Hot topics

Newly passed affordable housing bills require city action on tight timelines
Two major housing-related bills that passed the 2019 Legislature promise significant benefits, but only if your city acts within strict timelines. Cities must pass a resolution of intent by January 31, 2020 and adopt a tax ordinance by July 27, 2020 to take advantage of new tax credits. In addition, new funding is available for cities that take eligible housing actions by April 1, 2021.

Paid Family and Medical Leave premium remittance and reporting begins July 1
Beginning January 1 of this year, employers in Washington began collecting premiums and tracking data on employees in accordance with the new Paid Family and Medical Leave (PFML) law. Between July 1 and July 31, 2019, employers are required to report and remit premiums for quarters one and two to the Employment Security Department.

JLARC public records reporting now open
The Joint Legislative Audit and Review Committee (JLARC) reporting system is now open for 2018 public records reporting. In 2017, the Legislature passed ESHB 1594 which directed certain state agencies and local governments to report annually on performance metrics related to public records retention, management, and disclosure. The deadline for agencies to report 2018 metrics is August 1, 2019.

Things you can do

Save the Date! Innovations and Partnerships in Transportation Conference in November
The Washington State Department of Transportation (WSDOT) will host its annual Innovations and Partnerships in Transportation Conference on November 21, 2019 at the Greater Tacoma Convention Center. This conference will be of interest to project managers, planners, policymakers, advocates, researchers, and other transportation stakeholders. Registration opens later this summer.

Attend the 2019 Housing Forum, July 8 in Bellevue
AWC is partnering with the Association of Washington Business, the Building Industry Association of Washington, Washington State Association of Counties and other housing industry stakeholders to coordinate this important discussion on the emerging issue of housing availability and affordability across Washington.

View from the Hill

Celebrating our 2019 City Champions and kicking off 2020
For the past six years, AWC has recognized individuals who go above and beyond for cities during the legislative session. This year we are celebrating four legislators as City Champions and 5 city officials as Advocacy All-Stars. Without the commitment and dedication shown by these city supporters, some of our most important accomplishments wouldn’t have materialized.

Media time

Watch our 2019 session recap webinar
If you are looking for more about the session that just ended, check out AWC’s webinar recorded on May 29, and learn what happened during the 2019 session. We also begin the look ahead to 2020. May 29 session recap webinar.

Free June 19 webinar on new public records bills
Join a free MRSC webinar on public records bills passed during the 2019 legislative session. The webinar is presented in partnership with the Washington Association of Public Records Officers (WAPRO). Meets WAPRO certification requirements. Date and time: June 19, 2019, 10:30 am - 12 pm.

What you need to know

Budget & finance: Updates to B&O tax model ordinance required by end of year.
DOR guidance on changes to nonresident sales tax exemption.
New resource to identify project grant and loan funding.
State B&O tax surcharge implementation.

Environment & natural resources: Rulemaking announced for railroad oil spill planning.
Ecology launches statewide recycling education campaign – Recycle Right.

General government: AG consent and consultation policy with tribal governments.
Statewide initiatives and referenda update.
View from the Hill

Celebrating our 2019 City Champions and kicking off 2020
Contact: Candice Bock

For the past six years, AWC has recognized individuals who go above and beyond for cities during the legislative session. This year we are celebrating four legislators as City Champions and five city officials as Advocacy All-Stars.

Without the commitment and dedication shown by these city supporters, some of our most important accomplishments wouldn’t have materialized.

City Champion Award winners supported affordable housing, local funding and local decision-making

As the new Chair of the House Local Government Committee, Representative Gerry Pollet (D-Seattle) quickly took on a leadership role for city issues in the House. Representative Pollet spearheaded an effort among House members to support the principles of local decision-making, options, and flexibility. He was a critical voice in recognizing the efforts cities have already taken to address housing issues, and the need for tools and incentives instead of micromanagement.

Representative Keith Goehner (R-Dryden), a new member of the House, quickly stepped up to serve as his caucus’ point person for the Local Government Caucus, a bi-partisan group of House members who support city issues. With a background as a county commissioner, Rep. Goehner was an important voice for the needs of local government and a strong advocate for local decision-making authority and local funding.

Senator David Frockt (D-Seattle) was a key leader on several proposals that were critical to the success cities had in the 2019 session. He played a key role in building Senate support for new funding for affordable housing and was a prime sponsor of legislation providing dedicated stormwater funding to local governments.

Sen. Frockt was also a key supporter of funding for local culvert corrections and infrastructure.

City Champion Senator Hans Zeiger (R-Puyallup) was perhaps the most vocal proponent of local decision-making this session. He advocated strongly for local flexibility and incentives for housing issues. AWC appreciates his willingness to expand his traditional areas of interest, including supporting new fee revenue for cities to address affordability and new protections for tenants.

Advocacy All-Star Award winners lead the way in affordable housing, homelessness, and public safety

Mayor Mike Cooney of Chelan came across the mountains several times to advocate for funding and tools to address affordable housing challenges. His common-sense delivery made the Legislature sit up and listen. His advocacy extended to testifying on multiple bills, including proposals to create new tools for smaller cities to incentivize affordable housing construction.
With short notice, **Mayor Cheryl Selby of Olympia** stepped up to present to the House Civil Rights and Judiciary Committee on the difficult subject of protecting the civil rights of homeless individuals while addressing the impacts of homelessness on the community. Her willingness to step into the crosshairs on this emotional issue helped provide balance and context where some had tried to paint cities as bad actors.

