**Hot topics**

**Budget Action Alert**
Three key messages to deliver on the final state budget.

**Help needed to pass public works bid limit bill**
SB 5418, a bill increasing city public works project bid limits and increasing the limit for using the small works roster alternative bid process, is currently held up in the House Rules Committee. Contact your representatives by April 17 and ask them to move SB 5418 to the House floor for a vote.

**Action needed to support MTCA reforms**
The Senate is considering a bill that significantly reforms the Model Toxics Control Act (MTCA) and provides new revenues for city priorities such as toxic cleanup and dedicated stormwater funding. Let your delegation know how important this is to your city.

**Key density bill passes Senate and retains local authority**
One of the key housing-related bills advancing this session, HB 1923, passed the Senate over the weekend. Amendments made on the Senate floor contain our advocated-for provisions to retain local decision-making authority, provide the necessary flexibility to address cities’ unique housing challenges, and include resources to assist with the cost of implementation.

**Things you can do**

**Save the date for AWC’s Annual Conference!**

**June 25-28 | Spokane**

AWC’s Annual Conference offers something for everyone. Elected officials can earn 10 credits towards their Certificate of Municipal Leadership and return to their community with renewed ideas, insights, and contacts. Registration opens April 17.

**Make sure to report your lodging tax expenditures by May 15**

Cities and counties that collect lodging tax are required to report annual expenditures to the Joint Legislative Audit & Review Committee’s (JLARC) website.

**View from the Hill**

**Final cutoff looms while budget negotiations are ongoing**
April 17 is the final cutoff deadline for bills that are not NTIB (necessary to implement the budget) to pass out of the opposite house. There are still around 550 policy bills in play. Budget negotiators are meeting to work out the final versions of the budget prior to the April 28 adjournment. Find out AWC’s remaining priorities and ways you can help ensure that cities get the support they need.

**Media time**

**AWC Lobby Day video**
Check out our fun and celebratory Lobby Day video from our event in March. Thanks to those who came to Olympia to advocate on behalf of cities! If you couldn’t make it, watch this short video to catch the flavor of the day.

**Learn about the Capital Budget from state capital budget leaders on TVW’s Inside Olympia**

**What you need to know**

**Affordable housing**: Affordable housing development by religious organizations bill amended and passes the Senate.

Opportunity to join coalition letter of support for AWC priority housing bill.

Self-help housing companion bills diverge.

**Budget & finance**: City B&O tax annual filer and apportionment bills pass.

House B&O surcharge proposal potential impacts on city utilities.

Bill changing firefighters’ pension levy spending options passes House.

Attend a Local Government Partnership Meeting with the Department of Revenue.

**Environment & natural resources**: Bill sets new state goal for food waste reduction.
View from the Hill

Final cutoff looms while budget negotiations are ongoing
Contact: Candice Bock

April 17 is the final cutoff deadline for bills that are not NTIB (necessary to implement the budget) to pass out of the opposite house. There are still around 550 bills in play, out of more than 2,100 introduced. This means policy bills that do not have a connection to the budget must pass out of the opposite house by the end of business on Wednesday to remain active this session. Bills that have passed both houses by this cutoff are subject to one of two further actions:

1. If the bill was amended by the opposite house, then it needs to go back to its house of origin for concurrence. (If the house of origin does not concur, it can be sent to conference committee to iron out the differences, or else it dies.)

2. A bill that has passed both houses in the same form is sent to the Governor for signature. The Governor has either 5 days or 20 days to sign the bill – depending on when it is passed and transmitted. The Governor can either sign the bill into law, veto the whole bill, or veto a section of the bill and sign the rest into law.

To find out if the Governor has signed a bill, or when he may sign it, visit the Governor’s Bill Action page (https://www.governor.wa.gov/office-governor/official-actions/bill-action) for more information about the bill signing process.

AWC continues to watch a variety of bills. You can check out where they are in the process with our Hot Sheet at https://wacities.org/docs/default-source/Legislative/hotsheet.pdf?sfvrsn=6.

Budget action alert

Last week AWC sent out a budget action alert asking our members to contact your legislators with some key city budget messages. Budget negotiators are meeting to work out the final versions of the budget prior to the April 28 adjournment. Now is when the speculation starts to occur. There are any number of rumors about what may happen, including the need for a special session overtime to reach final agreement. However, at this point they are just that—rumors.

We ask cities to remain focused and engaged so that we can continue to deliver our 3 key budget messages to legislators:

1. **Thank them for protecting state shared revenues to cities**
   Thank legislators for making key investments in affordable housing and behavioral health, and for funding 19 classes of the Basic Law Enforcement Academy (BLEA).

