

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**State Legislative Session Overview**

The first legislative deadline has come and gone – bills had to be approved by a policy committee on February 15 to remain under consideration. Those bills advance to the fiscal committees for an assessment of budget impacts. The fiscal committees include the House Appropriations Committee, the Senate Ways and Means Committee and the House and Senate Transportation Committees. The next cutoff is coming up quickly. Bills must be passed out of the fiscal committees by 5:00 pm on February 22 to remain under consideration this session. There is a category of bills—those deemed necessary to implement the budget (or NTIB)—that are exempt from cutoff. These bills advance during the session along with the budget.

Once bills advance out of both a policy and, if referred, a fiscal committee, they are referred to the Rules Committee in their respective chamber. Bills remain in the Rules Committee until they are selected, or “pulled”, to be brought up for a vote on the floor of the House and/or the Senate. The cutoff for bills to pass out of their chamber of origin—House bills out of the House and Senate bills out of the Senate—is March 9. Bills that pass out of the entire chamber of the House of Representatives or Senate. Once a bill passes out of one chamber, it then moves to the second chamber, and the process repeats.

The list below outlines the cutoff dates for the 2021 session:

Session Cutoff Calendar

February 15, 2021	Policy Committee Deadline
February 22, 2021	Fiscal Committee Deadline
March 9, 2021	Chamber-of-Origin Deadline
March 26, 2021	Opposite Chamber Policy Committee Deadline
April 2, 2021	Opposite Chamber Fiscal Committee Deadline
April 11, 2021	Opposite Chamber Deadline
April 25, 2021	Session adjourns - Sine Die

Governor Signs Unemployment Insurance Legislation: On February 8, Governor Jay Inslee signed into law the first bill of the 2021 session. **Senate Bill 5061** will provide relief assistance to help mitigate the impacts of the COVID-19 pandemic for businesses and the hardest-hit workers in the state. This bill helps businesses by preventing an automatic Unemployment Insurance (UI) tax increase of \$1.7 billion which reduces the taxes owed by employers in April. It also adjusts future taxes on employers to remove \$1.2 billion in benefits paid out during the Governor's "Stay Home, Stay Healthy" orders from the employers' future UI tax calculations. The legislation also raises the minimum unemployment benefit for workers making between \$21,000 and \$27,800.

Federal COVID-19 Pandemic Relief Funding Approved by Legislature: House Bill 1368, sponsored by Representative Timm Ormsby (D-Spokane), appropriates federal COVID-19 relief funding passed by Congress through June 30. The bill has been sent to the Governor for signature. Distributions are provided for childcare, rent relief, food assistance, developmental disability and senior programs, medical and health care assistance, education, and public health activities, including testing and vaccine distribution. Some highlights are included below:

- \$365 million for emergency rent, utility and other assistance including, eviction prevention, foreclosure prevention, dispute resolution, legal aid related to housing, evictions, and utilities, and grants for landlords experiencing a significant loss of rental income during to the eviction moratorium.
- \$240 million for Working Washington Grants up to \$20,000 per business.
 - Of this amount, \$120 million is allocated solely to assist businesses in maintaining operations. To qualify, businesses must:
 - Have had \$5 million or less in gross receipts in 2019;
 - Have expenses necessary to continue business that are not covered by another government program;
 - Have experienced a reduction in business due to COVID-19 or state/local actions in response to COVID-19;
 - Operate in accordance with public health guidance.
 - The remaining \$120 million is available for eligible reopening costs. The program:
 - Includes payroll, rent, inventory, etc.

