

CITY COUNCIL STUDY SESSION ITEM

SUBJECT

State Legislative Update

STAFF CONTACTS

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POLICY ISSUES

The State Legislature addresses a range of policy issues of interest to the City.

ACTION

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DIRECTION

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INFORMATION ONLY

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No formal action is required; this is an informational briefing. Council may wish to provide direction to staff regarding particular legislative proposals.

BACKGROUND/ANALYSIS

2018 Legislative Session Report

The 2018 session of the State Legislature ended on time and overall, cities fared well, with just a few exceptions. The 2018 session was the second year of the two-year legislative biennium, and, as a “short” session, scheduled to last 60 days. The primary purpose of the short legislative session is to adopt supplemental budgets that make adjustments to the state’s General Fund, Transportation and Capital budgets for the 2017-2019 fiscal year (June 30, 2017-July 1, 2019).

The political climate of the legislative session was shaped by the outcome of a special election in November. Democratic candidate Manka Dhingra won the 45th Legislative District Senate seat previously held by Senator Andy Hill, who passed away. Winning this seat gave Democrats a narrow majority in the Senate (25D-24R), the Democrats still have a slim majority in the House and Jay Inslee, a Democrat, in the Governor’s office.

Fourteen members of the Legislature—many who have long tenure—recently announced their retirement. Two of the members who are retiring have worked tirelessly on behalf of Bellevue’s interests and will be greatly missed. 41st District Representative Judy Clibborn, who chairs the House Transportation Committee, and 48th District Representative Joan McBride, who has been an effective advocate for affordable housing, are both retiring at the end of the year. Representative Clibborn has championed Bellevue’s and the region’s transportation projects and is responsible for billions of dollars for projects on SR 520, Interstate-405, and multi-modal bicycle and pedestrian projects. We will be inviting these two legislators to a Council meeting soon to thank them for their service and to recognize their efforts on behalf of our mutual constituents.

Capital Budget and *Hirst* Legislation: As you will recall, the 2017 session ran overtime and the Legislature did not adopt a Capital Budget because it could not find agreement on how to deal with the State Supreme Court’s decision in the *Hirst* case regarding water rights. The early weeks of the 2018 session focused on finding a way to resolve these issues and an agreement was struck that allowed adoption of the Capital Budget and setting up a process to work through issues raised by the *Hirst*

decision. The Legislature reached agreement on both issues during the first month of the Legislative session and adopted a 2017 - 2019 Capital Budget that enacted the project funding lists agreed to at the end of the 2017 legislative session, with some minor modifications.

Additionally, in response to the *Hirst* Supreme Court Decision, the Legislature passed Senate Bill 6091 that enacts new rules for drilling permit exempt wells throughout the state. The bill enables landowners to develop properties that have been in limbo since the Supreme Court decision and puts in motion a process that will establish permanent guidelines within a few years. Generally, the bill allows limited drilling of new wells, while local work groups develop plans to govern future water usage. Local work groups have a three-year window to develop plans to guide water usage over the next 20 years. The plans must account for stream flow impacts from new wells and the need for overall watershed health improvements. In addition, the state will provide \$300 million over 15 years for mitigation and related efforts to restore and enhance stream flows and aquatic habitat across the state. If the groups cannot reach consensus on plans, it is up to the Department of Ecology to set the rules. Water withdrawal from the new wells is limited to 3,000 gallons per day per well in sparsely populated watersheds and 950 gallons per day in densely populated watersheds.

Education Funding, *McCleary* and Tax Relief: Over the legislative interim, the Washington State Supreme Court ruled that the *McCleary* funding proposal enacted in 2017 did not fully comply with the Court's Order to fully fund K-12 education by 2018. The Court's primary reasoning was that the Legislature's property tax levy swap proposal did not fully fund education until 2019, rather than in 2018. To fully comply with the Court's order, the Legislature needed to identify an additional \$1 billion in the 2017-2019 Operating Budget for K-12 education. In addition to the Supreme Court's ruling, legislators heard from constituents throughout the legislative interim, expressing strong concern and opposition to higher state property taxes, and the increased motor vehicle excise taxes within the Sound Transit district. This motivated many legislators to provide "tax relief" as part of the budget discussions.