2. **Ask them to support two items in the final version of the budget**
   **HB 1406 – Affordable housing local option sales tax**
   This bill funds a new partnership between the state and local governments in support of affordable housing. This new local option sales tax will provide $70 million per biennium for a flexible funding source to address each city’s unique affordable housing needs. The proposal is funded in the House budget.

   **SB 5993 – Model Toxics Control Account (MTCA) reform and stabilization assumed in the Senate capital budget**
   This bill would stabilize funding for MTCA programs and provide additional funding for stormwater, solid waste, and remedial site cleanup projects. The Senate budget includes $28.4 million for solid waste financial assistance grants.

continued
3. Tell them cities are opposed to the following two items:

**Further diversions from Public Works Trust Fund (PWTF)**
The House budget continues a sweep of $160 million to education. Both House and Senate budgets continue the diversions of REET, solid waste utility revenues, and public utility tax revenues. Cities oppose diversions of PWTF money into education and other programs. In addition, cities have been clear that we will not support funding for new programs at the expense of other infrastructure funding.

**The added costs for cities of a proposed 3% COLA for PERS 1 retirees (HB 1390)**
The new, unfunded cost of living adjustment (COLA) would result in even higher unfunded pension costs to cities. This proposal would cost local governments $13.3 million in the 2019-21 biennium and more than $80 million over the next ten years. This is on top of the $175 million local governments pay in annual PERS 1 unfunded liability costs. AWC has advocated for a targeted COLA approach to help retirees in the most need instead of a broadly applied benefit increase.

For more information, see AWC’s budget highlight sheet (https://wacities.org/docs/default-source/Legislative/budgethotsheet.pdf?sfvrsn=4) for a comparison of key differences between the House and Senate budgets. Please share this information with your legislators (https://wacities.org/advocacy/legislator-directory) and ask them to stand with cities.

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**Affordable housing**

**Affordable housing development by religious organizations bill amended**

Contact: Carl Schroeder, Shannon McLelland

*HB 1377* would require cities to provide a density bonus for affordable housing built on property owned by religious organizations but would allow the city to determine the scale and scope of that bonus consistent with local needs. Local jurisdictions can develop policies after receiving a request for the density bonus. AWC and individual cities have been working with the faith community to try to find common ground on the proposals in this bill for many years. We testified in support of this proposal. The bill passed the Senate on Friday, April 12. It now goes back to the House for concurrence.

The amendment passed by the Senate Housing Stability & Affordability Committee makes the following changes to the bill:

- Requires that the affordable housing development must be set aside for, and occupied exclusively by, low income households for at least 50 years by lease or other binding legal obligation, even if the religious organization no longer owns the property;
- Encourages the religious organization developing affordable housing to work with the local transit agency to ensure appropriate services, if applicable; and
- Clarifies that the increased density bonus allowance applies to any religious organization rehabilitating an existing affordable housing development.
Opportunity to join coalition letter of support for AWC priority housing bill
Contact: Carl Schroeder, Shannon McClelland

Many cities have engaged and worked on HB 1406, which creates a sales tax revenue sharing program where cities can access a portion of the state sales tax to make local investments in affordable housing.

AWC has signed onto the support letter, and we are interested in having individual cities sign on as well. Please take a look at the letter (https://wacities.org/docs/default-source/Legislative/hb1406signonletter.pdf?sfvrsn=0) and this spreadsheet (https://wacities.org/docs/default-source/Legislative/hb1406estimatedistributions.pdf?sfvrsn=0) to see what this bill could mean for your city.

If you're able to sign on, let Michele Thomas (mailto:michelet@wliha.org) at the Washington Low Income Housing Alliance know by the end of the day on Tuesday, April 16.

Self-help housing companion bills diverge
Contact: Carl Schroeder, Shannon McClelland

HB 1168 and its companion SB 5025 are both alive but have been amended in committee to take a different approach. Both original versions of the bills exempted materials and services associated with “self-help housing” from sales tax, and the sale of the home from the real estate excise tax (REET). “Self-help housing” is most commonly understood as the Habitat for Humanity model, where a low-income home buyer participates in the construction of their home with a nonprofit agency.

Now, as amended in committee, each bill does one or the other.

HB 1168 exempts the sale of self-help housing by an affordable homeownership facilitator to a low-income household from REET. The REET exemption expires January 1, 2030. The sales and use tax exemption is removed. Proponents testified that this bill will have minimal fiscal impact to the state, but allow 40 low-income self-help housing developers, who are producing over 150 housing units a year, to increase production by 15 to 25 percent.

SB 5025 provides a sales and use tax exemption on eligible purchases related to self-help housing. The REET exemption is removed. The bill also directs the Joint Legislative Audit and Review Committee (JLARC) to evaluate two additional metrics to evaluate the effectiveness of the tax preference in achieving the specific public policy objective provided in the tax preference performance statement. Proponents testified that the fiscal impact of this bill is minimal for both the state and local governments, and would enable more affordable units to be developed more quickly.