- Is only available for businesses that totally closed, even temporarily and must demonstrate that the closure was a result of the Governor’s November 15 “Stay Safe-Stay Healthy” order.
 - Is only available to businesses with less than \$5 million in gross receipts in 2019.
 - Is largely for reimbursement costs – up to 25 percent of a grant can be provided in advance.
- The Washington State Department of Commerce must conduct outreach to underrepresented and unserved communities.
- Distributions must be equitably distributed across geography and to members of historically disadvantaged communities.
- Creates the COVID-19 Public Health Response Account in the Office of Financial Management. In this account, the bill deposits:
 - \$428 million for COVID-19 public health activities;
 - \$68 million for vaccine distribution, and
 - \$100 million for epidemiology and laboratory capacity.
- Approximately \$161 million would be allocated to the Department of Social and Health Services for various programs, including Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for Needy Families (TANF), the Washington Immigrant Relief Fund, and to expand cash disaster benefits.
- \$6 million to the state Health Care Authority for health care and public health expenses.
- \$50 million to the Department of Children, Youth, and Families to provide financial support to childcare providers.
- Approximately \$26 million to the Department of Agriculture for the Food Assistance Program.
- Approximately \$714 million to the Office of the Superintendent of Public Instruction for school reopening assistance.
- \$5 million to the Student Achievement Council for undocumented student relief grants to assist those affected by the COVID-19 pandemic.

Bellevue Legislative Priorities

Transportation Improvements:

As previously reported, the House and Senate have each released the broad framework of their respective proposed new transportation revenue packages: the House Transportation Package Proposal and the Senate “Forward Washington” Proposal. Over the next several weeks, the transportation committees in each chamber will refine their proposals, discuss the merits of cap and invest versus carbon fee revenues, whether to bond revenues, and other elements of their framework proposals. Each chamber has released a “project funding request form” to begin refining/developing project lists for transportation investments. Neither chamber’s transportation committees has formally introduced legislation. Additional details will come out in the next several weeks.

Affordable Housing, Homelessness and Human Services:

Foreclosure Support: House Bill 1108, sponsored by Representative Tina Orwall (D-Des Moines), would provide additional funding to the Foreclosure Fairness Program for mediation services to homeowners facing foreclosure. The amended version of the bill was unanimously voted out of the House.

Expanded Sales Tax Authority for Affordable Housing: House Bill 1070 is sponsored by Representative Cindy Ryu (D-Shoreline). The bill would modify House Bill 1590 that was passed in the 2020 session and authorized a county or city, by councilmanic action, to impose an increase in the local sales and use tax for homelessness, affordable housing and supportive services. This bill would clarify that taxes collected under HB 1590 could be used to acquire buildings for use as emergency, transitional, and supportive housing. The bill was amended to require a county to consult with a city prior to acquiring a building located within a city, and if a county does acquire a facility within a city, that facility must dedicate at least 15 percent of its services to city residents. The bill is in House Rules.

Following the February 15 cutoff, the bills included below moved out of their policy committees and are in the fiscal committees. They are considered “alive” at this point in the session.

Property Tax Exemption to Preserve Affordable Housing: House Bill 1035, sponsored by Representative Shelley Kloba (D-Kirkland), is scheduled for a public hearing in the House Finance Committee. This legislation would authorize a local option, six-year property tax exemption for multifamily housing, mobile homes, and certain single-family properties to preserve existing affordable housing.

Housing Benefit Districts: House Bill 1128, sponsored by Representative Cindy Ryu (D-Shoreline), would authorize creation of Housing Benefit Districts (HBD) to support affordable low-income and middle-income housing and community development projects within the district. The bill would allow an optional funding mechanism modeled after special purpose districts, including a ballot measure or councilmanic vote to levy a sales and use tax and a ballot measure to levy a property tax within the district.

Eviction Prevention Assistance: House Bill 1277, sponsored by Representative Timm Ormsby (D-Spokane), would increase the document recording fee by \$100 to fund rental assistance and other support services to prevent evictions.

New Local Option Short-Term Rental Tax: Senate Bill 5012, sponsored by Senator Liz Lovelett (D-Arlington), would authorize local governments to levy a special excise. The amended version of the bill specifies that the tax may be imposed in unincorporated areas of a county for the county tax and in the corporate limits of a city for the city tax and would authorize local governments to develop criteria to exempt up to one short-term rental per person based on a person's age, income or both.

