



CITY OF KIRKLAND
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MEMORANDUM

To: Kurt Triplett, City Manager
From: Lorrie McKay, Intergovernmental Relations Manager
Date: February 19, 2016
Subject: 2016 STATE LEGISLATIVE UPDATE #4

RECOMMENDATION:

Council should receive its fourth update on the 2016 state legislative session

BACKGROUND DISCUSSION:

This memo reflects an update on the City's legislative interests as of February 19. At the writing of this memo, the legislature had concluded its fifth week of the 2016 State Legislative Session and had surpassed its February 17 session cutoff, which was the last day to consider (pass) bills in house of origin. The next cutoff in the session's calendar is February 26, the last day to read in committee reports from opposite house, except House fiscal committees and Senate Ways & Means and Transportation committees. February 29 is the last day to read in opposite house committee reports from House fiscal committees and Senate Ways & Means and Transportation committees. Finally, March 4 is the last day to consider (pass) opposite house bills (5 p.m.). The last day allowed for the regular session is March 10.

Revenue Forecast

On February 17, the Washington state Economic and Revenue Forecast Council released its state revenue forecast. The revenue forecast showed that the current two-year \$38 billion budget that ends in the middle of 2017, falls about \$78 million short of what was originally estimated. The forecast for the next two-year budget falls short by \$436 million. The projected overall state budget for 2017-19 is expected to be about \$41 billion.

Council's Legislative Workgroup

The Council's Legislative Workgroup (Mayor Walen, Councilmember Asher and Councilmember Marchione) is scheduled to meet weekly throughout the session on Friday's to discuss the status of the City's 2016 legislative priorities (Attachment A). Mayor Walen and Councilmember Asher met on February 19. Staff has recommended the City take positions on 101 bill proposals (Attachment B) from 150 proposals reviewed since the beginning of session (Attachment C).

Status Summary of the City's 2016 legislative priorities

- New policies and funding tools to address homelessness and create more affordable housing:

([Senate Bill 6239](#)) Property tax exemption program for the preservation of housing

The City of Seattle is the lead on this bill, which authorizes city governing authorities to adopt a property tax exemption program, and county governing authorities to adopt a property tax exemption program for unincorporated jurisdictions, to preserve affordable housing that meets

health and quality standards for very low-income households at risk of displacement or that cannot afford market-rate housing.

SSSB 6239 was passed by the Senate on February 16, 36 yeas to 13 nays. 6239 is scheduled for hearing in the House Committee on Community Development and Housing & Tribal Affairs on Monday, February 22. It's scheduled for Executive Session on the 23rd.

([House Bill 2086](#)) Prohibiting certain limitations on the hosting of the homeless by religious organizations

This bill was championed by local faith communities in 2015. The bill prohibits a local government from limiting a religious organization's: (1) Availability to host a rotating, established tent encampment to fewer than eight months during a calendar year; (2) Hosting term to fewer than four months; (3) Number of simultaneous hostings within the same municipality to one hosting during any given period of time; and (4) Availability to host safe parking efforts at its onsite parking lot.

On February 11, HB 2086 was passed by the House (53 to 43 with 1 excused). The bill was referred to the Senate Human Services, Mental Health and Housing Committee on February 15.

([Senate Bill 6337](#) / [House Bill 2647](#)) Disposing tax foreclosed property to cities for affordable housing purposes

This bill is being championed by the City of Tacoma. The bill requires the county legislative authority to give notice to a city in which any tax foreclosed property is located within at least sixty days of acquiring the property and prohibits the county from disposing of the property at public auction or by private negotiation before giving the notice. The bill also requires the notice to offer the city the opportunity to purchase the property for the principal amount of the unpaid taxes, under certain conditions which include the city providing that the property is suitable and will be used for an affordable housing development and the city agreeing to transfer the property to a local housing authority or other nonprofit entity eligible to receive assistance from the affordable housing program.

The Senate bill (6337) was passed February 16 with a vote of 34 yeas to 14 nays, while the House bill (2647) was passed by the House on February 15, 56 yeas to 41 nays. 6239 is scheduled for hearing in the House Committee on Community Development and Housing & Tribal Affairs on Monday, February 22, and it is scheduled for Executive Session on the 23rd. Meanwhile, House Bill 2647 was referred to Human Services, Mental Health & Housing on February 17.

