

City Manager's Office

- **DATE:** January 23, 2023
- **TO:** Mayor Robinson and City Councilmembers
- **FROM:** Genesee Adkins, Chief of External Affairs Briahna Murray, Gordon Thomas Honeywell Government Relations

SUBJECT: State Legislative Update

# State Legislative Summary – January

### Overview

The Washington State Legislature convened its 105-day session on Monday, January 9. Each biennium consists of a long session (105 days) and a short session (60 days) in which bills may be enacted into law. One of the primary tasks of legislators during a long session is to pass the State's biennial budgets: Operating, Capital, and Transportation.

Democrats continue to hold solid majorities in both chambers of the Legislature following the 2022 General Election. The party balance is now 58-40 in favor of Democrats in the House of Representatives and 29-20 in favor of Democrats in the Senate. Much of the session is expected to revolve around policy and budgetary action on housing, the behavioral health system, and public safety, as well as climate and energy issues.

During the early weeks of the legislative session, legislative committees held work sessions, convened public hearings, and took early action on several bills. The Legislature also holds public hearings on the Governor's operating, capital, and transportation <u>budget proposals</u> and begin briefings and discussions for each chamber to begin developing their respective budget proposals that will developed and released in mid/late March.

# **Highest Priority Issues**

# Affordable Housing and Land Use

Identifying solutions to the state's housing shortage and homelessness crisis is a primary area of focus for the Legislature this session. In addition to Governor Inslee's proposal to raise revenue through bonds for capital investments in housing, state lawmakers are deliberating several policy actions that aim to boost housing supply and help keep Washingtonians housed. These approaches include potential changes to local governments' authority to regulate certain types of housing development. For additional perspective on this issue, see the recent <u>Seattle</u> <u>Times Editorial Board</u> piece on the balance of state policy and local decision making. The following is a summary of prominent housing bills that have been introduced.

Middle Housing: <u>House Bill 1110</u> sponsored by Representative Jessica Bateman (D-22<sup>nd</sup> LD) and its companion legislation, <u>Senate Bill 5190</u> sponsored by Senator Yasmin Trudeau (D- 27<sup>th</sup> LD) would amend the *Growth Management Act* to require that any city with a population of 6,000 or more or any city within a contiguous urban growth area with a city with a population of 200,000 or more to authorize middle housing in all residential zones. This would include the development of at least four units per lot on all lots zoned for residential use, six units per lot in all residential zones of two of the six units are affordable, and at least six units per lot in all residential zones within one-half mile of a major transit stop. Under this proposal, cities would be prohibited from requiring off-



street parking as a permitting condition for middle housing within one-half mile of a major transit stop. They could not require more than one off-street parking space on lots smaller than 6,000 square feet. Additionally, cities could not require more than two off-street parking spaces per lot as a permitting condition for middle housing on lots larger than 6,000 square feet. These proposals are being considered by the House Housing Committee and the Senate Housing Committee.

- Housing Benefit Districts: <u>House Bill 1111</u>, sponsored by Rep. Cindy Ryu (D- 32<sup>nd</sup> LD), proposes to authorize housing benefit districts through a pilot program. The Housing Finance Commission is authorized to award grant funds to a participating city for a housing benefit district. The district can use the funds to acquire land near commuter rail, light rail, bus rapid transit, and other transit stops with fixed route service every 15 minutes. This bill is being considered by the House Housing Committee.
- Accessory dwelling units: House Bill 1276 sponsored by Representative Gerry Pollet (D- 46<sup>th</sup> LD) and its companion legislation Senate Bill 5235 sponsored by Senator Sharon Shewmake (D- 42<sup>nd</sup> LD) restricts cities and counties from prohibiting the construction of accessory dwelling units (ADUs) on residentially zoned lots within urban growth areas. Cities and counties may not impose a limit on ADUs of fewer than one attached and one detached ADU on a residentially zoned lot with a total square footage of more than 4,500 square feet, unless the lot is otherwise zoned to allow two or three ADUs. For lots larger than 4,500 square feet, cities and counties must allow at least one attached or detached ADU. Further, local governments may not prohibit the sale of a condominium unit independently of a principal unit solely on the grounds that the condominium was originally built as an ADU. Owner occupancy requirements on lots containing an ADU are prohibited except unless the ADU is a short-term rental, or the local government offered reduced impact fees for the ADU because it is offered at or below 80 percent of area median income. Off-street parking may be required for an ADU if the local government makes a determination supported by evidence that the ADU is in an area where on-street parking is unsafe for the ADU. The bill is being considered by the House Housing Committee and the Senate Local Government, Land Use, and Tribal Affairs Committee.
- **Multifamily Property Tax Exemption:** <u>Senate Bill 5118</u>, sponsored by Sen. Patty Kuderer (D-48<sup>th</sup> LD), changes the multifamily property tax exemption program to be a 99-year, rather than 12-year property tax exemption and makes a requirement that 35% of the overall square-footage of the building be dedicated to affordability, rather than 20% of the units. Additionally, the property tax exemption is extended to the underlying land value, as opposed to the current practice of only applying the exemption to the improvements on the land. The bill also extends the exemption to units that are converted to affordability. The bill House Housing Committee is considering the bill.
- Use of existing buildings for residential purposes: <u>House Bill 1042</u> sponsored by Representative Amy Walen (D- 48<sup>th</sup> LD) would require code cities to allow the addition of housing units within existing buildings in zones where multi-family housing is permitted. Under this proposal, cities would not be allowed to impose additional parking, design standard, or architectural requirements beyond those requirements applicable to all residential development within the building's zone. Cities would also be prohibited from requiring buildings to meet the current energy code solely because of the addition of new