Both bills are in Rules Committee.
Budget & finance

Action needed to support MTCA reforms
Contact: Carl Schroeder, Shannon McClelland

As mentioned in our budget action alert (https://wacities.org/advocacy/News/advocacy-news/2019/04/10/three-budget-messages-to-deliver-to-legislators), the Senate is considering a bill, SB 5993, which significantly reforms the Model Toxics Control Act (MTCA) and provides new revenues for city priorities including toxic cleanups and dedicated stormwater funding.

A large and diverse coalition has formed in support of this bill, and the opposition is stepping up their efforts as well. Please take a look at the support coalition one-pager (https://wacities.org/docs/default-source/Legislative/mtcacoalitionsupportrequest.pdf?sfvrsn=0) and share it with your legislators (https://wacities.org/advocacy/legislator-directory) to indicate your support. Your delegation needs to hear how important this is to your city if they are going to overcome opposition to this bill.

Some talking points you might emphasize in your support of SB 5993 include that the bill:

- **Provides reliable funding that meets demand projections** for cleaning up legacy pollution, preventing toxic chemicals from harming people and the environment, and managing pollution sources like stormwater.
- **Eliminates revenue volatility** by shifting the Hazardous Substances Tax for liquid petroleum products from a price-based to a volume-based tax.
- **Protects purchasing power** using an annual inflation adjustment. The cost for addressing toxic pollution threats will increase each year, and without this essential protection purchasing power will erode over time.

Department of Revenue Partnership meetings
Contact: Candice Bock

The Department of Revenue (DOR) is hosting its annual Local Government Partnership Meetings for local government finance staff in May and June. The meetings offer an opportunity to share information, get updates on tax policy, and connect with DOR staff.

**Western Washington meeting:**
May 29 | 9 am–12:30 pm at DOR headquarters in Tumwater
WebEx option available

**Eastern Washington meeting:**
June 6 | 9–11 am at Moses Lake Ramada Inn

CPE credits are available at both meetings.

Contact Alexis Warner at alexisw@dor.wa.gov with any questions.
Bill changing firefighters’ pension levy spending options passes House
Contact: Candice Bock

SSB 5894, which would make changes to the firefighters’ pension levy, passed the House last week.

Approximately 44 cities and towns are eligible to impose the levy under RCW 41.16.060. Municipalities may impose a pension levy rate up to $0.225 per $1,000 of assessed value. The original purpose of the tax was to cover the costs of pre-LEOFF firefighter pensions provided by individual cities. The existing statute allows the levy revenue to be used for those pension costs as well as other municipal purposes if the pension obligations were met.

SSB 5894, as it passed the Senate:
• Clarified that cities may continue to impose the levy even if all of the pre-LEOFF beneficiaries are deceased; and
• Required that, if the levy is continued, all of the revenue must be used to cover medical benefits for LEOFF 1 retirees.

When the bill was heard in the House Appropriations Committee, AWC requested that it be clarified to retain the language allowing the revenue to be spent on LEOFF 1 retiree medical costs and other municipal purposes. The reason was to ensure that cities retain flexibility given the difficulties in differentiating the levy tax rate within a city’s overall property tax rate.

The version of the bill that passed the House:
• Clarifies that cities may continue to impose the levy even if all of the pre-LEOFF beneficiaries are deceased;
• Requires that, if the levy is continued, the revenue must be used to cover medical benefits for LEOFF 1 retirees and other municipal purposes; and
• Clarifies that the levy expires when there are no longer any LEOFF 1 retiree medical obligations.

The bill now goes back to the Senate for concurrence.

2018 lodging tax report deadline approaching
Contact: Candice Bock

The deadline for mandatory reporting of 2018 lodging tax expenditure data is May 15, 2019.

Cities and counties that collect lodging tax are required to report annual expenditures to the Joint Legislative Audit & Review Committee’s (JLARC) website at http://leg.wa.gov/JLARC/Pages/Lodging-Tax.aspx.

If your city has not yet completed its report, please submit the data by the May 15 deadline.
B&O tax annual filer and apportionment bills pass
Contact: Candice Bock, Sheila Gall

Two bills related to city B&O taxes passed the Senate last week and will be forwarded to the Governor for signature.

**2SHB 1059**, which moves the due date for annual filers of B&O tax from January 31 to April 15, passed the Senate on April 11. **SHB 1403**, which implements changes to service income apportionment for city B&O taxes recommended by last year's **EHB 2005** task force, passed the Senate on April 12.

Cities with local B&O taxes are required to follow the state's timelines for filing tax returns and would be impacted by **2SHB 1059**'s change in state law. To help B&O cities prepare for the delay in annual filer revenues, the bill extends the deadline for cities to implement the change to returns for 2020 taxes filed in 2021.

