



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: Tracy Burrows, Senior Management Analyst

Date: February 8, 2007

Subject: 2007 Legislative Session Status Report

The 2007 Legislative Session is in its fifth week and over 2,000 bills have been filed to date. The first legislative cut-off date is February 28th when bills must have progressed out of their house of origin.

Below is a brief summary of the status of the City's major issues that have been addressed to date:

Municipal Courts: *Kirkland supports cities' ability to form municipal courts and is working to preserve all options for providing municipal court services in the future.*

On February 6th, the House Judiciary Committee held a hearing on Rep. Roger Goodman's bill that would explicitly authorize cities to contract with one another for municipal court services. This is a very focused bill that would accomplish one of Kirkland's major goals for the legislative session. In the alternative, Senator Adam Kline has introduced a bill that would allow cities to contract with one another, would require the election of all judges, and would expand the jurisdiction of municipal courts to include several types of protection orders. This last provision could significantly expand the caseload of municipal courts without the commensurate resources to handle the workload. Kirkland will be meeting with members of the House and Senate Judiciary Committees to strategize on compromise language that would meet our objectives.

Offender Supervision *Kirkland supports a change in state law that would extend immunity to the activities of municipal probation officers conducting misdemeanor supervision except in cases of gross negligence.*

House Bill 1669, which would provide for a gross negligence liability standard for misdemeanor supervision, was heard in the House Judiciary Committee on February 6th. Representatives from the Washington State Trial Lawyers Association expressed some concern with the bill language in the hearing and will be proposing new language for the bill. As part of that potential compromise bill language, AWC has also agreed to take out the section of the bill providing that the standard of proof must be clear, cogent, and convincing. AWC is working on a compromise on HB 1669 to achieve parity with the state on the level of liability for supervision. This would be a good step towards addressing the significant issue of offender supervision liability for cities such as Kirkland.

Streamlined Sales Tax : *Kirkland supports the objectives of the Streamlined Sales Tax project, including the application of sales tax to internet and catalogue sales. Kirkland supports the seven principles for SST implementation that have been agreed upon by the Association of Washington Cities (AWC) SST Committee, including the goal of full mitigation for the sales tax revenue losses of negatively impacted cities.*

The Streamlined Sales Tax bill passed the Senate on a 45-3 vote and appears to be in a good position to pass the House as well. Representative Ross Hunter, Chair of the House Finance Committee, has scheduled SB 5089 (SST) for a public hearing on Wednesday, February 14 at 1:30. This will give local government representatives attending the AWC legislative conference an opportunity to attend the hearing and “sign in” supporting the legislation. If adopted, the effective date of the legislation would be July 1, 2008.

Local Infrastructure Financing *Kirkland supports legislation that would make additional economic development tools available to local governments, including modifications to the LIFT statute to address additional competitive funds, removal of the limit of one LIFT project per county, streamlined process, more flexibility in funding sources and uses, and other changes.*

House Bill 1277 was heard by the House Community and Economic Development and Trade Committee on February 7th and is scheduled to pass out of committee on February 11th. This bill: increases the LIFT competitive funding from \$2.5 million to \$5.0 million; repeals the one per county prohibition on using this authority; eliminates an assessed value per square foot requirement; and provides several technical changes that will make the authority more flexible.

AWC anticipates several technical amendments to the bill and a request to increase the funding in the competitive portion of the bill.

Incentives for Affordable Housing : *Kirkland supports incentives for affordable housing, including property tax exemptions to new or rehabilitated multi-family housing.*

Kirkland has worked with A Coalition for Regional Housing (ARCH) and AWC to draft House Bill 1737 that would expand cities' ability to grant property tax exemptions for new or rehabilitated multifamily housing, and in particular would allow for partial exemptions for rental housing. Reps. Springer and Eddy have signed onto the bill, which had a hearing on February 5th.