dwelling units or deny a building permit for the addition of housing units to an existing building due to nonconformity, among other provisions. The House Housing Committee is considering the bill.

• Residential multi-plex housing regulations: House Bill 1167 sponsored by Representative Davina Duerr (D- 1<sup>st</sup> LD) directs the Department of Commerce to develop a grant program to provide direct financial assistance to counties and cities for the adoption of pre-approved middle housing plans, which are architectural plans that been reviewed by county or city code officials and approved for compliance. Additionally, the state Building Code Council is directed to convene a work group to recommend changes to rules or codes necessary for the Council to apply the international residential code to multi-plex housing. The proposal provides a State Environmental Policy Act (SEPA) exemption for government action related to residential infill development in an urban growth area within one-quarter mile of a community core location. Further, the proposal prohibits local governments from imposing any development, siting, parking, design review, or other standards for multi-plex housing that are more restrictive than those required for detached single-family residences, among other provisions. The House Housing Committee is considering the bill.

### Transportation

Governor Inslee's Transportation budget proposal serves as starting point for discussion as the Legislature embarks on their work to develop a budget that they will adopt by the end of the legislative session. The Governor's proposal, released in December, includes phasing for the projects funded by the Legislature through the *Move Ahead Washington* package and the 2023-2025 budget identifies projects from the 2015 *Connecting Washington* package that have not yet begun and secures funding for those projects.

The House and Senate Transportation committees held public hearings on the Governor's proposed transportation appropriations during the first week of the legislative session. Click <u>here</u> to view the latest list of transportation projects that includes the proposed phasing for funding. The Governor's proposed transportation budget proposes to delay many projects throughout the state, citing cash flow challenges. Bellevue testified expressing concerns that the 124<sup>th</sup>/State Route 520 project was delayed, and appreciation for timely funding for Mountains to Sound and Eastrail.

• Transportation Impact Fee Flexibility for Bike/Ped: <u>House Bill 1135</u> sponsored by Representative Vandana Slatter (D- 48<sup>th</sup> LD) adds bicycle and pedestrian facilities that were designed with multi-modal commuting as an intended use to the definition of "public facilities" for which impact fee revenue may be spent to support new growth and development. The House Local Government Committee is considering the proposal.

#### Homelessness and Human Services

The Legislature is anticipated to have a robust discussion on how best to provide behavioral health services, which includes both substance use recovery services and mental health services.

• 23-Hour Crisis Facilities: <u>Senate Bill 5120</u> sponsored by Senator Manka Dhingra (D-45<sup>th</sup> LD) establishes licensing criteria for 23-hour crisis relief centers for certification by the Department of Health. These community-based facilities will be open 24 hours per day, seven days per week, and accept walk-ins and drop-offs from public safety



agencies. These facilities offer mental health and substance use care for no more than 23 hours and 59 minutes at a time per patient. If an individual brought to a 23-hour crisis relief center refuses to stay voluntarily, the professional staff may detain the person under specified circumstances until the designated crisis responder can authorize transfer to another facility or program, or other appropriate action. The Senate Health and Long Term Care Committee is considering the proposal.