**SHB 1403** would replace the current test for apportioning service income based on physical contacts with customers to a hierarchy of factors based on more common business information. AWC appreciates all of the work and time of the city task force members, Joseph Cunha, Seattle; Danielle Larson, Tacoma; and Chris Bothwell, Lake Forest Park, over the 14-month task force process that led to these consensus recommendations.

The changes in these bills will also require an update to the city B&O tax model ordinance. AWC will be forming a task force to work on the city B&O tax model ordinance later this summer. If your city is interested in participating on the task force, please contact Sheila Gall.

House B&O surcharge proposal potential impacts on city utilities
Contact: Candice Bock, Sheila Gall

**HB 2158** is one of several proposals this session to provide new revenues for the state budget. The bill would impose a 20 percent business and occupation (B&O) surcharge on the tax rate for service and other activities of select businesses and additional tax surcharges for high income technology businesses directed to workforce education. It is uncertain which of the tax proposals will ultimately be included as part of the final budget negotiations.

Sewer treatment is listed in the activities that could be subject to the surcharge, resulting in a tax rate increase from 1.5% to 1.8% if more than 50% of annual gross revenues was generated from engaging in the service activities listed in section 72(2) of **HB 2158**.

Currently sewer and water utilities pay a mix of state taxes:
- State public utility taxes on utility operations and service; and
- B&O for sewer treatment and certain other services as outlined in administrative rule WAC 458-20-251(4).

Impacts would depend on a utility's mix of revenue sources.

The final mix of new revenues for the operating budget will be part of the conference negotiations and likely not finalized until the last days of the session with passage of the budget proposals.

**HB 2158** is still in the House Finance Committee and would need to be voted on by that committee and make its way through the legislative process before enactment. If the bill advances as part of a final budget agreement, cities will have a short and limited opportunity to evaluate the impact and share that information with legislators.

continued
Bill sets new state goal for food waste reduction
Contact: Carl Schroeder, Shannon McClelland

HB 1114, sponsored by Rep. Beth Doglio (D–Olympia), establishes a goal of reducing food waste in the state by 50 percent by 2030, based on 2015 levels. In furtherance of that goal, the bill does the following:

- Directs the Department of Ecology to consult with the departments of Health and Agriculture to develop a wasted food reduction and food waste diversion plan by October 1, 2020.
- The plan must be designed to recommend a regulatory environment that optimizes the rescue of edible food and a stable, predictable funding environment that allows for capacity expansion and new technologies. The plan must also:
  - Avoid placing regulations on the hunger relief system;
  - Provide state technical support to wasted food prevention and rescue and food waste recovery organizations;
  - Support the development and distribution of materials to support food waste and wasted food educational efforts in K-12 schools;
  - Facilitate and encourage restaurants and other retail food establishments to donate prepared food to food banks and food assistance programs; and
  - Suggest best practices that local governments may incorporate into solid waste management plans.
- The latest amendment also directed Ecology to include recommended changes to food quality, labeling, and inspection requirements under the liability provisions relating to food donation and any changes in laws relating to the donation of food waste or wasted food for animals.
- In support of the plan development, the Department of Commerce must contract for an independent evaluation of the state’s food waste and wasted food management system.
- The bill directs Ecology to report to the Legislature its recommendations by December 1, 2020.
- Prior to implementing the plan, the report must outline a process for making regulatory changes to support activities, programs, or policies in the plan that would impose new obligations on state agencies, local governments, businesses, or citizens, along with estimated cost impacts.
- Although in practice for years, the bill expressly calls out food waste reduction programs as eligible for grant funds available to local governments through Ecology’s Solid Waste Management program.
- Also in practice for years, the bill expressly allows cities and counties to include food waste reduction strategies in their solid waste plans.

HB 1114 passed the Senate unanimously on Saturday, April 13. The bill now awaits concurrence by the House.
HR & labor relations

Senate amends and passes union dues bill
Contact: Logan Bahr, Brandon Anderson

**HB 1575**, concerning the deduction of union dues and fees, passed the Senate on party lines last week.

**HB 1575** was developed in response to the U.S. Supreme Court decision in *Janus v. AFSCME* ([https://www.supremecourt.gov/opinions/17pdf/16-1466_2b3j.pdf](https://www.supremecourt.gov/opinions/17pdf/16-1466_2b3j.pdf)) that made union agency fees unconstitutional. The bill removes statutory language regarding agency fees and provides a uniform process for authorizing the deduction and revocation of union dues from an employee's pay. The bills also allow a cross-check process to determine union representation for certain public employees.