**Jay Arnold, Deputy Mayor of Kirkland** was a fixture in Olympia in the 2019 session, helping legislators understand how new resources and tools could be used by cities to be positive partners in addressing housing and homelessness. He led Kirkland’s efforts to provide enhanced flexibility and authority for cities to use existing tax resources to address contemporary problems.

**Police Chief Mike Zaro of Lakewood** responded swiftly to AWC’s need for help in providing testimony on the use of automated traffic cameras. Chief Zaro provided measured and insightful testimony, ensuring that legislators heard directly about the cameras’ tangible public safety benefits.

The **Association of Washington City Planning Directors** receives an Advocacy All-Star Award for its members’ consistent work reviewing and commenting on dozens of drafts of complicated bills that attempted to micromanage local land use decisions around affordable housing. With concrete examples on what would and would not work for cities, the planning directors helped avoid unfunded mandates and local preemption, while supporting the creation of voluntary and incentive-based approaches to addressing housing supply.

AWC congratulates all our award winners and thanks them for their hard work supporting cities during the 2019 legislative session!

**Kicking-off 2020 with year-round advocacy**

AWC’s Annual Conference will mark the kick-off of cities’ agenda-setting process for 2020, when the Legislative Priorities Committee will begin its work with a meeting during the conference. We will be looking at items that didn’t get to the finish line in 2019 as well as soliciting new issues to consider. If you have a suggestion or proposal for the Committee to consider, please share it with us by emailing it Candice Bock.

AWC’s Annual Conference will also mark the kick-off of our focus on Year-Round Advocacy. Join us for a pre-conference Advocacy Academy session Wednesday morning and the Advocacy – A year-round job session on Friday morning. Can’t make it to the Annual Conference? Revisit AWC’s Pocket Guide for some tips and inspiration.

Legislative advocacy isn’t just about the legislative session. Advocacy is a year-round effort. The next few months are the best time for your city to build stronger relationships with your local legislators. This is the best time to share your city’s story, talk about your city’s challenges and identify your legislative asks.

Building relationships now and talking with your local legislators during the interim will make for better results in the 2020 session.

continued
Affordable housing

Newly passed affordable housing bills require city action on tight timelines

Contact: Carl Schroeder, Shannon McClelland

Two major housing-related bills that passed the 2019 Legislature promise significant benefits, but only if your city acts within strict timelines.

Don’t miss out on twenty years of revenue from the state to support city housing needs

In HB 1406, the state approved a revenue sharing program for local governments. The program provides up to 0.0146% in local sales and use tax credited against the state sales tax for housing investments. The tax credit is available in increments of 0.0073%, depending on the imposition of other local taxes and whether your county also takes advantage of the credit. The tax credit is in place for up to 20 years and can be used for acquiring, rehabilitating or constructing affordable housing; operations and maintenance of new affordable or supportive housing facilities; and, for smaller cities, rental assistance. The funding must be spent on projects that serve persons whose income is at or below sixty percent of the area median income. Cities can also issue bonds to finance the authorized projects.

This local sales tax authority is a credit against the state sales tax, so it does not increase the sales tax for the consumer. **There are tight timelines that must be met to access this funding source – the first is January 31, 2020 to pass a resolution of intent. The tax ordinance must then be adopted by July 27, 2020 to qualify for a credit.**

Pacifica Law Group has helpfully provided a sample resolution of intent you can use to take the first step of this process. Please make plans to adopt a resolution of intent before the January 31 deadline, preserving your opportunity to access these new resources for housing in your city.

AWC will be providing additional educational materials and guidance throughout the rest of the year, starting at the AWC Annual Conference in Spokane at the end of this month. Stay tuned!

Time-limited opportunity for financial support to develop local housing action plans and adopt ordinances to increase residential capacity

**HB 1923** was the result of a long series of conversations about what it would take to help cities better accommodate coming growth while providing a greater variety of housing types. The legislation provides an opportunity for cities to receive grants from the Department of Commerce to develop and adopt ordinances to increase residential capacity by taking certain defined actions – but only if action is taken under strict timelines. These actions, if adopted by April 1, 2021 are not subject to legal appeal under the State Environmental Policy Act (SEPA) or the Growth Management Act (GMA). Cities will still need to go through existing review processes and timelines, including securing and considering public input. But once a city balances those considerations and formally decides on a course of action, it would be final and not subject to legal appeal under SEPA or GMA.
The following specific actions qualify under this bill (note that these are summaries and there are important nuances to qualifying ordinances under these topics):

- Authorize development capacity of at least fifty units per acre near commuter or light rail stations.
- Authorize development capacity of at least twenty-five units per acre near high frequency bus stops.
- Authorize a duplex, triplex or courtyard apartment on all parcels in a zoning district that allows single family homes.
- Authorize cluster zoning or lot size averaging in all zoning districts that allow single family homes.
- Authorize accessory dwelling units (ADUs) with specific policy provisions.
- Adopt a SEPA subarea plan that leverages transit infrastructure or regional centers.
- Adopt a SEPA planned action that includes residential or mixed-use development.
- Utilize the SEPA infill authority to increase categorical exemption thresholds for residential or mixed-use development in areas not meeting planned density.
- Adopt form-based codes.
- Authorize a duplex on all corner lots in single-family zones.
- Adopt optional maximum thresholds under the short subdivision process.
- Authorize a minimum net density of six dwelling units per acre.

