

## Skagit County Legislative Report January 27, 2019

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The Legislature hit its stride during the second week of the legislative session with over 1,000 bills introduced. The Legislature will continue to meet in committees to hold public hearings on legislative proposals. Bills need to be heard and passed out of any policy committee by Friday, February 22, 2019 to remain under consideration. This deadline is commonly referred to as the “policy committee cutoff deadline.” If proposed legislation has an impact on the state budget or other fiscal implications, the bill will be referred to a fiscal committee for further consideration before being advanced to the entire chamber.

Below is an update on issues that are likely to be of interest for Skagit County.

### **Highlights**

#### **Increased Funding for Indigent Defense**

[Rep. Mike Chapman](#) (D- Port Angeles) introduced [House Bill 1086](#), which increases appropriations to cities and counties for public defense. Beginning in fiscal year 2020, the state must appropriate funds to cities and counties for no less than 10% of the cost of public defense services. The percentage increases by 10% each year until 2029 when the appropriation reaches 100% of the cost of public defense services. The bill eliminates current distribution formulas for public defense funds and directs the Office of Public Defense to establish policies for distribution of funds to eligible cities and counties. The House Bill was voted out of the House Civil Rights & Judiciary committee on Friday, January 25<sup>th</sup> with a majority vote. The bill has been referred to the House Appropriations Committee. The companion, [Senate Bill 5098](#), sponsored by [Sen. John Braun](#) (R-Centralia), is scheduled for executive session in the Senate Law and Justice Committee on January 31<sup>st</sup> at 10:00am.

#### **Providing Prepaid Postage for All Election Ballots**

[Senate Bill 5063](#), sponsored by [Sen. Joe Nguyen](#) (D-White Center) would require the state to pay all postage for election ballots. This legislation is by request of Governor Inslee, is a priority for the Association of County Auditors and will also be supported by the Association of Counties (WSAC). The bill was heard in the Senate State Government, Tribal Relations & Elections committee last week. Executive action was taken on the Senate bill on January 23<sup>rd</sup> and passed with a majority vote. The bill has been referred to the Senate Ways & Means Committee. The companion bill, [House Bill 1209](#) is sponsored by [Rep. Drew Hansen](#) (D- Bainbridge Island) and has been scheduled for public hearing on February 1 at 8:00am in the House Committee on State Government & Tribal Relations.

#### **Even-Year Election Costs**

[Senate Bill 5073](#), sponsored by [Sen. Sam Hunt](#) (D- Olympia) would require the state to reimburse counties for the cost of state even year election costs. Currently, counties are only reimbursed for election costs in odd-numbered years. The bill would also require the state to reimburse the prorated share of federal elections costs to counties for all primary and general

elections. This bill is also a priority for the County Auditors Association. This week, an executive action was taken on the Senate bill and received a majority vote. The bill has been referred to the Senate Ways & Means Committee. The House companion, [House Bill 1291](#), is sponsored by [Rep. Jim Walsh](#) (R- Aberdeen) and has been scheduled for executive session in the House State Government & Tribal Relations committee on February 1<sup>st</sup> at 8am.

Despite both introduction and hearing schedules for these four bills, a second set of companion bills was introduced this week which encompassed both prepaid postage for ballots and even year election costs. [House Bill 1481](#), sponsored by [Rep. Laurie Dolan](#) (D- Olympia) and [Senate Bill 5500](#), sponsored by [Sen. Sam Hunt](#) (D- Olympia), were introduced on Wednesday. The bills roll ballot postage and even year election costs into one bill. The House version has been scheduled for public hearing in the House State Government & Tribal Relations committee on Friday, Feb. 1 at 8:00am. This bill was introduced after discussions regarding whether or not the original vehicles created an unfunded mandate for counties, rather than defraying these costs.

### **New Local Option Tax for Emergency Communications**

[Senate Bill 5272](#), sponsored by [Sen. Sam Hunt](#) (D- Olympia) and [House Bill 1653](#), sponsored by [Rep. Beth Doglio](#) (D- Olympia), increases the maximum tax rate for the voter-approved local sales and use tax for emergency communication systems and facilities. More specifically, the bill allows another voter-approved .01% local sales and use tax, for emergency communication systems and facilities. The Senate bill has been scheduled for a public hearing in the Senate Committee on Local Government on January 31<sup>st</sup> at 8:00am. The House bill has not yet been scheduled for a hearing.