Women & Family Shelter – Capital Budget Request

The City, in partnership with Catholic Community Services, The Sophia Way and the City, ARCH (A Regional Coalition for Housing) submitted a request for capital budget funding for this project in both the House and the Senate. Lawmakers will turn to budget issues in the remaining two and a half weeks of the session.

- Capital budget funding for a multimodal safety improvement project connecting the Cross Kirkland Corridor with the Redmond Central Connector:
The City submitted a request for capital budget funding for this project in both the House and the Senate. Lawmakers will turn to budget issues in the remaining two and a half weeks of the session.
- Allow both the state and local governments the option of replacing the property tax cap:
There is no change in status with this priority.

- Facilitate greater access to rooftop residential and community solar installations by extending the timeframe for state solar incentives in the Renewable Energy System Cost Recovery program:
(House Bill 2346) Promoting a sustainable, local renewable energy industry through modifying renewable energy system tax incentives and providing guidance for renewable energy system component recycling. This bill is being championed by the Solar Industry of Washington (the installers). The bill resets the rates, ensures current payment to those customers already in, raises the cap and extends the program.

The House passed HB 2346 on February 16 with 77 yeas, 20 nays and 1 excused. The bill is scheduled for hearing in Energy and Enviro & Telecommunications February 24.

- Clarify records retention, disclosure, and use limitations of video and/or sound recordings made by law enforcement or corrections officers:
(House Bill 2362) Concerning video and/or sound recordings made by law enforcement or corrections officers. Representative Hansen (D-23rd LD) was the prime sponsor of a bill on this topic last session. Rep. Hansen has filed this new bill. 2362 would allow people involved in an incident to get the recorded footage. While others could get the redacted information version, they would have to pay for it. The bill has a provision to sunset in two years and creates a task force in the meantime.

The House Rules Committee placed HB 2362 on second reading on February 12.

Week 7 (2/29 – 3/6)

The primary focus in week 7

1. Monitoring proposed amendments to bills
2. Monitoring supplemental budget proposals
3. February 29th cutoff date for fiscal and transportation bills
4. March 4th cutoff date of the last day to consider (pass) opposite house bills

Week 8 (3/7 – 3/10)

The primary focus in week 8

1. Monitoring proposed amendments to bills
2. Capital Budget Requests
3. March 10 is the last day allowed for the regular session

Hearings and Correspondence

Bill	Short Title	Cmte	Dt/Time	Notes
SB 6239	Property tax exemption for preservation	CDHTA	2/22 1:30	
SB 6337	Disposing tax foreclosed property for aff hsg	CDHTA	2/22 1:30	
HB 2346	Solar Bill	EET	2/24 1:30	

Cmte (Committee) Legend

CDHTA = House Committee on Community Development and Housing & Tribal Affairs
 EET = Senate Committee on Energy and Environment & Telecommunications

Correspondence

No correspondence – as of the writing of this memo

BILL TRACKING AND THE BILL TRACKER:

Following the February 19 cutoff, very new bills have been forwarded to intergovernmental staff for review with department(s) and subject-matter experts. This session, staff have reviewed 150 bill proposals and have made City's position recommendations (Support/Oppose/Neutral) on 101 of them.

- Attachments: A. Status update of the City's 2016 legislative priorities (2/19/16)
 B. Bill Tracker – Recommended Positions (2/19/16)
 C. Staff bill analysis (2/19/16)

