

Skagit County Legislative Report February 23, 2019

A few bills died, several bills were significantly amended and many bills advanced out of committee prior to the Legislature's first committee cutoff deadline. Policy committees needed to pass a bill by this past Friday in order for it to remain under consideration. Bills that passed out of a policy committee that do not have a fiscal impact have been referred to the Rules Committee. Bills that have a fiscal impact have been referred to a fiscal committee (Senate Ways & Means, House Finance, House Appropriations, House Capital Budget, or House or Senate Transportation Committees) for further consideration. This week, fiscal committees are anticipated to work long hours holding public hearings and voting on bills prior to the Friday, March 1st fiscal committee cutoff deadline. Bills that are necessary to implement the budget (NTIB) are not required to meet this deadline.

Once a bill is voted out of the fiscal committee, it will be referred to the House or Senate Rules Committee. Bills are selected out of the Rules Committee to be voted on by the entire chamber. For good bills, we will advocate for the bills to be "pulled from Rules for a vote," and for bad bills we will advocate that the bills be "held in Rules." Both the House and Senate will begin to spend more time on the floor voting on bills as an entire chamber, and less time in committees holding public hearings on bills. Bills need to pass out of their chamber of origin by March 13th.

Commissioner Janicki and Commissioner Wesen both travelled to Olympia last week to advocate for county priorities. Commissioner Janicki met with members of the Skagit County delegation to emphasize the importance of the county's request for funding to upgrade the county emergency communications system. Commissioner Wesen testified before the Senate Ways and Means Committee in support of legislation that would increase local funding for affordable housing ([SB 5646](#)). We are looking forward to seeking Commissioner Dahlsted this coming week, who will be in town for WSAC's Legislative Steering Committee.

Legislative Priorities

Upgrade County Emergency Communications System

The county is seeking \$2 million from the capital budget to upgrade the countywide communication system. [Sen. Liz Lovelett](#) (D- Anacortes) and [Rep. Dave Paul](#) (D- Oak Harbor) have committed to championing the request. While serious capital budget discussions won't begin until the next revenue forecast is made available in the middle of March, GTHGA will continue working with these champions, the local legislative delegation, and capital budget leaders on the importance of this request.

Skagit County Upcoming Events

Based on the county's Legislative Agenda, known policy priorities, or direction from the county, GTHGA have identified the following upcoming hearings that may be of interest. GTHGA's planned action is identified in bold. If the county would like us to take a different action on any of these, please let us know.

Finance (House) - HHR A, JLOB - 2/25 @ 8:00am

- HB 1679 - Public Hearing - Authorizing cities planning under the growth management act to impose certain real estate excise taxes by councilmanic action. **We plan to sign the county in to support this measure.**

Capital Budget (House) - HHR B, JLOB - 2/25 @ 9:00am

- HB 1622 - Public Hearing - Concerning drought preparedness and response. **We are monitoring this bill and do not plan to take action at this time.**

Ways & Means (Senate) - SHR 4, JACB - 2/26 @ 1:30pm

- SSB 5432 - Public Hearing - Concerning fully implementing behavioral health integration for January 1, 2020, by removing behavioral health organizations from law; clarifying the roles and responsibilities among the health care authority, department of social and health services, and department of health, and the roles and responsibilities of behavioral health administrative services organizations and medicaid managed care organizations; and making technical corrections related to the behavioral health system. **We are monitoring this bill and do not plan to take action at this time.**

Transportation (Senate) - SHR 1, JACB - 2/28 @ 1:30pm

- SB 5971 - Public Hearing - Concerning transportation funding. **We are monitoring this bill and do not plan to take action at this time.**
- SB 5972 - Public Hearing - Concerning additive transportation funding and appropriations. **We are monitoring this bill and do not plan to take action at this time.**
- SB 5970 - Public Hearing - Authorizing bonds for transportation funding. **We are monitoring this bill and do not plan to take action at this time.**

Bill Summaries

Outlined below are relevant bills GTHGA is tracking for the county. If there is no position indicated on a bill below, GTHGA is simply planning to monitor. If the county would like us to take any action on them, please let us know.

<u>Bill Details</u>	<u>Status</u>	<u>Sponsor</u>	<u>Position</u>
<p>Local gov. revenue study</p> <p><u>SHB 1008</u></p> <p>House Bill 1008, sponsored by Rep. Sherry Appleton (D- Poulsbo), requires the Department of Commerce to study county revenue and expenses and report on funding gaps. The bill allots \$100,000 from the Dedicated Marijuana Account to fund the study, which must be completed by June 30th, 2020. The bill demands a particular focus to the study of county unfunded mandates. WSAC supports this bill. The bill was amended to add a provision that differentiated between Constitutionally-mandated and statutory obligations and changed the funding source from the Liquor Revolving Fund to the Dedicated Marijuana Account. The amended version passed through the House Committee on Local Government.</p>	H Approps	Appleton	

Working forests/real estate

H Rules R

Reeves

[HB 1011](#)

House Bill 1011, sponsored by Rep. Kristine Reeves (D- Federal Way), adds working forests to the list of groups eligible for a the protections provided by the seller disclosure statement in the Right to Farm Act. The seller disclosure statement, which must be provided to individuals selling commercial or residential real estate prior to sale, protects farms from nuisance lawsuits arising from standard farm operation; this bill extends the provision to include working forests.