Increased Revenue and Budget Discussions: Prior to the release of the House and Senate budget proposals, the February economic revenue forecast indicated that General Fund revenue for the 2017-2019 biennium is forecast to be \$647 million higher than anticipated, and \$671 million higher for 2019-2021. This provided over \$1.2 billion for the four-year budget outlook. Many legislators, on both sides of the aisle, argued that with this increase in revenue, the Legislature would not need to raise taxes.

Despite the revenue forecast, the House proposed an operating budget that included a capital gains tax, and the Senate proposed a carbon tax. House Bill 2967, sponsored by Representative Kristine Lytton (D-Anacortes), proposed a 7% tax on long-term capital gains. The bill would have reduced the state property tax levy and funded the senior citizen, disabled persons, and qualifying veterans' property tax exemption with funds from the tax revenue generated on long-term capital gains.

The final 2018 Supplemental Operating Budget directs \$935 million to the Education Legacy Fund that would have otherwise been collected as general state revenues, and provided a one-time property tax reduction of .30 cents/\$1,000 of assessed value in 2019—a \$390 million statewide reduction. The additional funding directed to the Education Legacy Fund will be used to increase teacher salaries and respond to the *McCleary* court order. There are additional investments in programs that respond to the opioid epidemic, college financial aid and mental health care, among others.

Final 2018 Supplemental Capital Budget: After the passage of the 2017-2019 Capital Budget early in the 2018 legislative session, just over \$200 million in bond capacity was left for the 2018 Supplemental

Capital Budget. The final 2018 Supplemental Capital Budget used \$198 million of the \$211.4 million in available bond capacity. Of this amount, \$40.6 million was allocated to 95 local and community projects.

The Capital Budget also included \$500,000 for Bellevue's Meydenbauer Bay Park Ravine and Swim Area Project. The project became eligible for funding after the Legislature increased the amount of funding allocated to the Recreation and Conservation Office's Aquatic Lands Enhancement Account.

Final 2018 Supplemental Transportation Budget: The 2018 Supplemental Transportation Budget continued to implement the "Connecting Washington" statewide transportation funding package. Forecasted revenue for the 10-year period is \$33.8 billion, an increase of \$313 million over the November forecast. The vast majority of the 2018 supplemental budget will be used to reappropriate funding for projects that are already mid-construction.

Effective Date of Legislation: Legislation approved by both chambers of the Legislature and signed into law by the Governor during the 2018 session is effective on June 7 unless a specific date or emergency clause provides otherwise.

Transportation Legislation

Transportation Revenue Study: The adopted 2018 Supplemental Transportation Budget includes \$350,000 funding for a study of city transportation needs. The budget directs the Joint Transportation Committee to hire a consultant to study the current state of city transportation funding, identify emerging issues, and recommend funding sources to meet current and future needs. This work dovetails with work that the state is doing to identify future state transportation revenue sources to address declining gas tax revenues.

I-405 Express Toll Lanes: Prior to the beginning of the 2018 legislative session, the Washington State Department of Transportation (WSDOT) indicated that the Legislature needed to provide direction to WSDOT regarding tolls on the southern portion of I-405, from Bellevue to Renton. WSDOT staff and the transportation budget negotiators determined that such direction could be provided in a letter from the House and Senate Transportation Committee Chairs to the department. WSDOT is expected to go out to bid for the improvements to the southern portion of the corridor over the legislative interim.

I-405 Express Toll Lane/SR 522 Congestion: A total of \$8 million of I-405 express toll lane revenue was appropriated for capacity improvements at I-405 and SR 522, with the goal of increasing vehicle throughput, relieving congestion and aligning project completion with the implementation of bus rapid transit in the vicinity of the project that will be constructed as part of the ST3 plan.

