process	Oppose	First Read 1/15
<a href="#">SB 5013</a>	Requiring a vote of the people before all annexations.	Oppose	2/5 - Placed on second reading in Rules
<a href="#">SB 5014</a>	Limiting the power of eminent domain.	Oppose	2/4 - Exec Session scheduled, no action
<a href="#">SB 5185</a>	Concerning the powers of water-sewer districts	Oppose	2/4 - Heard in Gov Ops
<a href="#">SB 5378</a>	Building code amendments	Oppose	2/4 - Heard in Gov Ops

Bill #	Bill Short Title	Position	Companion	Notes	Follow-up
<a href="#">HB 1138</a>	Creating clean energy jobs in Washington through renewable energy incentives	Support		The bill would be good since the City already has detailed regulations governing cell facilities and SEPA review just adds process, not substance. No advocacy, but general support.	8-Feb
<a href="#">HB 1214</a>	Property tax relief for active duty military personnel injured in the line of duty.	Neutral			8-Feb
<a href="#">HB 1237</a>	Regarding the creation of a storm water compliance project	Support	<a href="#">SB 5435</a>	As an alternative to the prescribed LID approach that DOE is taking, best practices and other alternatives ought to be explored and developed. Having pilot projects makes extremely good approach and this will further that cause.	8-Feb
<a href="#">HB 1254</a>	Addressing prevailing wage filings	Neutral			8-Feb
<a href="#">HB 1264</a>	Concerning partial fire district mergers	Neutral		No impact as we do not any longer have a fire district that we provide service to.	8-Feb
<a href="#">HB 1401</a>	Addressing the timing of penalties under the growth management act.	Support		It appears to correct the problem we had when the city was denied a Public Works Trust Fund loan when the GM hearing board found the Park Place EIS to be insufficient. Bill would hold off penalties to cities while appeals to comprehensive plans and zoning codes are under consideration by the Growth Hearing Boards. Kirkland was affected by just such a situation a few years ago.	8-Feb

<a href="#">HB 1434</a>	Environmental decisionmaking	Neutral		A long bill that probably wouldn't affect Kirkland, but it does have the potential to add considerable time and procedures to DOE permit issuance. Not sure that Kirkland should oppose, but should at least stay neutral. If City were to oppose, it would be on the basis of adding costs to state agencies at a time of budget tightening.	8-Feb
<a href="#">HB 1444</a>	Concerning stewardship of household mercury-containing lights	Oppose		The bill guts the Mercury Containing Light Product Stewardship Program that was slated to start on January 1, 2013 but was delayed indefinitely due to a	8-Feb
<a href="#">HB 1557</a>	Concerning publicly owned industrial wastewater treatment facilities	Neutral		Does not apply to Kirkland at all. Can't imagine it ever will.	8-Feb
<a href="#">HB 1559</a>	Requiring crisis intervention training for peace officers	Oppose (with conditions)	<a href="#">SB 5532</a>	While a good idea, PD is concerned about the requirements of 8 hours a year of ongoing training, but with no funding attached to it. This would be a significant impact to local PD training budgets. Conflicts with cities legislative principles. Recommend "oppose with conditions" that either funding is attached at state level or language of 'requiring training' be softened.	8-Feb
<a href="#">HB 1604</a>	Reducing the frequency of local sales and use tax changes	Neutral		Bill might have been limiting to us related to the annexation sales tax implementation, but don't believe it matters to city now.	8-Feb
<a href="#">HB 1654</a>	Regional fire protection service authority within the boundaries of a single city	Support		HB 1654 and SB 5520 are companion bills with identical language changes on the same RCW. These bills would allow a City to form an RFA without requiring a consolidation of either two or more cities or fire districts. These bills would have a positive impact on the Kirkland Fire Department allowing a greater latitude of options for funding the cost of services we provide. This compliments the fire service benefit charge legislation that we championed last year.	8-Feb