2016 Legislative Priorities and Status – City of Kirkland
Updated: February 19, 2016

Legislative Priority	Bill #	Prime Sponsor	Status
<p>New policies and funding tools to address homelessness and create more affordable housing.</p> <ul style="list-style-type: none"> Prop tax exemption for preservation of affordable housing Encampments Disposing tax foreclosed property to cities for affordable hsg. Sale of manufactured/mobile home communities Capital Budget Request for Women’s Shelter 	SB 6239	Sen Fain	2/16 – PASSED Senate 36 yeas, 13 nays 2/22 - Hearing in Community Development and Housing & Tribal 2/23 - Exec. Session Comm Development and Housing & Tribal
	HB 2086	Rep. McBride	2/11 – PASSED House 53 yeas, 43 nays, 1 excused 2/15 - Referred Human Services, Mental Health & Housing
	SB 6337	Sen. Darnielle	2/16 – PASSED Senate 36 yeas, 14 nays 2/22 - Hearing in Community Development and Housing & Tribal 2/23 - Exec. Session Comm Development and Housing & Tribal
	/HB 2647	Rep. Jinkins	2/15 – PASSED House 56 yeas, 41 nays 2/17 - Referred to Human Services, Mental Health & Housing
	HB 2799	Rep. McBride	2/12 – Placed on 2 nd reading by Rules
		Rep. Tharinger Sen. Keiser	2/1 - House project funding request form submitted 2/1 - Senate project funding request form submitted
Capital budget funding for a multimodal safety improvement project connecting the Cross Kirkland Corridor with the Redmond Central Connector.		Rep. Tharinger Sen. Honeyford	House project funding request form submitted Senate project funding request form submitted
Allow both the state and local governments the option of replacing the property tax cap, currently fixed at 1 percent, with a cap that is indexed to both population growth and inflation.			
Facilitate greater access to rooftop residential and community solar installations by extending the timeframe for state solar incentives in the Renewable Energy System Cost Recovery program.	HB 2346	Rep. Morris	2/16 – PASSED House 77 yeas, 20 nays, 1 excused 2/24 - Scheduled for hearing in Energy and Enviro & Telecomm
Clarify records retention, disclosure, and use limitations of video and/or sound recordings made by law enforcement or corrections officers.	HB 2362	Rep. Hansen	2/12 – Placed on 2 nd reading by Rules

* No HIGHLIGHTS = No change in status from last update.

Bill	Title	Position	Sponsor	Status
Support				
HB 2086	Prohibiting certain limitations on the hosting of the homeless by religious organizations.	Support	McBride	2/11 - House PASSED: 53 yeas, 43 nays, 1 excsd 2/15 - Referred Human Services, Mental Health & Housng
HB 2346	Promoting a sustainable, local renewable energy industry through modifying renewable energy system tax incentives and providing guidance for renewable energy system component recycling.	Support	Morris	2/16 - House PASSED: 77 yeas, 20 nays, 1 excsd 2/24 - Schdled for hearing in Energy and Enviro & Telecm
HB 2353	Concerning civil penalties for knowing attendance by a member of a governing body at a meeting held in violation of the open public mtgs act.	Support	S. Hunt	1/29 - Referred to Rules 2 Review
HB 2362	Concerning video and/or sound recordings made by law enforcement or corrections officers.	Support	Hansen	2/12 - Placed on second reading by Rules
HB 2372	Addressing the destruction of forfeited firearms in the custody of law enforcement agencies.	Support	Senn	1/21 - Heard in Judiciary
HB 2396	Concerning access to nonemergency, outpatient, primary health care services for unaccompanied homeless youth under the federal McKinney-Vento homeless assistance act.	Support	McBride	2/15 - House PASSED: 90 yeas, 7 nays 2/17 - Referred to Health Care
HB 2397	Supporting affordable housing by permitting a local government fee on demolitions that reduce potential housing stock.	Support	McBride	1/18 - Heard in Comm. Dev. and Housing & Trial Affairs
HB 2438	Concerning gradually increasing the local government share of excess liquor revenues until the percentage-based method for distributions is restored.	Support	Nealy	2/5 - Referred to Appropriations
HB 2519	Allowing nuisance abatement cost recovery for cities.	Support	McCaslin	2/16 - House PASSED: 76 yeas, 21 nays 2/25 - Scheduled for hearing in Gov Ops
HB 2569	Authorizing the use of high occupancy vehicle lanes by law enforcement and fire department vehicles	Support	Sells	1/25 - Heard in Transportation
HB 2576	Concerning public records act requests to local agencies.	Support	McBride	2/15 - Placed on second reading by Rules
HB 2583	Authorizing specified local governments to designate a portion of their territory as a creative district subject to certification by the Washington arts commission	Support	McBride	2/17 - House PASSED: 90 yeas, 8 nays 2/19 - Referred to Trade & Economic Development
HB 2647	Disposing tax foreclosed property to cities for affordable housing purposes.	Support	Jinkins	2/16 - House PASSED: 56 yeas, 41 nays 2/17 - Referred to Human Srvcs, Mental Health & Housing
HB 2708	Providing for fire protection district formation by the legislative authority of a city or town subject to voter approval	Support	Appleton	2/17 - House PASSED: 68 yeas, 30 nays 2/25 - Scheduled for hearing in Gov Ops
HB 2741	Addressing state and local government fiscal agents.	Support	Kuderer	2/17 - House PASSED: 95 yeas, 3 nays 2/19 - Referred to Ways & Means
HB 2763	Using the state environmental policy act to encourage development that is consistent with forward-looking growth plans	Support	Fey	1/28 - Heard in Environment
HB 2843	Supporting affordable housing.	Support	McBride	2/5 - Heard in Finance
HB 2864	Authorizing certain public transportation benefit areas to impose a sales and use tax increase approved by voters	Support	S. Hunt	2/4 - Heard in Transportation
HB 2953	Increasing the dollar limitations on first class cities using public employees to perform public works projects.	Support	Farleton	2/1 - Referred to Local Government
Monitor				
HB 2971	Addressing real estate as it concerns the local gov authority in the use of real estate excise tax revenues and regulating real estate transactions.	Neutral	McBride	2/17 - House PASSED: 92 yeas, 2 nays 2/23 - Hearing scheduled in Ways & Means
HB 2984	Relating to local government financing.		Senn	2/15 - Referred to Local Government