Mountains to Sound Greenway Project: Bellevue was awarded funding for the Mountains to Sound Greenway project in the Connecting Washington transportation package. The funding not programmed to be used until after 2022. Bellevue worked with House Transportation Committee Chair Judy Clibborn and the WSDOT to move up the funding availability for this project. As a result, \$10 million will be available in 2017-2019, and \$4 million in 2019-2021 which will complete this phase of the project much earlier.

Wilburton Trestle: \$2.5 million was allocated in the 2017-2019 transportation budget for the Wilburton Trestle, and \$4.5 million was allocated for the Wilburton Reconnection Project in 2019-2021. As you

will recall, Bellevue advocated for this funding proposed by King County as part of the Eastside Rail Corridor Project.

Proposals to Reduce Sound Transit Motor Vehicle Excise Tax: As noted earlier, legislators heard concerns and opposition from their constituents regarding the formula used by Sound Transit to assess its motor vehicle excise tax (MVET) and wanted the Legislature to modify the formula to reduce the cost of car tab renewals in the Sound Transit District. Senate Bill 5955, sponsored by Senator Patty Kuderer (D-Bellevue), would have required Sound Transit to do this. In the version that passed the Senate, the current valuation formula used by Sound Transit to calculate the MVET would be reduced. If enacted, this would have cut Sound Transit's revenue for projects in ST3 by \$780 million. To offset this reduction, the bill would have transferred approximately \$500 million from the Puget Sound Taxpayer Accountability Account, which is the sales tax on ST3 projects currently directed towards school funding, to Sound Transit for ST3 projects. Additionally, the bill included language that would have required cities and counties to streamline permitting on ST3 projects. Many local governments, including Bellevue, expressed concern with this permitting language because it created a statewide preemption.

After the bill passed the Senate, it was referred to the House Transportation Committee. The Committee heard and passed out a further amended version of the bill that removed the permitting language, and deleted the transfer of funds from the Puget Sound Taxpayer Accountability Account. Due to ongoing negotiations on the controversial provisions in the bill, it was under consideration until the final day of session and ultimately did not pass. Numerous other proposals related to reducing the MVET were introduced, but did not advance.

Autonomous Vehicle Workgroup: Several proposals about autonomous vehicles were introduced and discussed by the 2018 Legislature. House Bill 2970, sponsored by Representative Zack Hudgins (D-Seattle), passed and requires the Transportation Commission to convene a workgroup to develop policy recommendations related to autonomous vehicles. The workgroup is charged with bringing forward a final report by November 15 of each year. Bellevue supported this legislation. City staff will work with other stakeholders during the interim to draft legislation that addresses regulatory aspects of the transition to autonomous vehicles.

Legislation Regulating Transportation Network Companies (TNCs) Fails: Two competing proposals were introduced to regulate transportation network companies. Senate Bill 6043, sponsored by Senator Steve Hobbs (D-Lake Stevens) and House Bill 2716, sponsored by Representative Gael Tarleton (D-Seattle), were proposals developed by the TNC industry. These proposals would have required TNCs to be licensed through the Department of Licensing (DOL) licensing and would have allowed background checks to be conducted by a third-party vendor. The TNCs would be responsible for vehicle inspections and assessing a \$.10 surcharge on all TNC trips that would go to DOL to administer the program. Any funds remaining after program administration costs were covered would be distributed to local governments, proportionally based on the number of rides within each jurisdiction.

Alternatives to these proposals were, Senate Bill 6500, sponsored by Senator Rebecca Saldana (D-Seattle), and House Bill 2945, sponsored by Representative Jake Fey (D-Tacoma), which would have required statewide regulation, but would have allowed cities to retain business licensing requirements. It would also have required FBI background checks that include fingerprinting and report driver lists to the DOL weekly, conduct annual safety inspections, provide an electronic receipt to riders within one hour of trip completion, display a photograph of the TNC driver, and implement a zero alcohol and drug

policy. The bill also specified fee and surcharge requirements and allowed for occasional auditing of drivers by local governments.