2013 Legislative Session  
Bills Dropped, Assigned Analysis Recommendations

<a href="#">SB 5167</a>	Regarding the ability of a local legislative authority to regulate genetically modified organisms	Neutral			8-Feb
<a href="#">SB 5176</a>	Addressing criminal incompetency and civil commitment	Neutral			8-Feb
<a href="#">SB 5378</a>	Building code amendments	Oppose		We're getting complaints from builders and code officials that every 3 years is too much. Every code change requires new books, more training and updating publications. On the other hand, 6 years seems too long. Preference would be for the State to have the option of skipping a cycle when cities thought it was appropriate. We support something like this if there were provisions for emergency type of code changes, however the bill also prevents cities from adopting new codes which we don't agree with.	8-Feb
<a href="#">SB 5515</a>	Concerning fees for certain vehicle title, registration, and permitting services	Neutral		Appears to be a County issue.	8-Feb
<a href="#">SB 5520</a>	Establishing a regional fire protection service authority formation process for cities	Support		HB 1654 and SB 5520 are companion bills with identical language changes on the same RCW. These bills would allow a City to form an RFA without requiring a consolidation of either two or more cities or fire districts. These bills would have a positive impact on the Kirkland Fire Department allowing a greater latitude of options for funding the cost of services we provide. This compliments the fire service benefit charge legislation that we championed last year.	8-Feb

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ENGROSSED SUBSTITUTE SENATE BILL 5110

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State of Washington

63rd Legislature

2013 Regular Session

**By** Senate Governmental Operations (originally sponsored by Senators Tom, Murray, Hill, and McAuliffe)

READ FIRST TIME 02/01/13.

1 AN ACT Relating to local government purchasing of supplies,  
2 materials, or equipment; and amending RCW 39.30.040.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 39.30.040 and 1989 c 431 s 58 are each amended to read  
5 as follows:

6 (1) Whenever a unit of local government is required to make  
7 purchases from the lowest bidder or from the supplier offering the  
8 lowest price for the items desired to be purchased, the unit of local  
9 government may, at its option when awarding a purchase contract, take  
10 into consideration tax revenue it would receive from purchasing the  
11 supplies, materials, or equipment from a supplier located within its  
12 boundaries. The unit of local government must award the purchase  
13 contract to the lowest bidder after such tax revenue has been  
14 considered. However, any local government may allow for preferential  
15 purchase of products made from recycled materials or products that may  
16 be recycled or reused. ~~((The tax revenues which units of local  
17 government may consider include sales taxes that the unit of local  
18 government imposes upon the sale of such supplies, materials, or  
19 equipment from the supplier to the unit of local government, and~~

1 ~~business and occupation taxes that the unit of local government imposes~~  
2 ~~upon the supplier that are measured by the gross receipts of the~~  
3 ~~supplier from such sale.))~~ Any unit of local government which  
4 considers tax revenue((§)) it would receive from the imposition of  
5 taxes upon a supplier located within its boundaries(~~(, shall)~~) must  
6 also consider tax revenue((§)) it would receive from taxes it imposes  
7 upon a supplier located outside its boundaries.

8 (2) (~~As used in this section, the term~~) A unit of local  
9 government may award a contract to a bidder submitting the lowest bid  
10 before taxes are applied. The unit of local government must provide  
11 notice of its intent to award a contract based on this method prior to  
12 bids being submitted. For the purposes of this subsection (2), "taxes"  
13 means only those taxes that are included in "tax revenue" as defined in  
14 this section.

15 (3) The definitions in this subsection apply throughout this  
16 section unless the context clearly requires otherwise.

17 (a) "Tax revenue" means sales taxes that units of local government  
18 impose upon the sale of supplies, materials, or equipment from the  
19 supplier to units of local government, and business and occupation  
20 taxes that units of local government impose upon the supplier that are  
21 measured by the gross receipts of the supplier from the sale.

22 (b) "Unit of local government" means any county, city, town,  
23 metropolitan municipal corporation, public transit benefit area, county  
24 transportation authority, or other municipal or quasi-municipal  
25 corporation authorized to impose sales and use taxes or business and  
26 occupation taxes.

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