Oppose				
EHB 1123	Regulating the minimum dimensions of habitable spaces in single-family residential areas	Oppose	Blake	1/28 - Placed on 3rd reading by Rules
HB 2303	Adopting the international wildland urban interface code by reference for purposes of the state building code.	Oppose	Van De We	2/9 - Placed on 2nd reading by Rules
HB 2347	Reducing the tax on useable marijuana, marijuana concentrates, and marijuana-infused products.	Oppose	Hurst	2/5 - Heard in Finance
HB 2407	Prohibiting regulation of the amount of rent for commercial properties.	Oppose	Manweller	1/13 - Referred to Local Government
HB 2442	Providing a property tax exemption for certain property w/in an affordable hsg incentive zone.	Concerns	Appleton	1/19 - Heard in Comm. Dev. and Housing & Trial Affairs
HB 2459	Concerning city or county comprehensive plans or development regulations arising from the economic development element of the growth management act in counties and cities experiencing economic deterioration.	Oppose	Taylor	1/13 - Referred to Local Government
HB 2523	Concerning a leasehold excise tax credit for properties of market value in excess of \$10M.	Oppose	Lytton	1/22 - Heard in Commerce & Gaming
HB 2547	Ensuring that recreational facilities with synthetic-turf materials are not a hazard to public health.	Oppose	Pollet	1/26 - Heard in Environment
HB 2586	Allowing school siting outside of urban growth areas	Oppose	Reykdal	2/2 - Heard in Local Government
HB 2589	Allowing the use of gender-segregated facilities	Oppose	G. Hunt	1/15 - Referred to Judiciary
HB 2631	Preventing discriminatory treatment by government of a person or entity based on beliefs and practices held with regard to marriage as the union btwn one man & one woman	Oppose	Klippert	1/18 - Referred to Judiciary
HB 2719	Concerning the economic development element of the growth management act	Oppose	Griffey	1/19 - Referred to Local Government
HB 2676	Authorizing cities and counties to exempt certain housing from the state building code.	Strongly oppose	Blake	1/18 - Referred to Judiciary
HB 2929	Concerning temporary homeless housing by religious organizations	Oppose	Parker	2/11 - PASSED 96 yeas, 1 excsd 2/15 - Schldd hearing Human Srvcs, Mental Health & Hsg
HB 2932	Authorizing cities and counties to approve the use of alternatives to the state building code	Oppose	Blake	2/3 - Heard in Local Government
HB 2945	Establishing a legislative task force to review the growth management act	Oppose	Appleton	2/5 - Referred to Rules 2 Review