Telecommunications *Kirkland supports maintaining local franchising and opposes any legislation that would create a statewide franchise. Kirkland recognizes the importance and need for local governments to manage their rights-of-ways and be able to deliver local programming.*

House Bill 1983, which removes local government franchising authority for competitive cable and video service providers, has been referred to the Committee on Technology, Energy & Communications. This bill gives any certified local exchange carrier the right to provide cable service using the public rights of way without further authorization. A competitive cable provider must obtain permission from the Washington Utilities and Transportation Commission. The automatic authorization or the authorization given by the WUTC is a franchise. A franchise is defined as authorization to both construct and operate a competitive cable or video service in the right of way. This bill has not been scheduled for a hearing yet.

**2007 Legislative Issues Update
as of
02/12/2007**

Kirkland Legislative Contacts

Senator Eric Oemig: <http://www.sdc.wa.gov/oemig.htm>

Rep. Roger Goodman: <http://www.housedemocrats.wa.gov/members/goodman/>

Rep. Larry Springer: <http://www.housedemocrats.wa.gov/members/springer/>

Senator Rodney Tom: <http://www.sdc.wa.gov/tom.htm>

Rep. Ross Hunter: - <http://www.housedemocrats.wa.gov/members/hunter/>

Rep. Deb Eddy: <http://www.housedemocrats.wa.gov/members/eddy/>

Bill Number	Legislative Issue	Current Status – from AWC and leg.wa.gov	Action Needed/Initiated
MUNICIPAL FINANCE			
SSB 5089	Streamlined Sales Tax	This bill would conform Washington's tax structure to the streamlined sales and use tax agreement. Passed out of Ways and Means Committee. In Senate Rules.	Hearing Feb. 14 in the House Finance
HB 1072	Streamlined Sales Tax	This bill would conform Washington's tax structure to the streamlined sales and use tax agreement. Scheduled for executive action by House Finance Committee	Passed to Rules Committee for second reading Jan. 29.
HB 1342	LTAC Flexibility	Clarifies the use of existing lodging tax revenues for tourism promotion. The bill would define “tourism promotion” to also include the operation of special events, not just marketing. It also allows cities to support tourism-related facilities owned by a nonprofit organization.	Hearing Feb 1 st in House Community & Economic Development & Trade.
HB 1254	LTAC Flexibility	This bill expands the definition of “tourism related facilities” to include those owned by a nonprofit organization. It allows municipalities to contract with nonprofit organizations for tourism promotion activities.	Hearing scheduled for Feb 1 st in the House Committee.
HB 1369	City Fiscal Flexibility	This bill expands voter-approved multi-year property tax lid lifts to all local jurisdictions i.e. library and fire districts. It also removes non-supplanting language on the lid lifts for cities and counties.	Hearing scheduled for Feb 9 th in House Finance .
HB 1466	Tourism Promotion	This bill would expand “tourism promotion” to include expenditures to nonprofit organizations.	Public hearing Feb. 1 in House Community & Economic Development & Trade.
HB 1825 SB 5729	Dedicated Funding for Public Health Services	This proposal to legislation would create a health financing account and direct revenues from the cigarette tax to the account which would be spent after appropriation.	Public hearing Feb. 7 th in Senate Health & Long-Term Care
HB 1139 SB 5330	Local Sales Tax	These companion bills will modify the local sales and use tax that is credited against the state sales and use tax when a large annexation occurs.	HB 1139 Public hearing Jan. 26 th in House Finance. SB passed committee, is now in Ways & Means.