The bill would:
- Allow electronic and voice recorded dues authorization;
- Eliminate statutory language related to union security provisions;
- Amend union and employer responsibilities regarding dues deductions; and
- Limit the liability of employers and unions for claims or actions for requiring, deducting, receiving, or retaining agency fair share fees before June 27, 2018.

Before voting on passage of the bill, the Senate adopted an amendment which provides employers two payroll cycles to end union payroll deductions upon receiving confirmation that an employee has revoked the authorization of dues deductions. The original version of the bill only provided employers one payroll cycle to end the deduction.

The House must now vote to adopt the changes made in the Senate before final passage of the legislation.

First-responder occupational disease compromise bill passes Senate
Contact: Logan Bahr, Brandon Anderson

**HB 1913** passed out of the Senate unanimously last week. The bill provides first-responders new workers' compensation presumptions for certain cancers and infectious diseases. The bill also creates a permanent advisory committee within the Department of Labor and Industries that will review scientific evidence and make recommendations to the Legislature for any future presumptive diseases for first responders.

With the Senate's passage, the bill will now head to the Governor's Office for signature.

AWC supports the compromise bill and it was the product of months-long negotiations among cities, counties, and first responder advocacy groups.

continued
Homelessness & human services

**Trueblood bill advances in House**
Contact: Sharon Swanson, Brandon Anderson

E2SSB 5444, commonly referred to as the “Trueblood” bill, has advanced through policy and fiscal committees in the House and is now eligible for a vote of the full House. The bill has been amended several times throughout the legislative session and now includes:

- A provision allowing a prosecuting attorney to challenge the dismissal of charges when a person is found not to be competent and the prosecutor believes the person should receive competency restoration services;
- A requirement that a court must schedule a hearing on a prosecutor’s motion for misdemeanor competency restoration within 7 days;
- Competency restoration for a person charged with a nonfelony, which may take place in an inpatient setting or a community-based setting, based on the recommendation of the forensic navigator with input from the parties;
- Establishment of criteria for a person to be eligible for outpatient competency restoration; and
- Restrictions that prevent a court from ordering outpatient competency restoration unless DSHS certifies that there is an available outpatient restoration program with adequate space for the person.

The bill advanced unanimously out of the Senate.

AWC supports the bill as amended.

**Opioid treatment bill advances in House**
Contact: Sharon Swanson, Brandon Anderson

SSB 5380, concerning opioid use treatment, has advanced out of committee and is now waiting for a vote of the full House.

SSB 5380 modifies the protocols for using medications to treat opioid use disorder (OUD) and requires therapeutic courts that receive funding from the state’s criminal justice treatment account and city and county jails to provide medication-assisted treatment (MAT).

The bill as amended now includes language that (subject to appropriated funds or approval of a Section 1115 demonstration waiver) requires city and county jails to provide opioid treatment medications to persons in custody who have a prescription for an OUD medication or at least 30 days before release when treatment is determined to be medically appropriated. City and county jails must make reasonable efforts to directly connect incarcerated individuals receiving medication for the treatment of OUD to an appropriate provider or treatment site.

AWC supports the bill as amended.
Bill establishing new law enforcement grant program advances
Contact: Sharon Swanson, Brandon Anderson

2SHB 1767 has passed policy and fiscal committees and is now eligible for a vote in the Senate. The bill is sponsored by Rep. John Lovick (D–Mill Creek) and creates a grant program that aims to expand alternatives to arrest and incarceration.

The grant program would support local initiatives to properly identify criminal justice system-involved persons with substance use disorders and other behavioral health needs. Once identified, the individuals will be offered therapeutic interventions and other services as needed. Intervention can occur prior to or at the time of jail booking or while in custody.

2SHB 1767 recently passed the House 89-8.

AWC continues to support this legislation as an additional tool to aid individuals with behavioral health challenges at or prior to the time of arrest and booking.

Priority REET bill passes Legislature
Contact: Carl Schroeder, Shannon McClelland

Building on temporary authority granted in 2017, HB 1219 streamlines and makes permanent the authority for cities to use their Real Estate Excise Tax (REET) II revenues. AWC and individual cities testified in support.

HB 1219 is one of our priority bills, as it provides more flexibility with existing tools to encourage affordable housing. This bill removes some of the hurdles in the current authority, such as the requirement to certify all other capital projects are funded. Further, this bill does not prevent counties and cities from using the REET for infrastructure investments.