### Climate and the Environment

- Climate change in comprehensive planning: House Bill 1181 sponsored by Representative Davina Duerr (D-1<sup>st</sup> LD) and its companion legislation, Senate Bill 5203 sponsored by Senator Liz Lovelett (D- 40<sup>th</sup> LD), requested by the Office of the Governor, amends the Growth Management Act to incorporate goals and provisions related to climate change. The transportation goal would include multi-modal transportation systems that reduce greenhouse gas emissions and per capita vehicle miles traveled. Participation from vulnerable populations and overburdened communities would be integrated into the goal for citizen participation and coordination. Additionally, the land use element must give consideration to environmental justice and health disparities and mitigate wildfire risk to lives and property. The proposal also adds a climate change and resiliency element designed to reduce greenhouse gas emissions. The Department of Commerce is directed to publish guidelines specifying a set of measures counties and cities have available to them to increase housing capacity and reduce greenhouse gas emissions and fund grants for community-based organizations to facilitate participation from vulnerable populations in the planning process. The Department must also develop a model climate change and resiliency element that can be used by local governments. The obligation of local governments to comply with the new requirements is contingent on the provision of state funding. These bills are under consideration in the House Local Government Committee and the Senate Local Government, Land Use, and Tribal Affairs Committee, respectively.
- Response to extreme weather events: <u>House Bill 1012</u> sponsored by Representative Mari Leavitt (D- 28<sup>th</sup> LD), the *Extreme Weather Protection Act*, would direct the Department of Emergency Management to develop and implement an extreme weather response grant program to assist counties, cities, towns, and tribes with the costs of standing up and operating warming and cooling centers, and other associated expenses. The proposal requires grantees to demonstrate need for reimbursement of costs incurred in response to extreme weather events. The House Innovation, Community and Economic Development, and Veterans Committee approved the bill. It is now under consideration in the House Appropriations Committee.
- Urban forest management ordinances: <u>House Bill 1078</u> sponsored by Representative Davina Duerr (D- 1<sup>st</sup> LD) requires any city that has adopted urban forestry management or tree canopy ordinances to amend their ordinances to allow for the obligations for tree protection and management to be satisfied through the use of a tree bank. The Department of Natural Resources would be required to establish guidelines for the incorporation of tree banks within communities' urban forestry ordinances. The House Local Government Committee is considering the bill.
- Solid waste—extended producer responsibility: <u>House Bill 1131</u> sponsored by Representative Liz Berry (D- 36<sup>th</sup> LD) and its companion legislation, <u>Senate Bill 5154</u>



sponsored by Senator Christine Rolfes (D- 23<sup>rd</sup> LD) establishes an extended producer responsibility policy for consumer packaging and paper products. Beginning in January 2024, each producer that offers a product covered under the law would need to join a producer responsibility organization. These organizations must submit an annual payment for the following fiscal year to fund the costs of administration, including enforcement. The proposal requires the Department of Ecology to conduct a performance rates study and statewide needs assessment and make recommendations on performance rates. Producers may not pass on their costs for meeting producer obligations to consumers via point-of-sale fees. Producer responsibility organizations must fund activities to make convenient collection services available to residents, including curbside collection for single- and multi-family residences. These bills are under consideration in the House Environment and Energy Committee and the Senate Environment, Energy, and Technology Committee.

### **General Government**

• Open Public Meetings Act: <u>House Bill 1105</u> sponsored by Representative Shelley Kloba (D- 1<sup>st</sup> LD) requires that whenever a public agency is mandated by law to provide notice that it is soliciting written public comment, the notice must specify the last date by which such public comment must be submitted. The civil penalty for failing to meet this requirement is \$500 for the first violation and \$1,000 for any subsequent violation. It is anticipated that the House State Government and Tribal Relations Committee will amend the bill to remove the civil penalty and approve the bill.

### **Public Safety**

While the Legislature is anticipated to have a robust discussion regarding public safety, including addressing consequences to those who are in possession of a controlled substance. Several bills regarding the *Blake* decision have yet to be introduced. Below are those bills that have been introduced during the early weeks of session:

Vehicular pursuits: House Bill 1053 sponsored by Representative Eric Robertson (R-31<sup>st</sup> LD) would remove the current requirement in state statute for probable cause and allow for peace officers to engage in vehicular pursuits if there is a reasonable suspicion that a person in the vehicle has committed or is committing a criminal offense. It would also remove the requirement that an officer receive authorization from a supervisor to engage in the pursuit, instead requiring that an officer notify a supervising officer immediately upon initiating the vehicular pursuit. The bill was referred to the House Community Safety, Justice, and Reentry Committee.

<u>Senate Bill 5034</u> sponsored by Senator Mike Padden (R-4<sup>th</sup> LD) also addresses the circumstances under which a peace officer may conduct a vehicular pursuit. This proposal also removes the requirement for probable cause and instead requires reasonable suspicion that a person in the vehicle has committed or is committing a criminal offense. Vehicular pursuits may also be conducted if the person poses a public safety risk. The bill was referred to the Senate Law and Justice Committee.

• Private right of action for harm from violations of the state Constitution or state law by peace officers: <u>House Bill 1025</u> sponsored by Representative My-Linh Thai (D-41<sup>st</sup> LD) would create a legal remedy under state law for individuals who are injured when a peace officer violates the state Constitution or state law. Plaintiffs may also name the officer's employer as a defendant, and employers are also independently liable



if a proximate cause of the injury was the employer's failure to use reasonable care in hiring, training, supervising, or disciplining the officer under this proposal. The bill was referred to the House Civil Rights and Judiciary Committee, and no public hearing has been scheduled as of the writing of this report.

 Local government authority to regulate firearms: <u>House Bill 1178</u> sponsored by Representative David Hackney (D-11<sup>th</sup> LD) states that the chapter of state law on firearms and dangerous weapons does not affect, modify, or limit the power of a local government from adopting regulations that are in addition to or more restrictive than the state's regulations. The proposal removes the list of restrictions currently enumerated in the chapter that local governments may enact. The House Civil Rights and Judiciary Committee is considering this proposal.