SSB 5404	Multi-Family Ten Year Property Tax Exemption	This bill will modify property tax exemption provisions relating to new and rehabilitated multiple-unit dwellings in urban centers to provide affordable housing requirements.	Passed Committee, referred to ways and means.
HB 1737	Multi-Family Ten Year Property Tax Exemption	This bill would lower the population threshold to 5,000 and allow a partial exemption to be used for rental properties, currently authorized for owner occupied units.	Public hearing Feb. 5 th in House Housing
HB 1910	Multi-Family Ten Year Property Tax Exemption	This bill lower the population threshold to 15,000 and require an affordability component.	Public hearing Feb. 5 th in House Housing
SB 5558	Regulating House-Banked Social Card Games	This bill limits the number of licenses that may be issued for conducting house-banked social card games, grants local jurisdiction limited authority to determine the areas within which house-banked social card games may be conducted, and grandfathers existing city moratoriums that limit the number of card rooms.	Public hearing Feb. 6 th in Senate Labor, Commerce, and Research & Development
ENVIRONMENT AND GROWTH MANAGEMENT			
	Ecology Issues NPDES Phase II Permit	Stormwater permit which affects 101 cities in Washington. The permit includes details about stormwater management requirements.	Will likely be appealed by multiple stakeholders
HB 1726	Housing Density	Changes the OFM population forecasting method based to account for job growth – will likely increase King County’s share of Puget Sound growth. Also requires UGA to be sized for part-time, vacation, and second homes.	Hearing Feb 1 st in House Local Govt.
HB 1727	Housing Density	Adds local requirements for accommodating growth including provisions for a range of housing densities and mandatory use of innovative techniques if land supply is not adequate for projected population and employment growth.	Hearing Feb 1 st in House Local Govt.
HB 1358	Requiring Performance and Reasonable Measures for the Purpose of Growth Management Planning	Requires all 29 GMA-planning counties to adopt policies and performance measures that regularly review progress towards accommodating 20-year population and employment growth projections.	Hearing Jan. 25 th in House Local Govt.
SB 5286	Funding Puget Sound Clean-Up	Establishes a more coordinated state process to prioritize state funds aimed at clean-up efforts.	Hearing Feb. 2 nd in Senate Water & Energy & Telecommunications.
SB 5372 HB 1374	Puget Sound Planning and Clean-Up Reorganization	Recreates the state agency, Puget Sound Action Team, to be called the Puget Sound Partnership. This partnership will be governed by a seven-member council	Work session in House Committee 2/9.

		appointed by the Governor and confirmed by the Senate. Bill creates an action agenda which directs and coordinates efforts to restore Puget Sound Health by 2020. This agenda will effect the activities put on in surrounding counties.	
ECONOMIC DEVELOPMENT and INFRASTRUCTURE			
SB 5115 HB 1277	Local Infrastructure Financing Tool	<ul style="list-style-type: none"> ▪ Increases the competitive portion from \$2.5 million to \$5.0 million. ▪ Repeals the one per county prohibition on using this authority. ▪ Eliminates an assessed value per square foot requirement. ▪ Provide several technical changes that will make the authority more flexible. 	Feb. 12 th hearing in House Community & Economic Development & Trade
HB 1091 SB 5090	Innovation Zones	Authorizes CTED to designate innovation zones that must include a university or college, a concentration of R&D firms, and training capacity. Innovation zones will be eligible for LIFT and possibly other funding sources.	Scheduled for executive action Feb. 12 th in House committee.
HB 1361	Dedicating Existing Revenue Infrastructure Funding	Redirects part of the state Real Estate Exercise Tax (REET) for a variety of state recreational programs and also directs funding to the Public Works trust fund (PWTF).	Hearing Jan. 25 th in house local government
SB 5762	Funding for Jobs, Economic Development, and Local Capital Projects	<ul style="list-style-type: none"> • No more than 25 percent of financial assistance approved by CERB may consist of grants. • Financial assistance may be provided for the acquisition of real property not for projects located outside the jurisdiction of the applicant. • Applicants for CERB funds must demonstrate convincing evidence that a specific private development, consistent with economic development commission standards, is ready to occur. • Applicants in rural counties do not need to show that a specific private development is ready to occur but must demonstrate project feasibility and that the project is part of a local economic development plan. • Tourism projects in rural counties are also eligible for CERB funding. • Grants of up to \$50,000 are allowed for plans, studies, and analyses related to a project. • Applicants must demonstrate approval from a local jurisdiction, support from a local • Associate Development Organization, local participation, and local 	Public hearing Feb. 7 th in Senate Economic Development and Trade & Management