HB 1219 does the following:
• Removes the sunset date of 2019;
• Removes the requirement that cities must certify that they have met all other unmet capital needs before using these funds for housing and homelessness purposes;
• Authorizes a county or city to use REET II revenue for the planning, acquisition, construction, reconstruction, repair, replacement, rehabilitation, or improvements of facilities serving the homeless and affordable housing until January 1, 2026, so long as it documents in its capital facilities plan that it has funds during the next two years for certain capital projects; and
• The annual amount of REET II revenue a county or city may use for affordable housing and homelessness projects is limited to $100,000 or 25 percent of available funds, but not to exceed $1 million. This limit does not apply to a county or city which used REET II revenue to provide housing for the homeless prior to June 30, 2019.
Land use & planning

Key density bill passes Senate and retains local authority
Contact: Carl Schroeder, Shannon McClelland

One of the key housing related bills advancing this session, HB 1923, passed the Senate over the weekend. Amendments made on the floor of the Senate contain our advocated-for provisions to retain local decision-making authority, provide the necessary flexibility to address cities’ unique housing challenges, and include resources to assist with the cost of implementation.

AWC has a long-standing priority around affordable housing and supports a variety of approaches to achieve those goals, including the role of local land use policy. That said, we think that cities are already doing a lot locally to find ways to address these issues. The amended version of HB 1923 recognizes that, while also incentivizing cities to take further action—such as providing grant funds to support enactment of local housing policies or to develop a housing action plan.

The amended HB 1923, if concurred to by the House, makes the following changes to the previous version:

Large structural changes
• Removes the requirement for cities with a population between 20,000 and 40,000 to take at least one action, and cities with a population over 40,000 to take at least two actions to increase residential building capacity by April 1, 2021. Actions are now voluntary but incentivized.
• Encourages cities planning under the Growth Management Act (GMA) to take actions to increase residential building capacity, including options related to upzoning, authorizing a greater variety of housing types, and utilizing options for regulatory streamlining.
• Exempts specific ordinances, amendments to develop regulations, and other nonproject actions to increase residential building capacity taken prior to April 1, 2021 from appeal under SEPA or legal challenge under GMA.
• Provides funding via a $2.50 document recording fee. Specifies that the estimated $2.5 million annually generated will fund grants to local governments and to the Washington Center for Real Estate Research until 2024. After that point, sufficient funding must be provided for the real estate study, but then the remainder is provided to support affordable housing investments in cities that have taken action under the bill.
• Authorizes the Department of Commerce (Commerce) to award grants of up to $100,000 to cities for actions listed in the bill, including developing a housing action plan. Authorizes grants in excess of $100,000 for applications with extraordinary potential to increase housing supply or regulatory streamlining.

Additional policy changes
• Removes from the list of actions the following eligible options:
  • Requiring no more than one onsite parking space per two bedrooms in certain multifamily zones near fixed guideway transit stations;
  • Forming or joining existing subregional partnerships to promote affordable housing to comply with requirements to increase residential building capacity;
  • Authorizing at least a 20 percent density bonus when at least 10 percent of the units are provided for affordable housing to comply with requirements to increase residential building capacity.
• Directs Commerce to develop criteria to ensure grant funds are awarded proportionate to a city’s effort and potential to increase housing supply.

continued
• Adds that the initial Washington Center for Real Estate Research report must be completed by October 15, 2020, and must include the percentage of cost-burdened households and data relating to actions cities have taken to increase residential building capacity.
• Provides for restrictions on minimum residential parking requirements for certain low-income, senior, and disabled households constructed after July 1, 2019.
• Removes the restriction that a local ordinance may not charge a higher per unit impact fee for multifamily than for single family residential construction.
• Removes the restriction that a local ordinance may not impose more than $50,000 for an impact fee.
• Removes the requirement that if a city only chooses two actions it may not select options to increase density near rail and bus only, unless those options are in different geographic areas.
• Removes a null and void clause requiring specific funding in the budget.

Tiny house communities bill passes Legislature
Contact: Carl Schroeder, Shannon McClelland

SB 5383, concerning the creation of tiny house communities, was amended by the House and passed unanimously. The bill now heads to the Governor for signature.

The bill does the following:
• Authorizes cities and towns to adopt ordinances regulating the creation of tiny house communities, including through use of the binding site plan method;
• Prohibits cities and towns from adopting ordinances that prevent entry or require removal of a tiny house with wheels used as a primary residence in a manufactured/mobile home community;
• Defines “tiny house,” “tiny house with wheels,” and “tiny house community”;
• Tenants of tiny communities are entitled to all rights and subjected to all duties and penalties under the Manufactured/Mobile Home Landlord-Tenant Act (MHLTA);
• The owner of land on which a tiny house community is located must make reasonable accommodation for utility hookups for water, power, and sewer services in compliance with the MHLTA;
• Requires the State Building Code Council to adopt codes specific to tiny houses by December 31, 2019; and
• Authorizes schools and training programs for students to contract with community service and nonprofit organizations to build tiny houses for low income housing, without regard to competitive bidding laws, if the students participating in the building of the tiny houses are in:
  • Training in a community and technical college construction or construction management program;
  • A career and technical education program;
  • An apprenticeship preparation program; or
  • Training under a construction career exploration program for high school students administered by a nonprofit organization.
Open government

House committee moves public records availability bill
Contact: Candice Bock, Brandon Anderson

SB 5787, concerning hours of availability for inspection and copying of public records, recently passed out of the House State Government & Tribal Relations Committee and is waiting to be moved out of the House Rules Committee for a floor vote. This bill provides special allowances for cities and towns that maintain office hours for less than thirty hours per week as to timeframes for determining when a records request was made.