The grant amount for cities with a population more than twenty thousand who intend to adopt two of the actions from this list is a $100,000—with an opportunity to apply for more than that amount if they can demonstrate extraordinary potential to increase housing supply or regulatory streamlining.

Cities that want to develop their own approaches to address housing challenges or supplement the actions listed above are also eligible to receive funding of $100,000 for a local housing action plan. That housing action plan must:

- Quantify existing projected housing needs for all income levels, with documentation.
- Develop strategies to increase the supply of housing needed by those income levels.
- Analyze population and employment trends.
- Consider strategies to minimize displacement of low-income residents resulting from redevelopment.
- Review and evaluate the current GMA housing element.
- Provide for participation and input from a variety of stakeholders.
- Include a schedule of programs and actions for implementation of the action plan.

Again, to qualify for these incentives, cities need to act by April 1, 2021. We encourage you to take advantage of this opportunity and will be providing more educational materials throughout the year to support your efforts.
Budget & finance

B&O tax surcharge on services
Contact: Candice Bock, Sheila Gall

The Department of Revenue is in the process of developing guidance to implement HB 2158, which will impose a state B&O tax surcharge on certain services reliant on a highly-educated workforce.

Beginning January 1, 2020, the bill imposes a 20% surcharge on the B&O tax rate for services and other activities of select businesses. This will result in a tax rate increase from 1.5% to 1.8% if more than 50% of annual gross revenues is generated from engaging in the service activities, and additional tax surcharges for high income technology businesses. The revenue will fund workforce education. HB 2158 was amended before final passage to exclude water and sewer utilities from the surcharge; these utilities had been included in the original version of the bill.

The new surcharge is expected to raise over $375 million to help fund higher education and workforce training. It funds the following new and expanded programs in addition to other items:
- Washington College Grant program, replacing the State Need Grant and expanding it so that students with a median family income (MFI) of 55% or less than the state MFI qualify for 100% funding;
- Student Loan Refinancing Program to provide incentives for refinancing;
- Career Connected Learning grant program to fund additional regional networks; and
- Working Connections Child Care changes for full time students who are single parents.

Nonresident sales tax changes take effect July 1, 2019
Contact: Candice Bock, Sheila Gall

SB 5997, one of the bills related to revenues for the state operating budget, changes how the state administers the nonresident exemption from retail sales tax. The bill replaces the exemption granted at the time of sale with a rebate process. The Department of Revenue has issued guidance on the new requirement for retailers to begin collecting sales taxes from nonresidents on July 1, 2019.

Beginning January 1, 2020, qualified nonresidents, defined as residents of another state, territory, or Canadian province that imposes a sales tax or similar tax of less than 3 percent, will be able to request refunds of sales taxes totaling $25 or more for the prior year.
City B&O tax model ordinance update  
Contact: Candice Bock, Sheila Gall

In response to the passage of HB 1403 and HB 1059 this session amending mandatory provisions of the city B&O tax under RCW 35.102, AWC will be convening a work group of city tax managers and finance directors later this month. The work group will update the city B&O tax model ordinance and help AWC develop educational materials about the changes. All B&O tax cities will need to adopt the mandatory changes by January 1, 2020.

HB 1403 replaces the current test for apportioning service income based on physical contacts with customers to a hierarchy of factors which are based on more common business information. The bill is the result of consensus recommendations from a task force of cities and business representatives, which was convened by the Department of Revenue and worked for more than a year.

HB 1059 moves the due date for annual filers for city B&O taxes from January 31 to April 15; this change is for annual city B&O tax returns for the 2020 tax year, filed in 2021.

If your city has a local B&O tax and is interested in participating on AWC’s work group to update the model ordinance, please contact Sheila Gall.

New resource to identify project grant and loan funding  
Contact: Carl Schroeder, Shannon McClelland

The Office of the State Treasurer has launched a new tool to find funding for your projects. The Washington Fund Directory serves as a one-stop shop for finding grant and loan funding for a variety of projects—environmental work, streets, emergency management, economic development and more. More than 140 state programs are catalogued in the directory (www.wafunddirectory.wa.gov). This may be a useful resource for your city as you look to finance your priorities.
Environment & natural resources

Ecology launches statewide recycling education campaign – Recycle Right
Contact: Carl Schroeder, Shannon McClelland

At the end of May, the Washington State Department of Ecology (Ecology) launched a statewide, three-week recycling education campaign: Recycle Right—Empty. Clean. Dry. It Matters. The campaign is in response to the loss of China as a market due to the high contamination rates of our recyclable commodities.

The campaign is targeted at adults and included ads via radio, television, social media, website, and app channels. The statewide campaign ended June 16, but a campaign toolkit is being developed for local governments. The toolkit is expected at the end of June and will include:
- Website content (graphics and copy)
- Static social media (graphics and copy)
- Cart tags addressing specific contamination behaviors
- One-page handout for events
- Newsletter copy
- One-page handout – Recycle Right
- Half-page handout – No plastic bags and wrap.
- Direct mailer – No plastic bags and wrap.
- Bill insert – No plastic bags and wrap.