Tenant Protections and Landlord Assistance: Senate Bill 5160, sponsored by Senator Patty Kuderer (D-Bellevue), would establish a plan, including mediation services to prevent evictions once

the moratorium ends. The bill has been significantly amended at the request of several stakeholders and is still a work in progress.

Development Regulations for Shelters and Housing: House Bill 1220, sponsored by Representative Strom Peterson (D-Edmonds), would update the Growth Management Act (GMA) to include planning for and accommodating affordable housing. The state Department of Commerce would be required to provide an inventory and analysis of existing and projected housing needs required in the housing element of the comprehensive plan. In addition to planning, this bill includes language of concern to many cities and would require cities to allow emergency shelters anywhere short-term rentals are authorized. Additional amendments are likely.

Social and Criminal Justice Reform

The following bills passed the House and/or the Senate and now move to the opposite chamber for consideration.

Law Enforcement Recruitment: House Bill 1001, sponsored by Representative Jacquelin Maycumber (R-Republic), would create a grant program through the Criminal Justice Training Commission (CJTC) to improve outreach and recruitment efforts for law enforcement. The program is designed to promote diversity in law enforcement so that departments better reflect the demographics of local communities. Grant recipients would be selected by December 1, 2021, and a report from the CJTC is to be submitted to the Governor by December 1, 2022. The bill passed unanimously in the House.

Impeachment Disclosures: House Bill 1088, sponsored by Representative John Lovick (D-Mill Creek), would require stakeholders to update best practices addressing potential impeachment (of credibility) disclosures pursuant to *Brady v. Maryland*. The bill directs the Washington Association of Prosecuting Attorneys to develop and maintain online training for potential impeachment disclosures. Under the bill, police departments would be required to report to the prosecuting authority of their jurisdiction when an officer is no longer able to serve as a credible witness. Additionally, prior to hiring a new officer, a law enforcement agency will need to determine if the officer has been subject to potential impeachment. The bill was voted out of the House on a 61-37 vote.

Audits of Use of Force Investigations: House Bill 1089, sponsored by Representative Bill Ramos (D-Issaquah), would establish compliance audits of law enforcement agencies through the State Auditor's Office (SAO) at the conclusion of any deadly force investigation. Additionally, at the request of the CTJC, the SAO may conduct audits of law enforcement agencies to ensure compliance with all applicable state laws, policies, and procedures. Under the bill, law enforcement agencies would not be required to pay any costs or fees for compliance audits. The bill was voted out of the House on an 80-18 vote.

Following the February 15 cutoff, the bills included below moved to the Rules Committees of each chamber. They are considered “alive” at this point in the session and awaiting or receiving action to pull them to the floor for a vote.

Police Tactics: House Bill 1054, sponsored by Representative Jesse Johnson (D–Federal Way), would establish limitations and requirements for police tactics and equipment, including banning chokeholds, neck restraints, purchase of certain types of military equipment, use of tear gas, use of K-9 units, “no-knock” warrants, and place limits on vehicular pursuits. This bill has received significant amendments and additional amendments are expected around the use of K-9 units and vehicular pursuits. Further amendments to the bill are expected to include amendments to the language around the use of K-9 units and vehicular pursuits. These amendments would likely be offered on the floor of the House when/if the bill is pulled to the floor for a vote.

Reforming the “Felony Bar” Statute: Senate Bill 5263, sponsored by Senator David Frockt (D–Seattle), would amend the “felony bar” statute that bans a person who sustains injury or death while committing a crime from being able to bring a civil action. The Senate Law and Justice Committee amended the bill to provide a complete defense to civil actions brought forward if it is determined beyond a reasonable doubt that the person injured or killed was engaged in the commission of a class A or class B felony and the commission of which was a proximate cause of the injury or death.