### **Foundational Public Health Services**

On Tuesday, the Senate Ways & Means Committee held a work session on Foundational Public Health Services. The issue was previously heard last Friday in the Senate Health & Long Term Care Committee, where was received relatively well by committee members. Secretary of Health John Wiesman led the discussion with support from WSALPHO Managing Director Jaime Bodden, Kitsap Public Health District Administrator Keith Grellner, and American Indian Health Commission Executive Director Vicki Lowe. Secretary Weisman launched the testimony with an overview of Washington's public health structure, including its core programs, capabilities, and responsibilities, and described the role of local and state government in administering Foundational Public Health Services. Secretary Weisman tied together this discussion with an explanation of the role that these services play in the ongoing Clark County measles outbreak. The panel dedicated the rest of the testimony to the \$12 million initial state investment in the program, providing examples of successful program-funded service implementations in city, county, and multicounty jurisdictions. While the panel was unable to receive questions following the testimony, some committee members expressed prior concern regarding the funding pathways of the program. To view the hearing, [click here](#).

### **Other Issues**

#### **Senate Public Hearing on New Draft Transportation Package**

On Thursday the Senate Transportation committee held a public hearing on the draft transportation package proposed by Sen. Steve Hobbs (D-Lake Stevens). The 10 year, \$17 billion proposal would raise a number of existing taxes and fees and institute a new \$15 carbon fee per ton. Over 75 people testified at the hearing and most testifiers expressed gratitude for a particular project on the proposed list. Some concerns were raised regarding proposed tolls on the US 2 Trestle in Snohomish County, instituting a carbon tax, and the elimination of the low carbon fuel standard. Since this public hearing was on a draft concept, the next step is for Sen. Hobbs to formally introduce the package in the form of a bill which may or may not occur. To view the public hearing online, [click here](#).

### **House Local Government Work Session**

The House Local Government Committee has scheduled a work session on February 1<sup>st</sup> on policies that restrict the needs of local governments. The purpose of the work session is to lay the groundwork for a forthcoming legislative proposal from Committee Chair, Rep. Gerry Pollet to remove the 1% cap on property tax. The Association of Washington Cities, the Washington State Association of Counties, and the Department of Revenue will be presenting at the work session.

### **County Traffic Light Replacement**

[Senate Bill 5179](#), sponsored by [Sen. Marko Lijas](#) (D- Lynnwood), eliminates a section that requires counties to go out for bid for all construction work relating to replacement of traffic lights if costs exceed \$10,000. Statute currently only places traffic lights under this requirement – the bill would align traffic light construction work with all other similar county construction projects. This bill is led by WSAC and was passed out of committee this week, and onto the Rules committee for second reading. The House companion has not yet been scheduled for a public hearing.

### **Governor's Broadband Proposal**

The House Capital Budget Committee held a work session on rural broadband infrastructure on Tuesday, January 22<sup>nd</sup>. The Governor's proposed broadband legislation creates a broader policy arm with the Broadband Office and directs linkages between the Office, Public Works Board, and Utilities and Transportation Commission. The bill would establish a small, lean, Governor's Statewide Broadband Office (SBO) with the mission to improve economic vitality, access to health care, education, governmental operations and public safety (\$1.2M Operating Budget). SBO would act as the state's central broadband planning body, coordinating efforts at the local, state, and federal level to improve access in un- and underserved areas; set high-level state policy, develop and implement a statewide plan; update the state's goals and definitions for broadband service; and act as an information clearinghouse to incentivize deployment of quality, affordable broadband. To watch the work session on TVW, click [here](#).

