



**CITY OF KIRKLAND**  
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## MEMORANDUM

**To:** David Ramsay, City Manager  
**From:** Erin Leonhart, Intergovernmental Relations Manager  
**Date:** March 5, 2010  
**Subject:** 2010 LEGISLATIVE UPDATE 6

As of the March 16<sup>th</sup> Council meeting, the 2010 State Legislative session is scheduled to be over. March 5<sup>th</sup> is the last day to consider opposite house bills except initiatives and alternatives to initiatives, budgets and matters necessary to implement budgets, differences between the houses, and matters incident to the interim and closing of the session. This is an update on the City's interests as of March 5<sup>th</sup>; however, changes are happening very rapidly so the final disposition of bills may be significantly different from this report. Status reports from Gordon Thomas Honeywell will be emailed to Council in advance of the meeting on March 16<sup>th</sup>.

### WASHINGTON STATE LEGISLATURE

#### 2010 Supplemental State Budget Proposals

The Senate and House of Representatives released 2010 Supplemental Budget proposals. Documents for these two proposals as well as Governor Gregoire's are available on the web:

<http://fiscal.wa.gov/budgets.aspx>.

- All three proposals include cuts to the Basic Law Enforcement Academy that may impact the City of Kirkland as the annexation effective date approaches:
  - Governor's Budget - May not run an academy of less than 30 cadets;
  - Senate Budget - May require local law enforcement agencies to fund 25% of the cost or train & certify students in firearms training prior to attending Basic Law Enforcement Academy and increase the minimum number to 40 students per class;
  - House Budget - Jurisdictions with over 100 full-time commissioned officers shall reimburse the commission for the cost of ammunition and may not run an academy of less than 30.
- The House Capital Budget ([PSHB2836](#)) includes \$100 million for the Housing Trust Fund, the Senate Capital Budget has not been heard at this time

Per Council direction, a letter was sent to Governor Gregoire (and copied to the Legislators in the 48<sup>th</sup>, 45<sup>th</sup> and 32<sup>nd</sup> Districts) expressing concerns about cuts to the Academy. Consistent with the adopted Legislative Agenda and per Council Legislative Committee direction, emails were sent to Senator Oemig and Senator Tom about including additional funding for the Housing Trust Fund in the Senate Capital Budget.

Fiscal Flexibility ([ESHB3179](#) and [ESSB6424](#)) - Bills have been significantly amended, the latest comparison matrix is attached (Attachment A).

- ESHB3179 passed out of Senate Ways & Means
- ESSB6424 passed out of the House Finance Committee but did not pass out of the House as of March 5<sup>th</sup>.

Storm Water/Clean Water Act Funding (HB3181 and SB6851)

2SHB3181 passed out of the House Finance Committee where it was amended to be very specific to storm water funding, eliminating the contribution to the State General Fund:

- Reduced MTCA tax increase (0.10%/year for 4 years, resulting in a total tax of 1.1%)
- 84% of additional tax deposited in new Storm Water Account, \$75k to each city & county each year
- 10% to Motor Vehicle Account for Washington State Dept. of Transportation storm water projects
  - 4% to Puget Sound Recovery
  - 2% to Oil Spill Prevention
- Credit for petroleum products exported from state

Wrongful Death Statute Revisions (2ESSB6508)

This bill would substantially expand the scope of liability in wrongful injury or death causes of action by expanding the number of people who may file a cause of action in a wrongful death case and the damages for which they could seek redress. Before the bill passed the Senate, it was amended to remove the joint liability of state and local governments.

During the week of March 1<sup>st</sup>, the House of Representatives passed the bill with a number of amendments. The most significant amendment put joint liability back in the bill and established an account to pay these new claims against local governments. The account would be funded by a \$10 surcharge on superior court filing fees and a \$5 surcharge on traffic infractions. Now the bill goes back to the Senate for concurrence on the House changes.

Election of Municipal Court Judges (SSB6686) – Removes exemptions from elections related to community size and would require the Points communities to hold election for Kirkland's Municipal Court Judge. This bill passed out of the Senate but did not pass out of the House of Representatives before the March 5<sup>th</sup> cutoff.

Authorized Use of Express Toll Lanes on the Interstate 405 Corridor (SHB2941) – Bill would allow for tolling in express toll lanes on I-405, between Interstate 5 and Bellevue. The State Transportation Commission is directed to set the schedule of toll rates for these express toll lanes, which can vary by time of day, level of congestion, vehicle occupancy, and other criteria determined by the tolling authority. This bill was amended to remove the requirement that vehicles with two occupants will need to pay a toll to use the Interstate 405 express toll lanes. This bill did not pass out of the Senate before the March 5<sup>th</sup> cutoff; however, it may be included in the final budget.

## **U. S. CONGRESS**

Staff submitted federal appropriations requests for four projects in February and Tracey Dunlap, Director of Finance and Administrative Services, visited Congressional offices while in Washington DC. Congressman Jay Inslee developed a new process in which community panels will review all requests and make the initial determination of community value. Kirkland chose to make presentations to this community panel for the three priority projects: 120<sup>th</sup> Street Extension, 116<sup>th</sup> Non-Motorized Improvements and Public Safety Training. Deputy Fire Chief Jack Henderson also made a presentation to the panel for the Fire District 41 request for funds to construct the combined fire station.

# AWC Priority Fiscal Flexibility Proposals

	<b>ESHB 3179</b>	<b>ESSB 6424</b>
0.3% Public safety sales and use tax	<ul style="list-style-type: none"> <li>• If a county does not impose, allows cities to impose the public safety sales and use tax at a rate not to exceed 0.1 % effective January 1, 2011, with voter approval.</li> <li>• Eliminates the non-supplant language.</li> </ul>	<ul style="list-style-type: none"> <li>• Eliminates the non-supplant language.</li> </ul>
0.1 % Mental health sales and use tax	<ul style="list-style-type: none"> <li>• Allows a city with a population over 200,000 and located in a county with a population over 800,000 to impose the mental health/chemical dependency sales and use tax (0.1%) if the county has not imposed it by January 1, 2011.</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
0.1% Criminal justice sales and use tax	<ul style="list-style-type: none"> <li>• Eliminates the non-supplant language in the criminal justice sales and use tax.</li> </ul>	<ul style="list-style-type: none"> <li>• Eliminates the non-supplant language in the criminal justice sales and use tax.</li> </ul>
Brokered Natural Gas Use Tax	<ul style="list-style-type: none"> <li>• Addresses the recent court of appeals decision that impacts approximately 50 cities that impose the tax, which represents approximately \$14 million in 2008 revenues. Clarifies the definition and use by imposing the brokered natural gas use tax at the location where the gas is consumed or stored by the customer.</li> </ul>	<ul style="list-style-type: none"> <li>• N/A</li> </ul>
Gambling Tax	<ul style="list-style-type: none"> <li>• Allows local gambling revenue to be used for general public safety programs.</li> </ul>	<ul style="list-style-type: none"> <li>• Allows local gambling revenue to be used for general public safety programs until January 1, 2014.</li> </ul>