Bill	Title	Position	Sponsor	Status
Support				
SB 5244	Disposing tax foreclosed property to cities for affordable housing purposes.	Support	Darneille	1/11 — Retained in present status
SB 5665	Reinstating tax preferences for high technology research and development.	Support	Jayapal	1/11 — Retained in present status
SB 5900	Prohibiting certain limitations on the hosting of the homeless by religious organizations.	Support	Miloscia	1/19 - Moved to Rules White Sheet
SB 6171	Concerning civil penalties for knowing attendance by a member of a governing body at a meeting	Support	Roach	2/16 - PASSED 49 years 2/18 - Referred to State Gov
SB 6211	Concerning the exemption of property taxes for nonprofit homeownership development.	Support (weak)	Bailey	2/10 - PASSED 46 years, 3 nays 2/22 - Hearing in Comm Dev and Hsng & Tribal 2/23 - Exec. Sess Comm Dev and Hsng & Trbl
SB 6239	Authorizing local governments to adopt a property tax exemption program for the preservation of certain affordable housing	Support	Fain	2/16 - PASSED 36 years, 13 nays 2/22 - Hearing in Comm Dev and Hsng & Tribal 2/23 - Exec. Sess Comm Dev and Hsng & Trbl
SB 6248	Concerning risk mitigation plans to promote the transition of eligible coal units.	Support	Ericksen	2/16 - PASSED 42 years, 7 nays 2/18 - Referred to Technology & Econ Dev.
SB 6337	Disposing tax foreclosed property to cities for affordable housing purposes.	Support	Darneille	2/16 - PASSED 34 years, 14 nays 2/22 - Hearing in Comm Dev and Hsng & Tribal 2/23 - Exec. Sess Comm Dev and Hsng & Trbl
SB 6387	Providing for fire protection district formation by the legislative authority of a city or town subject to voter approval	Support	Roach	2/12 - Placed on 2nd reading by Rules
SB 6397	Addressing state and local government fiscal agents.	Support	Hill	2/15 - Placed on 2nd reading by Rules
SB 6425	Concerning gradually increasing the local government share of excess liquor revenues until the percentage-based method for distributions is restored.	Support	Hewitt	1/27 - heard in Ways and Means
SB 6553	Providing for improving emergency preparedness by expanding continuity of operations planning	Support	Liias	2/8 - Placed on 2nd reading by Rules
SB 6590	Authorizing certain public transportation benefit areas to impose a sales and use tax increase approved by voters	Support	Fraser	1/28 — Referred to Transportation
SB 6647	Bring Washington Home Act	Support	Nelson	2/5 — Referred to Ways & Means
Oppose				
SB 5880	Enacting the Washington human trafficking reporting act.	Oppose	Padden	2/5 - Passed to Rules

<u>SB 6115</u>	Limiting tax imposed by a city on a water / sewer distribution; water / sewerage system business.	Oppose Actively	Chase	1/18 — heard in Gov. Opps.
<u>SB 6311</u>	Providing a property tax exemption for certain property within an affordable housing incentive zone.	Concerns	Keiser	2/5 — Referred to Ways & Means
<u>SB 6334</u>	Concerning rail dependent uses for purposes of the growth management act and related development regulations.	Oppose	Benton	2/16 - PASSED 34 yeas, 15 nays 2/18 - Referred to Local Government
<u>SB 6465</u>	Concerning an alert program that allows residents to provide information to first responders pertaining to persons with developmental disabilities living at a registered address	Oppose	Hobbs	2/1 — Heard in Hmn Srvcs, Mntl Health & Hsg
<u>SB 6540</u>	Ensuring safe playgrounds and turf fields.	Oppose	Chase	1/25 — Refrd to Energy, Environment & Telecom
<u>SB 6548</u>	Allowing the use of gender-segregated facilities.	Oppose	Warnick	2/5 - Passed to Rules for second reading

Bill #	Bill Short Title	Position	Companion	Notes	Leg Comm Review
SB 6334	Concerning rail dependent uses for purposes of the growth management act and related development regulations.	Oppose		Planning - Mandates that counties allow rail dependent uses in rural areas. I don't understand the full implications of this. PW - This could be construed to make City allow certain development relative to the ERC if rail were somehow developed north of what City owns.	19-Feb
SB 6248	Concerning risk mitigation plans to promote the transition of eligible coal units.	Support	HB 2525	Senator Ranker is proposing an amendment to strike all of Section 3, while maintaining Sections 1&2. We understand that PSE is supportive of this new version of the bill and with Senator Ranker's amendment to strike Section 3. King County is weighing in with support of this new version of the legislation and is also strongly supportive of Senator Ranker's amendment to delete Section 3. 1/19/16 - Original review & recommendation: The K4C is neutral on this bill and the companion. Recommend that Kirkland stay neutral as well, to remain consistent with our K4C commitments to a Clean Energy transition.	19-Feb
HB 2971	Addressing real estate as it concerns the local government authority in the use of real estate excise tax revenues and regulating real estate transactions.	Neutral		Shouldn't be an impact. It seems that the bill is being made more specific when it refers to ordinances pertaining to leasing. I am assuming Council has not passed any legislation since September 26, 2015 that requires landlord improvements, though that is for Planning & Building	19-Feb