Once ready, the toolkit will be shared with all local solid waste programs. As part of the campaign, Ecology also created a blog and website. Videos in English and Spanish are available now to use in your community:

**English**
- Tuna: https://www.youtube.com/watch?v=CacZfj6bFvk
- Ketchup: https://www.youtube.com/watch?v=u_ILgeUOgE
- Soda: https://www.youtube.com/watch?v=wPnSh5zoJis

**Spanish**
- Atún: https://www.youtube.com/watch?v=j48p7jUUTRo
- Salsa de tomate: https://www.youtube.com/watch?v=RfhyUzzLsEA
- Soda: https://www.youtube.com/watch?v=MUI9GwAMqgs

Contact Alli Kingfisher at Ecology if you have questions, at 509-329-3448.

Rulemaking announced for railroad oil spill planning
Contact: Carl Schroeder, Shannon McClelland

The Washington Department of Ecology (Ecology) plans to amend Chapter 173-186 WAC, Oil Spill Contingency Plan – Railroad. This chapter requires railroads carrying oil as cargo to plan for oil spills, including how to make notifications and to have the appropriate equipment and trained personnel to respond to spills.
The purpose of this rulemaking is to streamline plan requirements for smaller railroads that move refined oil products but not crude oil. In addition, the rule update will comply with the passage of SB 6269 in 2018 (RCW 90.56.210) which directed Ecology to update rules to account for non-floating oils and required that Spill Management Teams be approved by Ecology in order to be cited in contingency plans. The rule is expected to be adopted on November 6, 2019, with an effective date of January 18, 2019.

**Public hearings**
Ecology will hold three public hearings on this rule proposal in Spokane, Seattle, and via webinar:

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**How can I provide comments?**
Comments must be submitted by July 22, 2019 at 11:59 pm. Formal comments on this rulemaking will be accepted in the following ways:
- At the public hearings or during webinar:
  - Comments can be given verbally by those who attend in person, or during the webinar. Comments will not be accepted through the chat box by persons viewing the webinar.
  - Written comments can be submitted by those who attend in person.
- Any time during the comment period:
  - Submit by mail to Nhi Irwin, Department of Ecology Spills Program, P.O. Box 47600, Olympia, WA 98504-7600 or 300 Desmond Drive, Lacey, WA 98504.
  - Submit through Ecology's online comment tool at http://cs.ecology.commentinput.com/?id=NYeZQ.

For more information about the rulemaking, documents available for review, and public hearings, visit Ecology’s website (https://ecology.wa.gov/Regulations-Permits/Laws-rules-rulemaking/Rulemaking/WAC-173-186). If you would prefer to review hard copies of any of these documents please contact Tammy Kendall at 360-407-7129 or tammy.kendall@ecy.wa.gov. The following documents are available for review:
- Proposed rule language
- Preliminary regulatory analyses
- SEPA documents

For questions, contact Nhi Irwin at 360-407-7039 or Nhi.Irwin@ecy.wa.gov.

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General government

Attorney General adopts new tribal consent and consultation policy
Contact: Candice Bock, Sheila Gall

Last month the Attorney General announced a new consent and consultation policy that he will follow prior to the state taking legal action involving one of the state’s 29 federally recognized tribes.

The policy requires the state obtain prior and informed consent before initiating a program or project that directly and tangibly affects tribes, tribal rights, tribal lands or sacred sites. Consent will require a written resolution from the highest elected body from every federally recognized tribe that may be directly impacted. The policy contains exceptions for legal actions in certain situations where the state’s rights would otherwise be jeopardized.

The Attorney General also plans to propose legislation in 2020 to formalize the consent policy in statute.

HR & labor relations

L&I proposes new overtime rule
Contact: Candice Bock, Brandon Anderson

The Washington State Department of Labor and Industries (L&I) has formally filed a proposed rule to update the executive, administrative, professional and outside salesperson (EAP) exemptions from Washington’s Minimum Wage Act. Washington’s Minimum Wage Act, RCW 49.46, establishes minimum wage and overtime requirements for most employers and employees in Washington State. The law provides an overtime exemption for “white collar” salaried workers in EAP positions whose fixed salary meets a minimum specified amount.

Currently the exemption rules require most workers to meet a duties test and be paid a minimum salary of at least $455 per week or the equivalent of about $24,000 a year to qualify. L&I’s new proposed rules would raise this salary threshold beginning on July 1, 2020 to:

• 1.2 x the state minimum wage for employers with 50 or fewer employees ($675 per week or about $35,000 per year); or
• 1.75 x the state minimum wage for employers with 50 or more employees ($945 per week or about $49,000 per year).

The threshold would increase yearly based on a formula that uses the state’s minimum wage. The final phase takes place on January 1, 2026 when the salary threshold would increase to 2.5 times the state minimum wage (about $80,000 per year).

If adopted, changes to these rules will mean some employers will have to provide overtime, minimum wage, and paid sick leave to some employees who were previously considered exempt. In other cases, employers may need to increase salaries for exempt employees.

continued
Along with updating the required salary threshold, the proposed rule would change the method used to determine if an employee is doing work that allows them to be classified as exempt. The state currently uses two "duties tests" to make this determination. Under the proposal, the two tests would be combined into one test, simplifying the process for employers.

With the release of the draft rules, L&I has begun gathering feedback from stakeholders through a formal rulemaking process, including public meetings and a public comment period. More information, including public meeting dates and comment period deadlines, can be found on the Overtime Rulemaking web page (http://lni.wa.gov/WorkplaceRights/Wages/Overtime/OvertimeRules/?utm_medium=email&utm_source=govdelivery). L&I anticipates the new rulemaking will be complete by the end of the year, with the new rules becoming effective July 1, 2020.