None of the competing proposals advanced, however, the transportation budget included proviso language appropriating \$255,000 is for the Joint Transportation Committee to conduct a comprehensive study about how best to regulate TNCs. The committee must issue a report of its findings and recommendations to the House and Senate Transportation Committees by January 14, 2019.

In addition, \$300,000 is in the budget for the Joint Transportation Committee to conduct a study regarding regulation of taxi and for-hire ride services regulated by state, local governments, and port districts. The study will compare state and local regulations that govern these private passenger transportation services and may include recommendations for improving consistency or overall effectiveness and competitive fairness of the current regulatory framework. The committee must report its findings and recommendations to the House and Senate Transportation Committees by January 14, 2019.

Affordable Housing, Human Services, and Homelessness

Housing Trust Fund: The 2018 Supplemental Capital Budget allocates an additional \$4 million to the Housing Trust Fund program for a total of \$110.8 million. The Housing Trust Fund is a competitive grant program for affordable housing. Projects selected can serve people with incomes up to 80% of area median income, but most projects funded to date serve households with special needs or incomes below 30% of area median income, including homeless families, seniors, farmworker, and people with developmental disabilities.

Document Recording Fee: The homeless housing and assistance surcharge, commonly referred to as the document recording fee, is collected when documents are recorded with the county auditor. Documents recording birth, marriage, divorce, death, or government liens are exempt from the fee. The current \$40 document recording fee was scheduled to sunset last year. The 2017 Legislature extended that sunset to 2023.

In 2018, the Legislature passed House Bill 1570, sponsored by Representative Nicole Macri (D-Seattle), into law. The new law increases the \$40 document recording fee to \$62, and makes the fee permanent. Ten dollars of the fee is distributed to counties and the remainder is distributed through a statewide formula already in statute. The statutory formula allocates approximately 60% to counties to fund local homeless housing programs, and approximately 40% to the state for the Home Security Fund, the administration of a statewide homeless plan, and private rental housing vouchers.

Source of Income: House Bill 2578, sponsored by Representative Marcus Riccelli (D-Spokane), prohibits landlords from preventing a tenant from renting his or her property based on the tenant's source of income, if the tenant is otherwise eligible. The bill also creates a landlord mitigation program to provide incentives for landlords to rent to low-income individuals by allowing remittances for building repairs.

Deferring Impact Fees for Low-Income Housing: House Bill 2538, sponsored by Representative Joan McBride (D-Kirkland), clarifies that homeless shelters do not trigger requirements for impact fees by changing the definition of "development activity" to exclude buildings or structures constructed as shelters that provide emergency housing for people experiencing homelessness, or emergency shelters for victims of domestic violence.

Credit Against State Sales Tax for Supportive Housing: House Bill 2437, sponsored by Representative June Robinson (D-Everett), did not pass. This legislation would have authorized counties to impose a sales and use tax credit of no greater than 0.03 % (or, in later versions of the bill, 0.01 %) to be used for affordable housing investments. The amount collected would have been deducted from the state's portion of the sales tax, so there would be no net increase to the sales tax. Counties would have been required to provide a 15% match.

Local Option Revenue for Affordable Housing: House Bill 1797, sponsored by Representative Joan McBride (D-Kirkland), was introduced in 2017 and generated much discussion in the 2018 session but did not get to the floor of the House for a vote. The bill would have allowed King County to approve by councilmanic vote a 1/10th-cent increase in the sales tax to fund affordable housing and behavioral health services. It also would have authorized cities to apply for a one-time sales tax credit of 4.37 % for public purchases for affordable housing or infrastructure to support such development. Lastly, the bill would have allowed the local share of the real estate excise tax to be used for affordable housing through 2022.

Affordable Housing on Property Owned by Religious Organizations: House Bill 1987, sponsored by Representative Joan McBride (D-Kirkland), was not approved by the Legislature. The final version of the legislation required a city or county to allow for an increased density bonus consistent with local needs for any affordable housing development of any single-family or multi-family residence located on real property owned or controlled by a religious organization. Amendments were offered from cities that would make the proposal consistent with local zoning, but the bill died.