		matching funds.	
ENERGY			
HB 1036	Creating Sustainable Energy Trust	Entails charging all electric and natural gas retail customers a benefit charge to be then used to develop sustainable renewable resources.	Hearing Jan. 17 th in House Tech. & Energy & Communications.
HB 1037	Transmission Siting Preemption	Allows a person developing new transmission in excess of 115 kilovolts to seek site certification through the Energy Facility Site Evaluation Council (EFSEC). Substitute bill was passed with amendment brought forth.	No hearing scheduled yet.
LAW & JUSTICE			
HB 1669	Offender Supervision	This bill would provide for a gross negligence liability standard for misdemeanor supervision and provides that the standard of proof must be clear, cogent, and convincing.	Public hearing Feb. 6 th in House Judiciary.
SB 5353 HB 1590	Municipal Courts Contracting Authority	This bill includes provisions to clarify city authority to contract for municipal court services only.	Public hearing Feb. 7 th in House Judiciary.
TRANSPORTATION			
HB 1858 SB 5767	Transportation Benefit Districts	Transportation Benefit Districts are currently authorized and funding mechanisms require a vote of the people. This bill would authorize an additional \$20 in Motor Vehicle License Fees by councilmanic vote. This would be approximately \$600,000 in revenue in Kirkland. AWC is in the process of collecting bill signatures in the House and Senate for a proposed modification to TBDs.	Public hearing Feb. 5 th in House Committee Transportation
PUBLIC RECORD			
SB 5435 HB 1444	Creating the Public Records Exemptions Committee	The bill calls for a thirteen-member committee consisting of members from four legislative caucuses, reps. of local media, local gov., the state Auditor, the state Attorney General, the Governor, and four members of the public.	Senate Bill in Rules committee.
SB 5436 HB 1446	Correcting the Statute	This clarifies that the statute of limitations is one year for actions under the Public Records Act, including the failure to provide a response to a request for a public record, and for any other violation.	Feb. 8 th – Bill in Rules Committee
SB 5437	Recodification of the	This bill makes some corrections to the Public Records Act. It is not intended to	Feb. 8 th Passed to Rules

HB 1445	Public Records Act	change public records policy.	committee.
SB 5420	Requiring Website Postings Within Five Days	This bill will require all public agencies to post ordinances, rules, regulations, orders, and directives adopted by its governing body with five days of their adoption.	Feb. 8th executive action in the Senate Government Operations & Elections.
HOUSING/PROPERTY			
SB 5444 HB 1458	Requiring Notice to Property Owners Before Condemnation Decisions	This bill would ensure better notice is given to the public for proposed eminent domain condemnation actions by either public or corporate entities.	Public hearing Feb. 5 th in House Judiciary.
HB 1359	Promoting Affordable Housing for All	This bill declares that a decent, appropriate, and affordable home in a healthy safe environment for every household should be a state goal and should be accomplished for every very low income household by 2020.	Executive action Feb. 7 th in House Housing
HB 1412	Extending Timelines to Update Shoreline Master Programs	This bill provides cities with the option of taking an additional year to complete their SMPs.	Jan. 31 Passed to Rules Committee.
HB 1781	Allowing Shared Use of Best Available Science	This bill acknowledges that science used to figure out the best way to protect the environmental values in one community can be used by another community if it is applicable to the same types of land and conditions.	Public hearing Feb. 8 th in House Local Government at
SB 5104 HB 1885	Lake Washington Technical College	Creates a pilot program for an applied Baccalaureate Degree at two technical colleges in the state.	Public hearing Feb. 12 th in Senate Ways & Means.
SB 5507 HB 1463	Changing Washington's Vesting Laws	This bill would align our laws with the majority of other states. Most other states establish the applicable rules and regulations for land use applications at the time of application.	Public hearing Feb. 6 th in Senate Government Operations & Elections
HB 1733	Siting State Community Justice	This bill would require cities and counties to establish agreed-upon siting criteria for a variety of community justice facilities.	Executive action Feb. 15 th in the House Human Services.
HB 1558	GMA Task Force	This bill will create a task force comprising various interests and legislators to explore a variety of "hot button" issues surrounding implementation of the Growth Management Act	Public hearing Feb. 8 th in House Local Government
Personnel & Labor Relations			
HB 1322 SB 5340	Definition of Disability	This bill expands the definition to encompass any impairment, temporary or permanent, that is medically cognizable or diagnosable, regardless of whether the impairment has any impact on the individual's work or life.	Executive action Feb. 13 th in House Judiciary