**HB 1087 establishes new, long-term care insurance program funded by employee premiums**
Contact: Candice Bock, Brandon Anderson

Beginning on January 1, 2022, employers must begin collecting premiums for the new Long-Term Services and Supports Trust Program, which will provide long-term care insurance to employees in Washington.

Premiums will be paid entirely by employees through a 0.58% payroll tax remitted to the Employment Security Department (ESD). ESD will use the Paid Family and Medical Leave (PFML) Program as a model to establish the Long-Term Services and Support Trust Program's collection and reporting process.

Under the new law, collective bargaining agreements in existence on October 19, 2017 are not required to reopen negotiations or apply any of the responsibilities of the law until the existing agreement is reopened, renegotiated, or expires.

Benefits will begin for eligible employees on January 1, 2025. To become eligible, Washington residents will have to work three years within the previous six years or a total of 10 years with at least five years of uninterrupted work. In addition, a person will have to work at least 500 hours in a year for that year to count towards eligibility. To qualify for the benefit, an individual must need help with at least three daily living tasks, as determined by Washington’s Department of Social and Health Services (DSHS). The maximum lifetime benefit will be $36,500 per person, with future increases tied to the consumer price index. Individuals who have purchased long-term care insurance can opt out of the program.

AWC will monitor agency rulemaking related to this new law and ensure that Washington’s cities are represented in the process.
I-1000 to take effect July 27 – no mandates for local government
Contact: Candice Bock, Brandon Anderson

The 2019 Legislature passed the Washington State Diversity, Equity, and Inclusion Act, which was proposed by citizens as Initiative 1000 (I-1000). This initiative permits state and local governments to implement affirmative action laws, regulations, policies or procedures in public employment, higher education and contracting. I-1000 does not include mandates for local governments but instead amends current law to allow state and local governments to create policies to remedy discrimination against certain protected classes.

Passed by voters in 1998, Initiative 200 (I-200) prohibited state and local governments from discriminating against or granting preferential treatment to applicants, employees, or contractors based on the protected categories of race, sex, color, ethnicity, or national origin.

With the passage of I-1000, state and local governments may now consider a person’s race, sex, color, ethnicity, national origin, age, disability, veteran, or military status in consideration of public employment, higher education, and contracting and are permitted to implement affirmative action rules and policies such as recruitment and participation goals. State and local governments may not, however, favor a less-qualified employee, applicant, or contractor over a more qualified candidate based solely on protected status. The act also expressly prohibits the use of quotas or policies that violate state or federal statutes.

The Commission on Diversity, Equity, and Inclusion is established under the act and will be comprised of legislators and Governor-appointed members from state agencies, state commissions, non-profits, and the public. The Commission will be tasked with planning, directing, monitoring, and enforcing state agency compliance with I-1000. The Commission is also required to publish an annual report on the progress of state agencies in achieving diversity, equity, and inclusion in public education, public employment, and public contracting.

The Washington State Diversity, Equity, and Inclusion Act will take effect on July 28, 2019.

PFML premium remittance and reporting begins July 1
Contact: Candice Bock, Brandon Anderson

Beginning January 1 of this year, employers in Washington began collecting premiums and tracking data on employees in accordance with the new Paid Family and Medical Leave (PFML) law. Between July 1 and July 31, 2019, employers are required to report and remit premiums for quarters one and two to the Employment Security Department. Employers will file two separate reports—one for each quarter.

*Photo source: www.paidleave.wa.gov

continued
Initiatives

Statewide initiatives and referenda update
Contact: Candice Bock

The initiative and referendum process, authorized under the Washington State Constitution (art. II § 1), provides for four types of statewide ballot measures:
• Initiatives to the people
• Initiatives to the Legislature
• Referendum measures
• Referendum bills

Initiatives and referendum measures are submitted to the Secretary of State's office (https://www.sos.wa.gov/elections/initiatives/statistics.aspx).

There are restrictions on the use of public facilities related to ballot measures. Elected officials and city staff should understand Public Disclosure Commission (PDC) guidelines before participating in any election activities, including taking a position on a ballot measure. For more information, check out these resources:
• See a complete listing of the PDC Guidelines for Local Government Agencies in Election Campaigns (www.pdc.wa.gov/learn/guidelines-local-government).
• Questions? Please contact the PDC or consult your jurisdiction's legal counsel.

Initiatives to the people
These types of initiatives are filed within ten months ahead of the next November general election and must have petition signatures of registered voters gathered by a deadline each year in July (four months before the election). If certified to have sufficient signatures, initiatives to the people are submitted for a vote at the next state general election. The Office of Financial Management (OFM) develops fiscal impact statements for the voter’s pamphlet for initiatives that have qualified for the ballot.

So far this year, several initiatives have been filed, but it doesn't appear any of them have active campaigns; this means they are unlikely to qualify for the November 2019 ballot. July 5, 2019 is the deadline to submit signatures for initiatives to the people, and sponsors must submit approximately 260,000 valid signatures to qualify for the next ballot.