### **Wrongful Death Legislation**

[House Bill 1135](#), sponsored by [Rep. Sharon Tomiko Santos](#) (D- Seattle) and [Senate Bill 5163](#), sponsored by [Sen. Bob Hasegawa](#) (D- Seattle), addresses actions for wrongful injury or death. The bill is identical to bills introduced last session, except it also applies retroactively. It expands

the beneficiaries of a wrongful death action by removing dependence and residency requirements for parents and siblings. A parent or sibling may be a beneficiary of a wrongful death action if there is no spouse, domestic partner, or child, without having to show dependent on the deceased and regardless of whether the parent or sibling resided in the United States at the time of death. Additional changes are made that expand liability under the wrongful death statutes. The Association of Washington Cities is opposed to the legislation. During the public hearing on the Senate version of the bill, the Association of Washington Cities and Washington State Association of Counties testified in opposition. The reasoning for the stakeholder's strong opposition for this legislation derives from the joint and several liability portion of the bill and the increase in litigation costs due to the additional members that may bring action on behalf of the decedent. The Senate Bill was passed along party lines by the Senate Law & Justice Committee and has been referred to the Senate Ways & Means Committee. The House version of the bill has a public hearing on Wednesday, January 23<sup>rd</sup> in the House Civil Rights & Judiciary Committee and is scheduled for Executive Action on February 1<sup>st</sup>.

### **Existing Real Estate Excise Tax (REET) Revenues for Affordable Housing**

[Senate Bill 5195](#), sponsored by [Sen. Patty Kuderer](#) (D- Bellevue), allows cities and counties to utilize real estate excise tax revenues for affordable housing. Counties have the authority to use up to \$1 million of real estate excise tax revenues for affordable housing under current law, but the authority is scheduled to sunset in June 2019. This legislation removes the cap on the amount of money that can be spent on affordable housing and makes the authority permanent. This bill would make the use of REET funds for affordable housing permanent. During the hearing this week, local governments testified in support, while the Washington Realtors Association expressed concerns. The Washington Realtors believe there should be continued use of local real estate excise tax for affordable housing, but that it does not need to be permanent.

The bill passed out of the Senate Housing Stability and Affordability with a majority vote. The House companion, [House Bill 1219](#), sponsored by [Rep. Amy Walen](#) (D- Kirkland), has been scheduled for a hearing in the House Housing, Community Development & Veterans Committee on February 1<sup>st</sup> at 10:00am

### **Local Stormwater Charges**

Senate Bill 5505, sponsored by [Sen. Steve Hobbs](#) (D- Lake Stevens) addresses local stormwater charges, which are paid by the Department of Transportation. As drafted, the bill would require that any fees that are levied by counties to be used solely for stormwater control facilities as they related specifically to state highway runoff, preempting County authority to utilize the funds for other needs. This has not been scheduled for a hearing.

### **Credit Against State Sales Tax for Affordable Housing**

[House Bill 1406](#), sponsored by [Rep. June Robinson](#) (D-Everett) allow a .02 credit against the state sales tax. Cities that have imposed a local housing levy may impose the full .02 credit within city boundaries. Counties may impose the full .02 credit in unincorporated areas. In all other incorporated areas, the city and county would split the authority, and each would impose a .01 credit. If a city does not utilize the .01 credit within one year of the effective date of the bill,

the county can then impose the .01 credit (and vice versa). The revenue may be used to acquire, rehabilitate, or construct affordable housing or fund the operations and maintenance of new units of affordable or supportive housing for persons whose income is at or below 60% of the adjusted median income for the jurisdiction imposing the tax. A credit against the state sales tax is not an increase in the state sales tax; rather, it is sales tax revenue that would otherwise be deposited into the state general fund that is instead redirected to the local level. This bill is scheduled for a hearing in the House Housing, Community Development and Veterans Committee on February 1<sup>st</sup> at 10:00am. Its Senate equivalent, [Senate Bill 5646](#), is scheduled for a hearing in Senate Housing Stability & Affordability on January 30<sup>th</sup>, at 1:30pm.