Data Collection: House Bill 1092, sponsored by Representative John Lovick (D–Mill Creek), was amended and would require the Washington State University (WSU) to submit a policy to the Attorney General’s office regarding data collection by November 1. The policy would contain the data to be collected, procedures and deadlines for law enforcement agencies to collect and report the data, establish procedures for the public to report data to the WSU directly. The House Appropriations Committee amended the bill to render it null and void if state funding is not allocated to implement the program. The fiscal note on the bill indicates it would cost the state approximately \$400,000 per fiscal year and would cost local governments collectively \$30 million per fiscal year. The companion bill, Senate Bill 5259, is in the Senate Ways and Means Committee and is also under consideration.

Arbiters: Senate Bill 5055, sponsored by Senator Joe Nguyen (D–Seattle), would address the selection and training of arbiters. This bill would establish a new system for law enforcement grievance arbitrations. The grievance procedures would be in effect for all collective bargaining agreements covering law enforcement personnel negotiated or renewed on or after January 1, 2022. The new contract would be required to include the arbitrator selection procedure established in this section if the collective bargaining agreement provides for arbitration as a means of resolving grievances for disciplinary actions, discharges, or terminations. The Public Employment Relations Commission (PERC) would manage a roster of specialized law enforcement grievance arbitrators with special training to decide police discipline disputes. Law enforcement discipline disputes would need to be arbitrated using a PERC specialized law enforcement arbitrator from the roster. PERC would also publish final arbitration decisions. The bill was pulled to the Senate floor and may be voted on soon.

Duty to Intervene: Senate Bill 5066, sponsored by Senator Manka Dhingra (D–Redmond), would create a duty for an officer to intervene if another officer is engaging in excessive use of force against another person. The bill was amended in committee to clarify that an officer must be on-duty and identifiable as a police officer in order for the duty to intervene to apply and also eliminates “acts in violation of the public’s trust” from the definition of wrongdoing.

Following the February 15 cutoff, the bills included below moved out of their policy committees and are under consideration by the fiscal committees or they are considered necessary to implement the budget and as such, they are considered “alive”.

Community Oversight Board: House Bill 1203, sponsored by Representative Jesse Johnson (D–Federal Way), would require any jurisdiction with at least 15 officers to establish a community oversight board by 2025; and allows joint community oversight boards where there is a mutual aid agreement in place for law enforcement services; and modifies how existing community oversight boards can comply with the requirement. The proposal does not require a percentage of the jurisdiction’s law enforcement budget to be dedicated to the community oversight board but states that a jurisdiction shall allocate adequate funding to the board. Additionally, the bill would require the hiring panel for a new police chief to include at least one member of the community oversight board. Community oversight boards would not have any investigatory role and legal counsel.

Independent Office for Use of Force Investigations: House Bill 1267, would establish the Office of Independent Investigations within the Office of the Governor. As amended by the Public Safety Committee, the scope of the Office of Independent Investigations was narrowed to remove in-custody deaths (not including deadly force incidents) and sexual assaults committed by involved officers from the investigatory jurisdiction. Instead, the bill requires the Advisory Board to work with the Office’s executive director to assess whether additional investigations should be included in the scope of the Office and provide a report to the Legislature by November 1, 2023. **Civil**

Cause of Action: House Bill 1202, sponsored by Representative My-Linh Thai (D- Bellevue), would create a civil cause of action for persons injured by a law enforcement officer. As amended, the bill links **House Bill 1202** with the new use of force standard included in **House Bill 1310** (which is likely to be significantly amended) and adds that an officer has a defense if the officer substantially complied with training. The fiscal note on the bill has a \$4.3 million per fiscal year impact for the Attorney General’s Office.

Statewide Use of Force Standard: House Bill 1310, sponsored by Representative Jesse Johnson (D–Federal Way), would establish a statewide standard of force policy and task the Attorney General’s Office (AGO) with developing model policies for the use of force and de-escalation tactics. Stakeholders are likely to further refine the proposal as it moves through the legislative process.

Decertification of Officers for Misconduct: Senate Bill 5051, sponsored by Senator Jamie Pederson (D-Seattle), would create a new process to decertify peace and corrections officers through the Criminal Justice Training Center.