For cities and towns impacted, a public records request is considered made when:

• Contact with personnel of the city or town results in such personnel actually knowing that a request is being made; or
• Proof that delivery of a properly addressed certified letter, return receipt requested, was attempted, whether or not the letter is accepted.

The city or town must respond within the time requirements of RCW 42.56.520 and the request is considered received either as of the date of the next regularly scheduled meeting or thirty days from the date the request is made, depending on which is sooner.

The bill needs to pass the House by the April 17 cutoff deadline.

Public safety & criminal justice

Bill addressing impaired driving amended in Senate
Contact: Sharon Swanson, Shannon McClelland

HB 1504 passed the House unanimously. As it progressed through the Senate, it was amended at each stage. The latest amendment removes language in current law that requires forensic phlebotomists to meet higher qualifications than a medical assistant-phlebotomist.

The current version awaiting a floor vote does the following:

• Defines “safely off the roadway” for the affirmative defense to actual physical control of a motor vehicle while under the influence (PC) as:
  • The suspected impaired person does not occupy the driver’s seat;
  • The vehicle is not parked in an area designated for through traffic or in an unauthorized parking place; and
  • The vehicle’s engine is off.
• A person who has a valid Department of Licensing (DOL) disability parking placard is not excluded from the affirmative defense solely because they remain in the driver’s seat.
• Revises the lookback provision for prior offenses from the current 10-year lookback to a 15-year lookback for persons with three or more DUI or PC convictions.
• Allows the court to waive the mandatory minimum sentence for a first impaired driving conviction and revises the alternative penalties for the second and third offenses.
• Revises penalty enhancements for impaired driving offenses involving minor passengers.
• Precludes good time credits or earned release time for certain felony impaired driving sentences.
• Modifies procedures for ignition interlock devices required for impaired driving offenses.
• Adds PC to the crimes allowing recovery of emergency response costs from an incident caused by an intoxicated defendant.

AWC supports the bill.

continued
Bill addressing sexual assault kits passes the Legislature
Contact: Sharon Swanson, Shannon McClelland

HB 1166, sponsored by Rep. Tina Orwall (D–Des Moines), updates provisions relating to the rights of sexual assault survivors, and addresses the storage and submittal of sexual assault kits (SAKs). The Legislature passed the bill on April 11. The bill is awaiting signature by the Governor.

HB 1166 was amended in the House but remained unchanged in the Senate. The enrolled bill does the following:

- Requires submittal of a SAK for testing only when there is a related report of a sexual assault or other crime to a law enforcement agency;
- Establishes rights for sexual assault survivors regardless of the victim’s participation in the investigation or prosecution, including a forensic examination to collect evidence;
- Extends the statute of limitations for prosecuting a sex offense from one year to two years;
- Adds a section on SAK storage requirements, including kits from unreported assaults and those that have not been tested. These requirements are in place until June 30, 2020, and no SAKs may be destroyed in that time;
- Requires law enforcement agencies to submit all SAKs collected prior to July 24, 2015 to the Washington State Patrol (WSP) crime laboratory for testing no later than October 1, 2019 unless:
  - A previous forensic analysis on the SAK occurred;
  - Documentation shows an adult or emancipated minor victim does not want their SAK tested; or
  - The SAK is not for an investigative purpose and a law enforcement agency is storing it under an agreement with a hospital or other medical provider.
- Requires WSP to test all previously unsubmitted SAKs by December 1, 2021;
- Beginning May 1, 2022, requires WSP to complete SAK testing within 45 days;
- Renames the Sexual Assault Forensic Evidence task force (SAFE) is to the Sexual Assault Forensic Examination Best Practices Advisory Group and continues this work to December 31, 2021;
- Requires a performance audit of WSP from January 1, 2022 to December 31, 2022; and
- Extends the annual SAK testing reporting requirements for WSP to submit to the Legislature until June 30, 2023.
Public works

Help needed to pass public works bid limit bill
Contact: Candice Bock, Brandon Anderson

SB 5418, a bill increasing city public works project bid limits and increasing the limit for using the small works roster alternative bid process, is currently held up in the House Rules Committee. The bill has until this Wednesday, April 17 to be voted out of the House.

Please take a moment to contact your Representatives and ask them to move SB 5418 to the House floor for a vote.