Initiatives to the Legislature
These initiatives must be filed at least 10 days prior to the start of the legislative session in January with sufficient signatures of registered voters. If certified to have sufficient signatures, the Legislature may take one of three possible actions:
• Pass the initiative without amendment and it becomes law;
• Pass an alternative, in which case both the original and the alternative measures are submitted for a vote of the people at the next state general election; or
• Take no action and the original proposal is submitted for a vote at the next general election.

During the legislative session, initiatives undergo a process similar to other legislation, which may include lobbying and may involve hearings in legislative committees.

continued
For the 2019 session, January 4 was the deadline to submit signatures for initiatives to the Legislature, and sponsors had to submit approximately 260,000 valid signatures.


### Referendum measures

Referenda are laws recently passed by the Legislature that are then placed on the ballot if petitions with a sufficient number of signatures by voters are filed within 90 days of the end of the legislative session.

Sponsors must submit approximately 130,000 valid signatures to qualify for the November 2019 ballot.

At this time, the only referendum that has been filed is one to send I-1000 to the voters. We will not know until August if enough signatures have been gathered to put this measure on the ballot.

### AWC’s role

AWC does not take positions for or against any ballot initiative. AWC’s role is to provide our members with educational materials that can be shared with elected officials, staff, and the community. Additionally, please review the PDC’s guidelines ([www.pdc.wa.gov/learn/guidelines-local-government](http://www.pdc.wa.gov/learn/guidelines-local-government)) for elected and appointed officials’ participation in ballot proposition activity.

### Land use & planning

**Governor’s Smart Communities Award winners announced**

Contact: Carl Schroeder, Shannon McClelland

Congratulations to the 2019 Smart Communities Award winners! The Governor’s program recognizes achievements by local leaders who promote smart growth planning and projects that contribute to thriving communities, a prosperous economy, and sustainable infrastructure in Washington. This year’s honorees include the first winners in a new category focused on creative solutions to address affordable housing development.

Drum roll, please…. and the winners are:

#### Smart Vision Award

Outstanding comprehensive plan, sub-area plan or county-wide planning policies

- **City of Prosser: City of Prosser Comprehensive Plan 2018**. The rewrite of the City’s comprehensive plan was a large undertaking, not only to satisfy the requirement for periodic update, but also to implement new approaches to old problems. Prosser has taken bold steps to address housing needs, new approaches to inclusionary housing, and innovative student engagement in the planning process. The judges recognized Prosser’s broad public visioning process as an outstanding model for other communities: “The visioning process, and resulting plan, were exceptional at simplifying zoning, addressing housing issues head-on, eliminating 20-year deed restrictions and creating incentive policies for housing.”
• **City of Lakewood: Lakewood Downtown Plan.** Over 2017 and 2018, Lakewood developed a downtown plan, reflecting aspirations of multi-generations, ethnicities, residents, businesses and property owners. The plan envisions a well-designed mixed-use place to live, work and shop. Downtown is enriched by parks that are accessible and traversable by all travel modes and offers a rich quality of life and strong economy. Lakewood’s robust public outreach and development program were excellent for the community members – the decision-makers involved in the planning process.

**Smart Choices Award**  
Recognizing excellence in implementation of a comprehensive plan

• **Island County: Rural Lands Regulatory Updates-2018.** “Excellent example of how to actually protect resource lands,” said one judge. Island County prepared rural lands regulatory updates in response to overwhelming public input provided in the 2016 comprehensive plan update. Community responses called for regulations that found a balance among economic development, long-term commercial viability of resource lands, impacts to surrounding property owners and rural character. The county did an excellent job conducting a public process that addressed conflicting factors and tension points and provided a new regulatory structure that encourages economic development while protecting and retaining important resource lands.

• **City of Blaine: Blaine Strategic Economic Initiative (SEI)-2017.** “This strategic process demonstrated innovative, thorough, and meaningful public participation. This was a smart use of household surveys for targeted community outreach,” noted one judge. The SEI identified six strategic objectives, including 43 specific action tasks, lead participants, schedules and performance measures. Thanks to excellent community outreach during this strategic process, Blaine voters overwhelmingly approved a Transportation Benefit District, opened a new downtown welcome center, and adopted proposals to create supportable, effective and holistic action-oriented capital facilities programs.

• **City of Vancouver: Vancouver Housing Strategy.** “Vancouver delivered on the goods in the form of a housing strategy toolkit for other communities to use! This is a great use of municipal money per capita,” applauded one judge. The Vancouver housing strategy addresses housing needs across a broad range of income levels through direct funding programs, development incentives, zoning code changes and renter protections. This strives to keep Vancouver a vibrant, livable place for all current and future residents by creating and preserving affordable and market-rate housing. It also implements zoning initiatives to increase density and expand the range of available housing types, and leverages partnerships with the Vancouver Housing Authority, nonprofit housing providers and private developers to meet housing needs.
Smart Projects Award
Outstanding project in the implementation of a comprehensive plan

- **Intercity Transit: Thurston County and the cities of Lacey, Olympia, Tumwater and Yelm — Transit Road Trip Project 2018.** The Road Trip project was a two-year program combining technical analysis and unprecedented public engagement to involve residents in transportation solutions. The effort by the multi-jurisdictional authority board launched in response to anticipated budget shortfalls. The potential results include realization of the goal of high-density corridor development and reduction of sprawl, improving access to employment centers and increasing the number of people using transit. “The over 10,000 individual comments, and 66% of votes, validated their two-year public participation process. This was a smart strategy for gaining community support for raising taxes to support local growth management needs,” one judge noted.

