

**CITY COUNCIL STUDY SESSION**

State Legislative Update

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**DIRECTION NEEDED FROM COUNCIL****INFORMATION  
ONLY**

No action is required; this is an informational briefing. The State Legislature addresses a range of policy issues of interest to the City. Council may wish to provide direction to staff regarding legislative proposals.

**RECOMMENDATION**

N/A

**BACKGROUND & ANALYSIS****Elections**

Most legislators are not up for election until 2020. However, two legislators were appointed to their positions after the November 2018 elections and now need to stand for election. First, Senator Liz Lovelett (D-Arlington) was appointed the State Senator from the 40<sup>th</sup> Legislative District after former Senator Kevin Ranker (D-San Juan) announced his resignation prior to the beginning of the legislative session. She is now seeking election to the position and faces four challengers.

Representative Alex Ybarre (R-Ellensburg) was appointed to the House of Representatives to represent the 13<sup>th</sup> Legislative District after former Representative Matt Manweller (R-Ellensburg) announced his resignation shortly after the November 2018 election. He is now seeking election to the position and has one Democrat opponent.

Additionally, following the conclusion of the 2019 legislative session, Senator Guy Palumbo (D-Maltby) announced his resignation from the State Senate in the 1<sup>st</sup> Legislative District. An appointment process is underway to select a replacement. The 1<sup>st</sup> District Democrats have recommended that Representative Derek Standard (D-Bothell) be appointed to the Senate seat. The King and Snohomish County Councils will consider his appointment in the coming weeks. If appointed, the 1<sup>st</sup> District Democrats have recommended that Davina Duerr, current Deputy Mayor of Bothell, be appointed to the House of Representatives to fill Representative Derek Standard's position.

The House Democrats are also planning to select a new Speaker of the House on July 31. Long-serving Speaker Frank Chopp stepped down from the leadership position at the end of the 2019 legislative session and Representative John Lovick (D-Mill Creek) was appointed Interim Speaker until the caucus elects its next speaker on July 31. There are four legislators seeking the position: Representative Laurie Jenkins (D-Tacoma), Representative Monica Stonier (D-Vancouver), Representative Gael Tarleton (D-Seattle), and Representative June Robinson (D-Everett).

## Initiatives

The November 2019 ballot will include at least one statewide initiative. Initiative-976, referred to as “Bring Back Our \$30 Car Tabs” was filed as an initiative to the Legislature. The Legislature chose to not enact the initiative into law which means the initiative will be on the November ballot. If voters approve the measure, the initiative would do the following:

- Limit motor vehicle license fees (car tab fees) to \$30 per year;
- Repeal or reduce certain motor vehicle weight fees;
- Repeal the authority of transportation benefit districts (TBDs) to impose vehicle fees;
- Reduce electric vehicle fees to \$30 per year;
- Repeal the 0.3% tax on motor vehicle retail sales;
- Require local motor vehicle excise taxes (MVET) to be calculated using the Kelley Blue Book base value of the vehicle;
- Conditionally repeal the Sound Transit 0.8% MVET; and
- Require the retirement or refinancing of Sound Transit-related bonds.

Cities have the authority to establish transportation benefit districts (TBD) for purposes of acquiring, constructing, improving, providing and funding transportation improvements. Currently, over 100 cities have formed TBDs to fund local transportation projects. TBDs are primarily funded through vehicle license fees or local sales taxes.

If I-976 passes, the authority for TBDs to impose vehicle license fees would be eliminated. Over 60 TBDs receive revenue from vehicle license fees, and 55 TBDs use vehicle licenses fees as the sole funding source. In fiscal year 2018, vehicle license fees raised \$58.2 million in revenue statewide. If I-976 passes, there would also be reductions in many of the state accounts associated with transportation funding, including the Multimodal Transportation Account, the Motor Vehicle Account, State Patrol Highway Account, and the Transportation Partnership Account. The state estimates lost revenue of \$588 million in the 2019-2021 biennium, \$677 million in the 2021-2023 biennium, and \$758 million in the 2023-2025 biennium.

In addition to I-976, there is an ongoing effort to collect the necessary 259,622 signatures to have Initiative 1648 included on the November ballot as an initiative to the people. I-1648 would require tax increases passed by the state legislature to expire after one year, unless voters approve the increases as ballot measures. If I-1648 garners sufficient signatures, some argue that the measure covers two actions, and therefore, violates the State Constitution’s single-subject rule. The deadline to submit signatures is July 5.

There is also an ongoing signature gathering effort for Referendum 88. Referendum measures place laws recently passed by the Legislature on the ballot to be approved or repealed. Referendum measures need to be filed with the Secretary of State no later than 90 days after the final adjournment

of the legislative session (July 28), and must include the signatures of at least 129,811 registered voters.

Signatures are being collected on R-88, which would place the contents of Initiative-1000 on the ballot. I-1000 was an initiative to the Legislature and it chose to enact the initiative rather than have it placed on the November 2019 ballot. R-88 would reverse that action and allow voters to decide whether or not to enact the policies included in I-1000.

I-1000 would allow state and local governments to implement affirmative action laws, regulations, policies or procedures to encourage diversity in public employment, higher education and contracting. It also prohibits public employers from setting policies that use quotas; setting policies that constitute preferential treatment; or violate a state or federal statute, final regulation, or court order.

#### **POLICY & FISCAL IMPACTS**

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

#### **OPTIONS**

N/A

#### **ATTACHMENTS & AVAILABLE DOCUMENTS**

N/A

#### **AVAILABLE IN COUNCIL LIBRARY**

N/A