Law Enforcement Mental Health: House Bill 1000, sponsored by Representative Jacquelin Maycumber (R-Republic), would establish a grant for three pilot programs to provide law enforcement with behavioral health and suicide prevention services.

Allowing Police Oversight Reports in Discipline Process: Senate Bill 5436, sponsored by Senator Andy Billig (D-Spokane), would allow the contents of a police oversight ombud report to be used in the disciplinary process of police officers. This bill was introduced last week and quickly voted out of committee which allowed it to remain “alive” for consideration.

Following the February 15 cutoff, the bill included below did not move out of their policy committees and are considered “dead” for the 2021 session.

Independent Prosecutions: House Bill 1507 would have created a mechanism for independent prosecutions for criminal conduct arising from police use of force by providing the Attorney General’s Office with concurrent authority to county prosecutors and would have added a new requirement that prosecutors assess potential conflicts.

Climate and the Environment

Following the February 15 cutoff, the bills included below moved to the Rules Committees of each chamber. They are considered “alive” at this point in the session and awaiting or receiving action to pull them to the floor for a vote.

Phase-out of Hydrofluorocarbons (HFCs): House Bill 1050, sponsored by Representative Joe Fitzgibbon (D-West Seattle), would strengthen standards to phase out HFCs which are industrial chemicals primarily used for cooling and refrigeration, and are considered harmful to the environment.

Plastic Bag Ban Delay: House Bill 1053, sponsored by Representative Strom Peterson (D-Edmonds), would give the Governor authority to delay implementation of the statewide plastic bag ban due to impacts of the COVID-19 pandemic, health and safety precautions and supply chain issues.

Following the February 15 cutoff, the bills included below moved out of their policy committees and are under consideration by the fiscal committees or they are considered necessary to implement the budget and as such, they are considered “alive”.

Clean Buildings: House Bill 1084, sponsored by Representative Alex Ramel (D- Bellingham), aims to decarbonize the residential and commercial building sector by implementing several new regulations, including policies that support the gradual phase-out of natural gas as an energy source. This bill has been significantly amended as it was voted out of committee and additional amendments could be made if the bill progresses.

Low Carbon Fuel Standard: House Bill 1091, sponsored by Representative Joe Fitzgibbon (D-Buren), would enact a statewide low carbon fuel standard. This bill has been significantly amended and will likely continue to receive amendments as it moves through the process.

Minimum Recycled Content and Expanded Polystyrene Ban: Senate Bill 5022, sponsored by Senator Mona Das (D-Kent), would establish a minimum recycled content for plastic beverage containers, ban expanded polystyrene products used for food and packing peanuts, and require certain foodservice items to be made available only by request. This bill has been significantly amended and will likely continue to be amended as it moves through the process.

Adding Climate Considerations to the Growth Management Act (GMA): House Bill 1099, sponsored by Representative Davina Duerr (D-Bothell), would create a new requirement for cities and counties to plan for and work to achieve greenhouse gas emissions and vehicle miles traveled reductions under the GMA. As amended, the bill would require the state Department of Commerce to create a menu of options from which cities would select, to work towards meeting their obligations and making progress on greenhouse gas reductions. Additionally, cities would either select from the options or develop different approaches equivalent in emission reductions to those found on the preapproved list and are supported by scientifically credible projections.

Cap-and-Invest: Senate Bill 5126, sponsored by Senator Reuven Carlyle (D-Seattle), would establish a cap-and-invest program in Washington state. This bill is considered *necessary to implement the budget* as lawmakers continue to discuss the merits of using carbon-related revenue as part of a transportation revenue package.

Carbon Tax and Green Bonds: Senate Bill 5373, sponsored by Senator Liz Lovelett (D-Anacortes), and **House Bill 1513**, sponsored by Representative Debra Lekanoff (D-LaConner), would establish a carbon tax and green bond program. Starting July 1, 2022, a carbon tax would be implemented at the rate of \$25 per ton of greenhouse gas emissions. These bills are considered *necessary to implement the budget* as lawmakers continue to discuss the merits of using carbon-related revenue as part of a transportation revenue package.