Abandoned Recreational Vehicles: Senate Bill 6437, sponsored by Senator Curtis King (R-Yakima), was approved by the Legislature and establishes a program within the Department of Licensing to reimburse costs associated with disposing of abandoned recreational vehicles. A \$6 fee will be assessed on each recreational vehicle license application to be used to reimburse tow truck companies, vehicle wrecking companies, scrap metal businesses or scrap processors for the costs of transporting, storing, dismantling and/or disposing of recreational vehicles abandoned on public property.

Revenue and Fiscal Issues

State-shared Revenues: The Legislature fully funded state-shared revenues, including liquor profit revenues and liquor excise tax revenues. In addition, the 2018 Supplemental Operating Budget increased marijuana revenue to cities and counties that allow marijuana retail establishments from \$12 million per biennium to \$30 million for 2017-2019.

Local Business and Occupation (B&O) Tax and Licensing Authority: The 2018 Legislature did not consider any legislation regarding the local share of the B&O tax and business licensing authority. However, the Department of Revenue continues to work with a task force of city and business representatives that was established by the 2017 Legislature. The task force will make recommendations to the Legislature in October, in advance of the 2019 legislative session. Additionally, the Association of Washington Cities is in the process of developing a model ordinance establishing a minimum amount of business required prior to requiring a business license. Cities will need to adopt the model ordinance prior to January 1, 2019. Bellevue staff are participating in these efforts and will keep Council up to date on progress and recommendations.

State Infrastructure Bank: Building on an interim study regarding establishing a state bank, Senate Bill 6375, sponsored by Senator Bob Hasegawa (D-Seattle), would have required the Department of Commerce collaborate with other stakeholders, examine the state's public infrastructure needs and establish a financial and governance framework to establish a state infrastructure bank. The department would be required to provide a model structure and report to the Legislature by December 1. The bill did not pass, however, the 2018 Operating Budget provided \$480,000 for the Office of Financial Management to contract with an entity with expertise in public finance, commercial banking and public banking.

Emergency Medical Services (EMS) Levies: House Bill 2627, sponsored by Representative Larry Springer (D-Kirkland), was approved by the Legislature and changes the threshold for a countywide EMS levy proposal to be placed on a ballot. Currently, all cities with a population over 50,000 must approve a levy proposal before it can be placed on the ballot. The new bill provides that 75% of all cities in King County with a population over 50,000 must approve placing an EMS levy proposal on the ballot.

Technology, Energy and the Environment

Reclaimed Water: Current reclaimed water statutes are decades old and have not been updated. The Cascade Water Alliance led an effort to draft legislation to update those statutes. Senate Bill 6390, sponsored by Senator Lisa Wellman (D-Mercer Island), and House Bill 2743, sponsored Representative Larry Springer (D-Kirkland), would have required reclaimed water developments to be integrated with regional and local watershed and water system plans through agreements between water supply utilities and reclaimed water providers. The bill would have ensured that as reclaimed water is integrated as a new water supply source, it also honors existing infrastructure investments made by cities and water districts. King County opposed the legislation, and neither versions of the bill advanced beyond its chamber of origin. Representative Springer is committed to working over the legislative interim to resolve outstanding issues and find agreement on legislation prior to the 2019 legislative session.

Small Cell Wireless Facility Deployment: The Legislature considered two different approaches to the deployment of small cell network facilities, and neither proposal was approved by the Legislature. Senate Bill 5935, sponsored by Senator Tim Sheldon (D-Potlatch) and Senator Reuven Carlyle (D-Seattle), included regulations on deployment of small cell network facilities, and investments in rural broadband. The version of the bill that passed the Senate would have required cities with a population over 5,000 to adopt an ordinance or policy that would exempt the siting of small cell network facilities from conditional use permit, unless: a new pole is required; the pole height would need to be increased more than 15 feet; and, the facility does not comply with the city's adopted design standards.