- **City of Bellingham: Rapid implementation of Bellingham’s Bicycle Master Plan.** Bellingham’s rapid implementation of the 2014 Bicycle Master Plan has created more city-wide bicycle connectivity than any other city of a similar size in Washington. In the five years since adoption, Bellingham Public Works funded and completed over 111 of the 215 individual prioritized bicycle infrastructure projects. Bellingham’s public engagement and annual report on mobility allow for a series of comprehensive actions and opportunities to partner with other agencies and jurisdictions, as well as private developers, to maximize the amount of bicycle connectivity that is funded and constructed each year.

Smart Partnership Award
Achievement by a joint public project that implements a comprehensive plan

- **City of Walla Walla and partners: Blue Mountain Region Trails Plan 2018.** Developed within 16 months and finalized in February 2018, the Blue Mountain Region Trails Plan is the culmination of a collaborative effort involving 30 city, county, regional, state, federal and tribal entities. The plan outlines a region-wide, non-motorized transportation and trails network that spans southeast Washington and northeast Oregon. It stimulates economic development; encourages walking, biking, and hiking; provides more access to outdoor recreation; and increases the overall quality of life for area residents. This is a unique and unprecedented regional effort, where many regional partners joined forces to complete the development of a non-motorized plan, and recreation network. “Impressive effort! A shining star for growth management, mobility and open space protection,” acknowledged one judge.

- **City of Colville and partners: Colville Downtown Vitalization Plan — “Colville Together” 2018.** The City of Colville, the Tri-County Economic Development District (TEDD) and the Main Street Partnership worked together to transform downtown Colville. The strong design vision of the plan was assisted by a Community Development Block Grant (CDBG) from the Department of Commerce, and a Complete Streets grant from the Transportation Improvement Board (TIB). “As the heart of the planning effort, the partnerships are a benefit to the community, and now the city has a downtown ‘public space activation program’ attracting tourists to the downtown nearly every weekend in the civic square. Great example of a regional focus to improve the regional community, economic development, and create a central gathering space for all,” judges commented.
• **City of Tukwila and partners: Tukwila Village 2018.** “This is the definition of a successful public-private partnership,” wrote one judge. The Tukwila Village project is a new multicultural and multi-generational community and neighborhood center. The tangible benefits are already visible in the form of commercial spaces, high-density residential housing, shared parking, a new public library, and a new public space for community events and gatherings. The pieces of the project fit together and smoothly transition from one use to another. The design requires an ongoing partnership, so the city and its partners took an innovative approach and agreed to jointly form the Tukwila Village Community Development Association (TVCDA). The mission of association is to improve the social welfare of the community and residents of Tukwila Village by promoting arts, economic development, education, health and community building.

**Smart Housing Strategies Award**
Creative plans, policies, programs and/or actions to address affordable housing

• **Island County: Housing Element 2018.** The county studied housing conditions and reviewed existing policies with the goal of updating the housing chapter of its comprehensive plan, developing a reasonable measures addendum and creating an implementation plan. The research and analysis guided the development of broad goals and policies empowering the county to consider creative solutions. The award submission noted the solutions were innovative out of necessity. Island County is characterized by very small urban growth areas (UGA) and includes an entirely separate island with no UGAs. The results provided unprecedented public engagement from all areas of the county. The resulting housing element brought together and unified very divergent opinions across the county. It became a tool that engaged the community, empowered immediate action and cultivated a greater understanding of the Growth Management Act (GMA).

• **City of Tacoma: Affordable Housing Action Strategy.** For many years, the City of Tacoma has worked to tackle its challenges relating to housing affordability, while also working to address a need for a more strategic and sustainable long-term approach to its housing investments. From March to September 2018, the city partnered with other agencies, organizations and community members to develop a comprehensive affordable housing action strategy. The strategy is an equitable response to Tacoma’s accelerating housing market, which has increased displacement pressure and the need for quality, affordable housing. It was informed by available data, extensive community engagement and input from a core stakeholder group of subject matter experts.

**Judges’ Merit Award**
Highlighting a nomination that the judges believed to be a model or shining example of the best work in a particular topic

• **City of Bonney Lake: Watershed Protection and Land Use Planning (WPLUP) 2017.** “Their approach to storm water planning is impressive,” was one judge’s comment. The WPLUP project represents a holistic approach to addressing multiple goals of the GMA: preserving and protecting water quality and habitat, encouraging citizen participation, facilitating economic development, promoting healthy lifestyles and accommodating growth in urban areas. The WPLUP project is an example of how a local jurisdiction can create a synergistic relationship between these often competing objectives in a proactive manner that furthers the implementation of the GMA. It is an example of how a local jurisdiction can implement the Department of Commerce’s *Building Cities in the Rain.*

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Open government

JLARC public records reporting now open
Contact: Candice Bock, Brandon Anderson

The JLARC Public Records reporting system is now open for 2018 reporting. In 2017, the Legislature passed ESHB 1594 which directed certain state agencies and local governments to report annually on performance metrics related to public records retention, management, and disclosure. The Joint Legislative Audit and Review Committee (JLARC) established an online system for agencies to submit their data. The deadline for agencies to report 2018 metrics is August 1, 2019.