Electric Vehicle Infrastructure Mapping and Forecasting: House Bill 1287, sponsored by Representative Alex Ramel (D-Bellingham), would require the state Department of Commerce, in consultation with other agencies, to develop and maintain a publicly available mapping and forecasting tool for charging and refueling infrastructure to support electric vehicle adoption.

Environmental Justice Task Force Recommendations: Senate Bill 5141, sponsored by Senator Rebecca Saldaña (D-Seattle), would implement several of the state Environmental Justice Task Force's recommendations including, codifying the definition of environmental justice and requiring state agencies to incorporate environmental justice principles when implementing policies and programs.

Hydrogen Fuel Vehicles: Senate Bill 5000, sponsored by Senator Brad Hawkins (R-East Wenatchee), would encourage the purchase of new and used hydrogen fuel cell electric vehicles by establishing an eight-year fuel cell electric vehicle partial sales and use tax exemption pilot program beginning July 1, 2022.

Greenhouse Gas Emissions Study for Rideshare: House Bill 1075, sponsored by Representative Liz Berry (D-Seattle), would study vehicle miles traveled and greenhouse gas emissions of commercial transportation service providers, including Transportation Networked Companies like Uber and Lyft.

Preserve Fiscal Sustainability and Local Control

Following the February 15 cutoff, the bills included below moved to the Rules Committees of each chamber. They are considered “alive” at this point in the session and awaiting or receiving action to pull them to the floor for a vote.

Fiscal Sustainability: House Bill 1069, sponsored by Representative Gerry Pollet (D-Seattle), would provide cities with the option to have more flexibility in the use of existing revenues on a temporary basis. The proposal is in response to the negative economic impacts of the COVID-19 pandemic on local governments. The bill would allow criminal justice sales tax dollars to be used toward reducing homelessness or improving behavioral health; would allow Real Estate Excise Tax (REET) revenue to be used to provide services to residents of affordable housing or shelters, would allow up to \$100,000 or 35 percent of REET funds to be used for maintenance of capital projects; would remove non-supplanting limitations on voter-approved levies that were adopted in 2019; would provide flexibility for use of lien authority for collection on city owned utilities; and would allow mental health and chemical dependency sales tax revenues to be spent for minor capital budget purposes. These provisions would end on December 31, 2023.

Municipal Lien Authority and Waiver of Debts: House Bill 1421, sponsored by Rep. Jeremie Dufault (R–Selah), would remove the ability of cities to place a lien against a property owner for unpaid utility charges when the charges were incurred by a tenant. The bill was amended and voted of the committee with language that cities will oppose that would expand the scope of the bill to include repayment and balance waiver provisions.

Prohibiting Owner Occupancy Requirements on Accessory Dwelling Units (ADUs): Senate Bill 5235, sponsored by Senator Marko Liias (D-Lynnwood), as introduced the bill would prohibit cities from requiring an owner-occupancy requirement on ADUs and from regulating the number of unrelated adults living in a single family home. The bill was amended in committee to clarify that limits on unrelated people living in a home can be regulated by an applicable building code or a city ordinance.

Following the February 15 cutoff, the bills included below moved out of their policy committees and are under consideration by the fiscal committees or they are considered necessary to implement the budget and as such, they are considered “alive”.

REET Incentive for Density: Senate Bill 5390, sponsored by Representative Marko Liias (D-Edmonds), would offer jurisdictions a portion of the state REET for modifying local codes to increase density. This bill still has language that includes minimum density mandates and planning requirements that are a concern for cities.

REET Incentive for Density: House Bill 1157, sponsored by Representative Jessica Bateman (D-Olympia), would offer jurisdictions a portion of the state REET for modifying local codes to increase density. The amended version of this bill removed the minimum density mandate and planning requirements leaving it as an incentive-only bill. Cities would have the authority to designate one or more REET density incentive zones within certain parameters. Dwelling units that are then constructed within the zone would be eligible for a share of the state REET.