In the House, the bill was amended to remove all provisions related to small cell wireless facilities, leaving the bill exclusively focused on rural broadband investments. Alternatively, the House considered House Bill 2592, sponsored by Representative Jeff Morris (D-Friday Harbor), which would have set a voluntary "gold standard" that cities could choose to comply with in order to designated "investment ready" by the Department of Commerce. To receive the designation, cities would need to comply with nine different criteria. Cities offered amendments to the bill to ensure that this designation would be achievable, however, the bill did not advance.

Governor's Proposed Carbon Tax: Senate Bill 6203 was the vehicle in the Senate that would have imposed a carbon pollution tax was the subject of much discussion in the 2018 session, but did not pass. The bill made it out of the Senate Ways and Means Committee, but was not brought to the Senate floor

for a vote. The proposal would have imposed a carbon pollution tax equal to \$12 per metric ton (MT) of carbon dioxide on the sale or use of fossil fuel within the state and the sale or use of electricity generated using fossil fuels. The bill also would have increased the tax rate by \$1.80 per MT. The bill would have directed carbon tax revenues to four accounts for activities that: reduce greenhouse gas (GHG) emissions connected to energy use and other activity in Washington; provide assistance to vulnerable communities and workers in fossil fuel industries; increase climate resilience; and support rural economic development.

Removal of Fish Passage Barriers:

During the 2017 session, the Legislature directed the Washington Department of Fish and Wildlife and the Association of Washington Cities (AWC) to work collaboratively to identify city-owned fish passage barriers that share the same stream system as state-owned fish passage barriers. The study must identify, map, and provide a preliminary assessment of city-owned barriers that need to be removed. The study will provide recommendations on: how to prioritize removal of barriers within the same stream system within the current six-year construction plan; and, how future state six-year construction plans should incorporate removal of city-owned barriers. An initial report must be provided to the Office of Financial Management and the transportation committees of the Legislature by July 1.

General Government

Public Records Reform: The Governor vetoed Senate Bill 6617, which would have exempted the Legislature from the Public Records Act. Following passage of the bill by both chambers, the Governor's office received over 19,000 calls registering opposition to the bill, and a coalition of legislators in the Senate Democrat, House Republican, and Senate Democrat caucuses sent a letter to the Governor requesting a veto. As part of the Governor's veto, the plaintiffs in the case that resulted in the Supreme Court ruling that the Legislature IS subject to the Public Records Act agreed to a "stay," and to establish an interim work group to determine appropriate public record disclosure rules for the Legislature using an open and transparent process.

Voting Rights Act: For the past several years, the Legislature debated proposals to create a Washington State Voting Rights Act that would protect the equal opportunity for minority groups to participate in local elections. Currently this protection is provided by Section 2 of the federal Voting Rights Act which broadly prohibits any voting practice or procedure that has the effect of impairing the equal opportunity for members of a minority group to participate in the nomination and election of candidates.

Senate Bill 6002, the Washington Voting Rights Act of 2018, sponsored by Senator Rebecca Saldana (D-Seattle), was approved and "prohibit[s] a local election system for the governing body of a political subdivision that impairs the ability of members of a protected class to have an equal opportunity to elect their preferred candidate that dilutes or abridges the rights of those voters." Under the Act, members of a race, color, or language minority are all included within the protection. To enforce the Act, a new state cause of action is created and courts are authorized to order changes in the state voting system, including redistricting.

The Act requires that prior to filing a legal action in state court, notice must be provided to the political subdivision of the "intent to challenge the election system." The notice must include information regarding the protected class impacted, a reasonable analysis of the data regarding the alleged vote dilution and polarized voting, as well as proposed remedies. After a voter gives such notice to a local jurisdiction of a possible violation, if the local jurisdiction fails to implement a satisfactory solution

within 180 days, a claim may be filed in state court. If the court finds a violation, it could order the subdivision to redistrict or create a district based election system.