Under RCW 40.14.026 (5), each local government with at least $100,000 in staff and legal costs associated with fulfilling public records requests during the preceding fiscal year is required to report various public records metrics. If your city meets the $100,000 threshold and has not yet reported data for 2018, please ensure that a report is submitted by the August 1 deadline. Cities or towns that do not meet the $100,000 threshold are encouraged to confirm this through the online reporting system.

The 2019 Legislature passed AWC-backed HB 1667 to streamline reporting metrics and reduce some of the reporting burden created in the original legislation. For further information on the changes and reporting instructions, please review the JLARC reporting revisions document.

Cities can access the reporting system and additional guidance documents through the JLARC website.

If you have questions, please review the reporting instructions or email JLARCPublicRecStudy@leg.wa.gov.

Pensions

DRS announces new employer pension contribution rates
Contact: Candice Bock, Brandon Anderson

The Department of Retirement Systems (DRS) recently announced new employer contribution rates for pension plans. Effective July 1, 2019, the LEOFF Plan 2, PERS Plan 2, PERS Plan 3, and the PSERS Plan 2 employer contribution rates will be adjusted as follows:

<table>
<thead>
<tr>
<th>Plan</th>
<th>Employer rate effective July 1, 2019</th>
<th>Current rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>LEOFF Plan 2</td>
<td>5.33%*</td>
<td>5.43%</td>
</tr>
<tr>
<td>PERS Plan 2</td>
<td>12.86%*</td>
<td>12.83%</td>
</tr>
<tr>
<td>PERS Plan 3</td>
<td>12.86%*</td>
<td>12.83%</td>
</tr>
<tr>
<td>PSERS Plan 2</td>
<td>12.14%*</td>
<td>12.38%</td>
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</tbody>
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*Includes 0.0018 administrative expense rate

continued
Public safety & criminal justice

“Keep Washington Working” bill signed into law; amends policy for when law enforcement can provide information to federal immigration authorities

Contact: Sharon Swanson, Brandon Anderson

A bill to establish a statewide policy detailing when law enforcement can provide information to federal immigration authorities was signed by Governor Inslee on May 21, 2019.

**SB 5497**, sponsored by Senator Lisa Wellman (D-Mercer Island) is an expansive bill that:

- Requires the Attorney General to develop model policies limiting immigration enforcement in public schools, health facilities operated by the state or its political subdivisions, courthouses, and shelters to ensure safe access for Washington residents regardless of immigration or citizenship status.
- Prohibits state and local law enforcement agencies, school resource officers and security departments from providing information to federal immigration authorities for civil immigration enforcement or provide nonpublic personal information about an individual to federal immigration authorities in noncriminal matters, unless required by law.
- Provides that any person in state or local custody, including community custody or Department of Corrections (DOC) physical custody, must be informed of their right to refuse an interview by federal immigration enforcement authorities.
- States that all public employees must serve all Washington residents without regard to citizenship or immigration status, and may not condition receipt of services based on citizenship or immigration status.
- Prohibits the State of Washington from accepting language services, even at no cost, from federal immigration authorities.

**SB 5497** contains an emergency clause and took effect on May 21, 2019.

Law enforcement training rulemaking adopted

Contact: Sharon Swanson, Brandon Anderson

**Initiative 940 (I-940)**, modifying use of deadly force by law enforcement, was passed by Washington voters in November 2018. In 2019, the Legislature unanimously adopted **HB 1064**. **HB 1064** was a compromise bill supported by both **I-940** advocates and law enforcement that amended the original initiative passed by voters. The final step in implementation of the measure requires the Criminal Justice Training Center (CJTC) to adopt rules to implement and enforce training curriculum for law enforcement. The negotiated rulemaking process was recently completed, and WAC Chapter 137 -11 was unanimously adopted on June 6, 2019.

**HB 1064** requires the CJTC to create rules that adopt training hour and curriculum requirements for initiation and continuing violence and de-escalation training for law enforcement officers.

Key elements from WAC Chapter 137-11 include:

- Beginning December 7, 2019, all new general authority peace officers must complete a minimum of 200 hours of initial violence de-escalation and mental health training in the basic law enforcement academy (BLEA).
- Officers certified prior to December 7, 2019, must complete a minimum of 40 hours of continuing de-escalation and mental health training every three years after receiving their initial peace officer certification. The topics that must be included in these trainings are enumerated in the WAC.
• The CJTC will host an annual summit on each side of the state with stakeholders to seek input and assistance with the development and delivery of training and the recruitment of subject matter experts.

• The CJTC will develop an annual report that will be posted on their website detailing the hours and learning objectives for new curriculum related to the de-escalation topics; biographies of trainers and any waivers granted for training that meets the requirements.

For further details, please review the Concise Explanatory Statement (wacities.org/docs/default-source/Legislative/wac139-11conciseexplanatorystatement.pdf?sfvrsn=0).

**Transportation**

**National League of Cities releases Micromobility Guide**
Contact: Logan Bahr, Shannon McClelland

The National League of Cities recently released a guide that covers the history of micromobility in cities and an overview of the policy around this emerging trend in individual transportation. The report (www.nlcl.org/resource/micromobility-in-cities-a-history-and-policy-overview) provides city officials with background information, case studies, and seven recommendations to help them make the right decisions for their communities.

**AWC Legislative Contacts**

During the legislative session, AWC’s lobbyists often are unable to return your phone calls immediately. If you have a legislative or specific issue question, please request AWC’s analyst staff, or send them an email.

Call AWC at (360) 753-4137 or 1-800-562-8981

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