Following the February 15 cutoff, the bills included below did not move out of their policy committees and are considered “dead” for the 2021 session.

Incentivizing ADU Adoption: House Bill 1337, sponsored by Representative Mia Gregerson (D-SeaTac), would provide incentives for counties and cities to reform regulatory requirements that would encourage additional ADUs. The proposal would create a grant program to provide a disbursement to jurisdictions that adopt specific ADU policies to increase density and reform regulations.

Limiting Local Control for Small Cell Deployment: House Bill 1440, sponsored by Representative Matt Boehnke (R-Kennewick), would have significantly limited the rights of local governments regarding deployment of small cell technology which was opposed by many cities.

Limiting Local Control for Telecommunications Infrastructure: Senate Bill 5110, sponsored by Senator Doug Ericksen (R-Ferndale), would have imposed limits on local government authority when siting telecommunications infrastructure which was opposed by many cities.

Other Bills of Interest

The following bills passed the House and/or the Senate and now move to the opposite chamber for consideration.

Tax Exemption for Assistance Programs: House Bill 1095, sponsored by Representative Amy Walen (D-Kirkland), would provide a business and occupation tax, public utility tax, and retail sales tax exemption for grants received from government authorized assistance programs. The bill is in response to the negative economic impacts of the COVID-19 pandemic. The amended version of the bill was unanimously voted out of the House and Senate and now will proceed to the Governor to be signed into law.

Open Public Meetings Act (OPMA): House Bill 1056, sponsored by Representative Gerry Pollet (D-Seattle), would allow local governments to hold virtual meetings during any emergency where it is reasonably unsafe to meet in person (e.g., pandemic, a snowstorm or other significant emergency) without having to wait for the Governor to make a proclamation and/or for the proclamation to be continuously extended by the Legislature. The bill does not allow for an in-person meeting option when the Governor has ordered otherwise; only the reverse – a virtual meeting when the Governor has NOT issued a proclamation specifically authorizing a virtual format. The amended version of the bill was unanimously voted out of the House of Representatives.

Alternative Public Works Contracting: Senate Bill 5032, sponsored by Senator Bob Hasegawa (D-Seattle), would remove the sunset date and make alternative public works contracting a permanent option for cities. Cities can choose between traditional public works contracting where a contractor is selected based on the lowest responsive bid from a responsible bidder OR use the alternative public works contracting which is based on qualifications and price. The bill was unanimously voted out of the Senate.

Condominium Reform: Senate Bill 5024, sponsored by Senator Mike Padden (R-Spokane Valley), seeks to spur the construction of more condominium units. This bill would allow escrow funds to be used for construction costs, as long as a surety bond has been secured. The escrow funds deposited for such use cannot exceed 10 percent of the purchase price. The amended version of the bill was passed out of the Senate on a vote of 37-12.

Following the February 15 cutoff, the bills included below moved to the Rules Committees of each chamber. They are considered “alive” at this point in the session and awaiting or receiving action to pull them to the floor for a vote.

Local Park Funding: House Bill 1025, sponsored by Representative Emily Wicks (D- Everett) and **Senate Bill 5006**, sponsored by Senator Kevin Van De Wege (D-Sequim), would authorize city metropolitan park districts and recreation districts, to impose a one-tenth of 1 percent increase in the sales and use tax, subject to voter approval, to acquire, construct, improve, provide and fund park maintenance improvements. The tax may not be imposed for a period exceeding 10 years but may be extended for a period of less than 10 years with voter approval.

Early Learning/Childcare Impact Fees: House Bill 1331, sponsored by Representative Kirsten Harris-Talley (D-Seattle), would prohibit a local government from imposing an impact fee on an early learning/childcare facility that is greater than a comparably sized commercial retail or commercial office development.

“Safe Station” Sites: Senate Bill 5074, sponsored by Senator Keith Wagoner (R-Sedro Woolley), would expand Safe Station sites across the state. The Safe Station model provides participating fire departments support to create a safe place for individuals to seek support if they are suffering from substance abuse, including an assessment to determine if they need to be transferred to a hospital for emergency treatment or taken to a medical clinic for additional care.