City affiliates, including the Association of Washington Cities (AWC), took a neutral position on the bill, and offered amendments to limit the liability that cities could potentially face. Various groups will be working on informational presentations, including the Washington State Association of Municipal Attorneys (WSAMA) and the Municipal Research and Services Center (MRSC).

Wrongful Death: Senate Bill 6015, sponsored by Senator Bob Hasegawa (D-Seattle), would have significantly expanded city tort liability associated with wrongful death claims. The bill would have changed various state statutes governing wrongful death and survival causes of action, including expanding the beneficiaries entitled to recovery and the damages that can be recovered under such an action. Where there is no spouse or dependent children, parents and siblings would be able to bring suit. The bill removes the requirement that these family members reside in the United States and are dependent on the decedent for financial support to recover in such action. Additionally, the bill would have extended recovery to noneconomic damages such as damages for the decedent's pain and suffering, anxiety, emotional distress, or humiliation.

The State Attorney General's Office estimates a 20% increase in costs associated with these types of claims if this legislation passes. The Association of Washington Cities (AWC) opposes the bill as written. In February, the Senate version was voted off the Senate floor 26-21. Three amendments were proposed by Senator Steve O'Ban (R-University Place), but none were adopted. This legislation did not pass this year and is expected to be introduced again in 2019.

Insurance Coverage for Post-Traumatic Stress Disorders (PTSD) Claims: Senate Bill 6214, sponsored by Senator Steve Conway, (D-Tacoma), was approved by the Legislature. The legislation expands insurance coverage for occupational diseases for post-traumatic stress disorder (PTSD) claims of law enforcement and firefighters. Under the state's industrial insurance law, a worker who, in the course of employment, is injured or suffers disability from an occupational disease is entitled to benefits. An occupational disease is one that arises naturally and proximately out of employment. Currently, PTSD is not presumed to be an occupational disease. The bill changes that to a rebuttable presumption for law enforcement, firefighter, and EMTs; however, as a condition to this, individuals hired after the effective date of the bill must submit to a psychological examination, and the claim does not apply to PTSD directly related to disciplinary action, work evaluation, job transfer, layoff, demotion, or termination taken in good faith by an employer. The PTSD must develop after the individual has served at least 10 years with the employer.

Gender Pay Equity: House Bill 1506, sponsored by Representative Tana Senn (D-Mercer Island), was approved by the Legislature and modifies the Equal Pay Act by defining "similarly employed" to refer to gender, modifying defenses, and provides administrative remedies for violations. In addition, the bill prohibits discrimination in providing raises and promotions based on gender, and prohibits retaliation for workplace discussions about wages and other compensation.

Occupational Disease Presumptions: Senate Bill 6213, sponsored by Senator Kevin Ranker (D-Friday Harbor), would have expanded the type of occupational diseases that are presumed to be caused by employment, and thereby allowing a worker to receive benefits. To prove an occupational disease the worker would have to show that the disease arose "naturally and proximately" out of employment. However, there are some diseases where it is presumed that the disease arose from the employment. The

bill adds certain cancers and MRSA to the list for firefighters and fire investigators, and heart problems and strokes for law enforcement officers if the heart problem or stroke occurs in the line of duty. The bill failed to meet the opposite chamber cutoff deadline and did not pass.

Condominium Liability: House Bill 2831, sponsored by Representative Tana Senn (D-Mercer Island), was designed to match condominium construction liability laws to those that apply to apartment construction. The bill did not pass and is likely to be reworked and introduced in the 2019 session. As proposed, the bill would have changed notice requirements that the board of directors of a condominium or the officers of a homeowners' association must provide to residents/owners in the event of receiving notice of a claim for construction damages.

Tourism Marketing Authority: Senate Bill 5251, sponsored by Senator Dean Takko (D – Longview), was approved by the Legislature and establishes the Washington Tourism Marketing Authority and a dedicated account to manage a statewide tourism program. The bill directs up to \$1.5 million in 2019, and \$3 million per biennium thereafter. Funding for the program will come from a 0.2% state sales tax credit on lodging and car rentals. The new marketing authority will develop and implement the plan.