Broadband access gains momentum in both Washingtons
Contact: Candice Bock, Brandon Anderson

U.S. Senator Patty Murray (D–WA) recently introduced the Digital Equity Act of 2019 (https://www.murray.senate.gov/public/_cache/files/90396474-445b-427f-bc4d-547031680f1f/ehf19276.pdf), new legislation aimed at closing the digital divide in communities across the country. If passed, the Digital Equity Act would create new federal investments at the state and local level to increase access to broadband in communities across the nation.

In Washington State, legislators have also introduced legislation aimed at expanding access to broadband. If passed, SB 5511 and HB 1498 would create a statewide broadband office and new funding program. The proposals establish a Broadband Fund competitive grant and loan program managed by the Public Works Board to help promote expanded broadband access to unserved areas across the state. Eligible applicants for the grant and loan program include local governments, tribes, nonprofits, and private companies.

Both the state House and Senate capital budgets assume passage of these bills. Unfortunately, both budgets divert critical infrastructure dollars from the state’s Public Works Trust Fund (PWTF) to support the new broadband grants and loans – leaving fewer resources available to local governments for traditional infrastructure projects.

AWC supports Sen. Patty Murray’s Digital Equity legislation and the Washington State Legislature’s aim to expand access to high-speed broadband in unserved areas. However, AWC opposes the diversion of the PWTF’s limited resources to pay for the state’s broadband program. We encourage state legislators to find another funding source for this new program.

continued
On-site sewage systems bill passes Legislature
Contact: Carl Schroeder, Shannon McClelland

SB 5503 proposes a number of changes to the inspection and repair regulations for on-site sewage treatment systems (OSS). The bill was unanimously voted out of both chambers with no amendments. The bill has been delivered to the Governor for signature.

The State Board of Health (SBOH) establishes rules for on-site sewage systems, while local health departments (LHJ) and the Department of Health implement them. If an OSS fails, the owner is required to repair or replace the system, connect to a public sewer, or connect to large OSS.

The bill requires changes to SBOH rules.

For inspections of OSS:
- Require coordination between the owner and certified professional inspector or public agency prior to accessing the OSS;
- Require authorization by the OSS owner for inspection by a certified inspector or public agency unless the LHJ obtains an administrative search warrant following existing procedures; and
- Forbid LHJs from conditioning OSS permits with requirements for inspections or maintenance easements of OSS located on a single property servicing a single dwelling.

For failing OSS:
- Give first priority to repairing and second priority to replacing an existing conventional OSS;
- Not impose more stringent performance requirements of equivalent OSS on private entities than public entities; and
- Allow repair of an OSS using the least expensive alternatives that meet standards and is likely to provide comparable or better long-term sewage treatment and effluent dispersal outcomes.

AWC testified that the bill needed to clarify that cities may still require hook-up to sewers within a certain distance of the OSS. The bill was not amended to address this concern.

continued
Transportation

Delivery robot bill passes Senate

Contact: Logan Bahr, Brandon Anderson

**HB 1325**, concerning the regulation of personal delivery devices, passed the Senate unanimously last week.

The bill establishes a regulatory framework for the operation of personal delivery devices. The bill respects local control and allows these devices to operate in a jurisdiction provided they are operated within local governments’ rules and regulations. AWC worked with the bill sponsor on changes and supports the current version of the bill.

The House must now vote to adopt the changes made in the Senate before passage of the legislation.

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

**Candice Bock**
Director of Government Relations
candiceb@awcnet.org
Issues areas: Economic development, finance, open government, public works, telecommunications

**Logan Bahr**
Government Relations Advocate
loganb@awcnet.org
Issue areas: Emergency management & cybersecurity, energy, human resources, labor relations & pensions, transportation

**Carl Schroeder**
Government Relations Advocate
carls@awcnet.org
Issue areas: Building codes, environment & natural resources, housing & homelessness, land use & planning

**Sharon Swanson**
Government Relations Advocate
sharons@awcnet.org
Issue areas: Cannabis, human services & behavioral health, liability, public safety & criminal justice

**Brandon Anderson**
Government Relations Analyst
brandona@awcnet.org
Issue areas: Economic development, general government, human resources, human services & behavioral health, labor relations & pensions, open government, transportation

**Shannon McClelland**
Government Relations Analyst
shannonm@awcnet.org
Issue areas: Cannabis, emergency management & cybersecurity, environment & natural resources, housing & homelessness, land use & planning, liability, public safety & criminal justice

**Vacant**
Government Relations Analyst
Issues areas: Energy, finance, public works, telecommunications

**Regina Adams**
Government Relations Coordinator
reginaa@awcnet.org
Issues areas: Building codes, Federal

**AWC CEO**
Peter B. King, peterk@awcnet.org

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