### **Plastic Product Stewardship Bill**

[House Bill 1204](#), sponsored by [Rep. Strom Peterson](#) (D- Edmonds), and [Senate Bill 5397](#), sponsored by [Sen. Christine Rolfes](#) (D- Bainbridge Island), would establish a product stewardship program for plastic packaging. The program would include all plastic packaging that is solid and plastic that is bonded to another material. Producers/brand owners who sell product with plastic packaging in, into or for distribution into Washington would be required to participate and fund the program. Funding would pay for the costs to collect, sort and recycle plastics that have viable markets collected via curbside programs, increasing the type of plastic packaging that could be recycled across the state. Senate Bill 5397 was heard in the Senate Environment Energy & Technology Committee on January 24<sup>th</sup>. At the hearing, several groups such as the American Chemistry Council, the Consumer Technology Association and the American Institute for Packaging and the Environment, testified in opposition to the legislation as currently drafted. All of the groups were in support of decreasing the use of plastic but believed that having manufactures own that infrastructure, is not the solution.

### **Plastic Bag Ban Legislation**

[House Bill 1205](#), sponsored by [Rep. Strom Peterson](#) (D- Edmonds), and [Senate Bill 5323](#), sponsored by [Sen. Mona Das](#) (D- Covington), would ban plastic bags throughout the entire state. Several jurisdictions have already imposed plastic bag bans locally. This proposal would preempt those local regulations. The bill requires retail establishments to collect a pass-through charge of 10 cents per bag and allows local jurisdictions to require a higher rate. During public hearings on both bills, several dozen individuals and entities signed in and testified in support of the proposal. Supporters include the Department of Natural Resources, the Northwest Grocery Association, the WA Hospitality Association, several local governments, the Association of Washington Cities, and more. Washington Retail Association, American Forest and Paper Association, are in opposition of the bill. Neither bill has been scheduled for a vote.

### **Property Tax Exemptions for Disabled Veterans and Senior Citizens**

Multiple bills have been introduced proposing various ways to provide property tax exemptions. However, there are two that have the most momentum and are more likely to pass into law. [Senate Bill 5160](#), sponsored by [Sen. Manka Dhingra](#) (D- Redmond), modifies the qualifying income thresholds for the property tax exemption and deferral programs for low-income senior citizens, individuals with disabilities, and veterans beginning in calendar year 2020. To qualify, a person must be 61 years old in the year of the application or retired from employment because of

disability; own their principal residence; and have a combined disposable income of less than \$40,000 a year. Eligible individuals may qualify for a partial property tax exemption and a valuation freeze. If passed, the bill will take effect July 1, 2019. Senate Bill 5160 passed out of the Senate Housing, Stability & Affordability Committee unanimously on Monday, the 21<sup>st</sup> and has been referred to the Senate Ways & Means Committee.

[House Bill 1181](#), sponsored by [Rep. Debra Lekanoff](#) (D- Bow), modifies income qualifying thresholds for property tax exemptions, valuation freezes, and deferral programs for low-income senior citizens, individuals with disabilities, and disabled veterans. The lowest income threshold is defined as \$30,000 or 45% of county median household income. This bill has a public hearing on January 29<sup>th</sup> in the House Finance committee.

## **Mental Health**

### Responding to the Trueblood settlement

The Governor requested the introduction of Senate Bill 5444, sponsored by Sen. Manka Dhingra (D- Redmond). The bill would implement changes to competency evaluations and restoration services for people suffering from behavioral health disorders. The proposal is consistent with the requirements agreed to in the *Trueblood* settlement agreement. More specifically, the bill would;

- Establish forensic navigators approved by the Department of Social and Health Services who may be appointed by a court to investigate a defendant referred for competency evaluation or restoration services and report information about the defendant and the options of the defendant for treatment and competency restoration.
- Expand police authority to divert an individual to treatment instead of criminal prosecution to include individuals believed to have committed serious nonfelonies, class C felonies, and class B felonies which are not classified as violent offenses or sex offenses.
- Require local police and prosecutors to adopt standards defining when diversion from prosecution is permissible that must allow participation of individuals with outstanding warrants.
- Restrict nonfelony competency restoration to circumstances where the prosecutor moves for a competency restoration order and proves the existence of a compelling state interest in nonfelony competency restoration

The Senate Subcommittee on Behavioral Health heard the bill on Friday, January 25<sup>th</sup> at 1:30PM. [Rep. Laurie Jinkins](#) (D- Tacoma) is the sponsor of the House version, [House Bill 1513](#), which has been referred to the House Civil Rights & Judiciary Committee. The bill has not yet been scheduled for a hearing.