Minimum Density Standard: Senate Bill 6077, sponsored by Senator Guy Palumbo (D-Maltby), would have required a minimum residential density of six units per acre in all urban growth areas. This bill was opposed by local governments, including Bellevue, and did not advance out of committee.

Public Safety

Basic Law Enforcement Academy Funding: The 2018 Supplemental Operating Budget allocates funding for six additional Basic Law Enforcement Academy classes in Fiscal Year 2018 and seven classes in Fiscal Year 2019. This funding will help move more police officers through the academy and prevent a backlog in getting new police recruits on the street.

Police Use of Force Bill Passes: Early in the 2018 session, proponents of Initiative-940 proposed the initiative to the Legislature, collected the required number of signatures and filed the measure. The initiative contained several provisions pertaining to law enforcement training, rendering of first aid, criminal liability standards for using deadly force, and investigations.

Under the Washington State Constitution, the Legislature has choices regarding this initiative: it may enact the initiative by a vote of both chambers; it could choose to do nothing, which would send the initiative to the ballot statewide for voters' consideration; or, it could amend the initiative, which puts both the amended version and the original version on the ballot for voter consideration. The Legislature chose to enact the initiative and then immediately amended it via House Bill 3003, sponsored by Representative Roger Goodman (D-Kirkland). This negotiated bill was supported by the Washington Association of Sheriffs and Police Chiefs, De-Escalate Washington, and tribal governments. I-940 is modified and includes the following provisions:

- **Training:** The Criminal Justice Training Commission (CJTC) must require annual de-escalation and mental health trainings for law enforcement personnel.
- **Rendering of aid:** The CJTC is required to develop guidelines for law enforcement personnel to provide or facilitate first aid for the injured person at the earliest safe opportunity.
- **Police use of force:** To be protected from criminal liability, the use of deadly force by an officer must be in "good faith" – an objective standard that considers all the facts, circumstances, and information known to the officer at the time to determine whether a similarly situated reasonable

officer would have believed that the use of deadly force was necessary to prevent death or serious physical harm to the officer or another individual.

- **Independent investigation required:** The investigation must be completed to inform the determination of whether the use of deadly force met the objective good faith standard and satisfied other applicable laws and policies.

Body Worn Cameras: Senate Bill 6408, sponsored by Senator Mike Padden (R-Spokane Valley) advances the recommendations of the Joint Legislative Task Force on the use of body worn cameras, which was initiated by legislation that passed in 2016. Jurisdictions that deployed body worn cameras prior to June 9, 2016 were considered “covered jurisdictions” under the statute and subject to special rules related to disclosure, privacy, and records retention while the task force was underway. The bill removes the reference to covered jurisdictions; thereby making all jurisdictions subject to body worn camera standards.

The bill clarifies that records retention is necessary for 60 days unless otherwise appropriate, which allows jurisdictions to delete noncontroversial footage. To address privacy concerns, a definition of intimate image was added to the statute for purposes of inspection and copying exemptions in the Public Records Act. Additionally, the sunset clause was removed allow the rest of the body camera law to remain in effect beyond 2019.

Bump Stock Ban: In the wake of several recent mass shootings, several proposals to address gun reform were introduced this session. Senate Bill 5992, sponsored by Senator Kevin Van de Wege (D-Sequim), was passed by the Legislature and prohibits any individual from manufacturing, purchasing, owning, transferring, transporting or selling a firearm containing a bump-fire stock after July 1, 2019. A bump-fire stock weapon is a semi-automatic firearm that simulates the ability of a fully automatic firearm. In addition, the bill requires that any of the actions (described above) related to bump-fire stock firearms is considered a Class C felony and establishes criminal penalties and sentencing provisions. The bill also establishes a bump-fire stock buy-back program to allow a person possessing a bump-fire stock to relinquish the device in exchange for \$150.

Staff will continue to provide updates for Council as the work of the interim committees progresses.

ALTERNATIVES

N/A

RECOMMENDATION

N/A

ATTACHMENTS

N/A