State Environmental Policy Act (SEPA) Exemption for Shelters: Senate Bill 5428, sponsored by Senator Joe Nguyen (D-Seattle), would exempt emergency and transitional shelters from SEPA. The bill was amended in committee to add a requirement that a local jurisdiction must have declared a homelessness state of emergency for a facility to qualify for the SEPA exemption.

Planning Grants to Support Transit-Oriented Growth: Senate Bill 5312, sponsored by Senator Mark Mullet (D-Issaquah), would authorize a grant program for jurisdictions to perform subarea

planning and other planning work to support transit-oriented development. Grant awards would place a priority on applications that facilitate transit-oriented development, the total number of housing units authorized, proximity and quality of transit access, building height allowance, parking requirements, and other features.

Extended Timelines for the GMA: House Bill 1241, sponsored by Representative Davina Duerr (D-Bothell), would modify the review and revision cycle for comprehensive plans and shoreline master plans from eight to ten years. The extended timeline would require cities to submit a progress report to the state Department of Commerce that includes milestones, measures, and criteria established by rulemaking on the following topics: housing affordability and availability; permit processing timelines; protection of critical areas and use of best available science; achievement of any required reductions in greenhouse gas or vehicle miles traveled; and response to any statutory changes since the last update.

Middle Housing and the GMA: House Bill 1232, sponsored by Representative Andrew Barkis (R-Olympia), would require cities to consider a variety of “missing middle” housing in the GMA planning process and to consider housing locations in relation to employment locations. This legislation would also require cities to link jurisdictional goals in the housing element to overall county goals. The bill was amended in committee to limit the requirements relating to single-family residences to apply only within an urban growth area boundary.

Following the February 15 cutoff, the bills included below moved out of their policy committees and are under consideration by the fiscal committees or they are considered necessary to implement the budget and as such, they are considered “alive”.

Councilmanic Sales Tax Authority: House Bill 1058, sponsored by Representative Jessica Bateman (D-Olympia), would authorize counties to impose a one-tenth of 1 percent increase in the local sales tax for cultural access programs by councilmanic vote. The bill was heard in the House Finance Committee in January and is scheduled for a committee vote.

Childcare Affordability: House Bill 1213, sponsored by Representative Tana Senn (D-Mercer Island), and **Senate Bill 5237**, sponsored by Senator Claire Wilson (D-Auburn), would establish the “Fair Start for Kids Act,” to make childcare more affordable for families, stabilize and expand the diverse childcare workforce, support the expansion of childcare, and strengthen prevention and intervention services.

Expanding Computer Science Degrees: Senate Bill 5401, sponsored by Senator Joe Nguyen (D-Seattle), would expand the number of community and technical colleges eligible to provide computer science-related degrees in the state.

Tax Increment Financing: Senate Bill 5211, sponsored by Senator David Frockt (D-Seattle), and its companion, **House Bill 1189**, sponsored by Representative Davina Duerr (D-Bothell), would authorize tax increment financing (TIF) in the state of Washington. TIF is an economic development tool that allows growth to pay for the infrastructure needed to spur that growth.

Multifamily Property Tax Exemption: Senate Bill 5287, sponsored by Senator Mona Das (D-Kent), would make several changes to the multifamily property tax exemption (MFTE). This bill has been significantly amended to remove several elements of concern to many cities and will likely continue to be amended.

Creation of a State Public Bank: Senate Bill 5188, sponsored by Senator Patty Kuderer (D-Bellevue), would establish a Washington state public bank to provide greater capital financing for local government infrastructure projects. The bill was amended to include several provisions to ensure a state bank would not create state debt and would not be a public depository as defined in statute.

Staff will continue to monitor these and other bills. Once the first series of cutoffs passes on March 9, the process shifts and House-passed bills go to the Senate and Senate-passed bills go to the House for consideration.

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