### Behavioral Health Integration

[Senate Bill 5432](#), sponsored by [Sen. Manka Dhingra](#) (D- Redmond), and [House Bill 1393](#), sponsored by [Rep. Eileen Cody](#) (D-Seattle), would make changes to state statutes to ensure that the state's behavioral health system can be fully integrated. This legislation builds on work from previous legislative sessions that blends mental and behavioral health services with physical health services. The Senate Subcommittee on Behavioral Health held a hearing on the Senate

version of the bill and has scheduled the bill for a vote. The House bill is scheduled for a hearing on January 29<sup>th</sup> at 1:30pm in the House Committee on Health Care & Wellness.

### Behavioral Health Capital Budget Needs

On Thursday the House Capital Budget committee heard a presentation from the consultants who produced the Washington Behavioral Health Capital Funding Prioritization and Feasibility Study. To view the slides from this presentation, [click here](#). The study included a regional level gap analysis for bed needs in the care continuum and recommended funding priorities by calendar year. The continuum of care categories they considered are: residential services (enhanced service facility, residential treatment facility), crisis services (triage facility, crisis stabilization, crisis respite, crisis walk-in), secure withdrawal management and stabilization, inpatient (community hospitals, evaluation & treatment), and supportive housing. Based on the consultant's analysis, it will cost the state roughly \$7.3 million to construct a 16 bed facility. This cost does not include land acquisition or anti-ligature furnishings. The report recommended the state invest in Secure Withdrawal Management & Stabilization facilities in King and Pierce counties this biennium as well as Inpatient Housing facilities in King County.

### Community Facilities Needed for Behavioral Health Patients

[House Bill 1394](#), sponsored by [Rep. Joe Schmick](#) (R- Colfax), is Governor's office request legislation and has over a dozen bipartisan cosponsors. The is the Governor's policy proposal to reform delivery of the state's behavioral and mental health care services. The bill establishes intensive behavioral health treatment facilities as community-based residential treatment facility for behavioral health patients whose impairment or behaviors require care that cannot be met in other settings. It establishes mental health drop in centers as a peer-run program to serve individuals in need of voluntary, short-term, non-crisis services that will focus on recovery and wellness. The Department of Health is given jurisdiction to license and certify both facilities. The Health Care Authority is directed to work with public and private hospitals and evaluation and treatment facilities to assess their capacity to become licensed or certified to provide long-term mental health placements. The bill is scheduled for a public hearing on January 29<sup>th</sup> at 1:30PM in the House committee on Healthcare & Wellness.

### **Local Option Funding Tools for Park Maintenance & Operations**

[Rep. Carolyn Eslick](#) (R- Sultan) is the sponsor of [House Bill 1371](#), which creates local park funding options. The bill would allow jurisdictions to establish a local taxing district called a Park Benefit District to fund the maintenance, operation, and expansion of parks. The Park Benefit District would have the authority to impose one-tenth of one percent sales tax increase with voter approval, establish a park improvement district that mirrors local improvement districts, and impose impact fees. The bill is scheduled for a hearing on January 29<sup>th</sup> at 10:00am in the House Local Government Committee.

### **Water Infrastructure Program**

[Senate Bill 5136](#), sponsored by [Sen. Jim Honeyford](#) (R- Sunnyside), creates the water infrastructure program to fund water supply, flood mitigation, stormwater, and culverts.

Additionally, the bill would require the water infrastructure program to be administered as a competitive grant program to evaluate and rank projects proposed by sponsors. The bill would be funded through \$500 million in bonded revenues; however, the source for the bonded revenues is not identified. Similar bills have been introduced in previous sessions have not advanced. The bill does not appear to have bi-partisan support. The bill is scheduled for a hearing on January 29<sup>th</sup> at 1:30pm in the Senate Agriculture, Water, Natural Resources & Parks Committee.