Public defense funding

H Approps

Chapman

[HB 1086](#)
(SB 5098)

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.

Wrongful injury or death

H Approps

Santos

[SHB 1135](#)
(SSB 5163)

House Bill 1135, sponsored by Rep. Sharon Tomiko Santos (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. During the public hearing on both the House and Senate versions 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 House Committee on Civil Rights & Judiciary amended the bill to limit the noneconomic damages under the special survival statute to the list of specified damages and replaces any reference "the jury" to "the trier of fact", in order to include bench trials.

Ballots, prepaid postage

H Approps

Hansen

[HB 1209](#)
(SB 5063)

HB 1209, sponsored by Rep. Drew Hansen (D- Bainbridge Island), 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).

Real estate taxes/housing

H 2nd
Reading

Walén

Support

[HB 1219](#)
(SB 5195)

House Bill 1219, sponsored by Rep. Amy Walén (D- Kirkland), allows cities and counties to utilize real estate excise tax revenues for affordable housing. Cities and 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. At the public hearing on the proposal, cities and counties supported the bill, while the Washington Realtors Association expressed concerns. The Washington Realtors support extending the sunset on the authority but oppose removing the cap or making the authority permanent.

B&O tax provisions H Finance Chapman

[SHB 1348](#)

House Bill 1348, sponsored by Rep. Mike Chapman (D- Port Angeles), gradually reduces the business and occupation tax for manufacturers of various timber products, excluding newspapers or other periodicals. The bill also extends the expiration date for the reduced business and occupation tax on certain timber and wood products from 2024 to 2056. An amended version of the bill passed through the House Committee on Rural Development, Agriculture, and Natural Resources, with a slight lowering of the tax rate for timber-related activities, an extension of the timber products surcharge, and the removal of circumstances by which the surcharge may be altered.

Housing dev./religious orgs. H Rules R Walen

[SHB 1377](#)
(SSB 5358)

House Bill 1377, sponsored by Rep. Amy Walen (D- Kirkland), would require cities to offer a density bonus to affordable housing developments being constructed on property owned by religious organizations. The substitute bill makes the following changes to the original bill: requires a religious organization to request a density bonus prior to a city needing to develop a policy, requires that any affordable housing development be located in an urban growth area, and requires the Joint Legislative Audit Review Committee to review the efficacy of the increased density bonus allowance by December 2030.

Behavioral health, integrate H Approps Cody

[HB 1393](#)
(SSB 5432)

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.

Affordable housing/sales tax H Finance Robinson Support

[SHB 1406](#)
(SB 5646)

House Bill 1406, sponsored by Rep. June Robinson (D-Everett), allows local jurisdictions to impose a .02 credit against the state sales tax to fund affordable housing. 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. The substitute specifies that to enact the maximum 0.02 percent rate, a city must levy a qualifying local tax no later than 12 months after the effective date of the bill, rather than within 12 months of the effective date, and states that the median income calculation for cities imposing the tax to be based on the city's median income, not the county's (addressing a drafting error). The bill received strong support at a public hearing in the House Committee on Finance, with strong testimonies from local governments and other entities in support of the bill. Many others signed in support of the bill but did not testify.

Tax preferences/mass timber

H Finance

Chapman

[HB 1443](#)
(SB 5467)

House Bill 1443, sponsored by Rep. Mike Chapman (D- Port Angeles), adds mass timber products to the list of products eligible for the preferential timber products business and occupation tax. Mass timber products consist of products that use large, panelized wood construction, such as cross-laminated timber, glue laminated timber, and laminated strand timber.

Affordable housing taxes

H Finance

Morgan

Support

[HB 1493](#)
(SSB 5357)

House Bill 1493, sponsored by Rep. Melanie Morgan (D- Parkland), allows cities and counties to impose additional Real Estate Excise Taxes for the development of affordable housing. As currently drafted, the bill allows cities and counties to impose a .50 % increase in REET revenues; any amount less than .50% could be approved with councilmanic authority, but the full .50% would require voter approval. A proposed substitute is anticipated to be brought forward that instead authorizes cities and counties to impose a .25% REET increased with councilmanic approval.

Foundat. public health servs

H Approps

Robinson

Support

[SHB 1497](#)
(SB 5732)

House Bill 1497, sponsored by Rep. June Robinson (D- Everett), integrates foundational public health service standards with current state public health practices. The bill requires that the state modify its priorities, funding allocation, and appropriation to fit the foundational public health service model and repeals prior statutes related to the definition, duties, planning, measurement, and funding of public health programs. The bill also requires the Department of Health, by October 1st, 2020, to present on a series of changes related to the implementation of foundational public health services, including planned delivery models, changes in public health system capacity, and improvements in health outcomes.

Marbled murrelet strategy

H Approps

Blake

[SHB 1546](#)
(SSB 5547)

House Bill 1546, sponsored by Rep. Brian Blake (D- Aberdeen), concerns the conservation of a federally endangered bird, the marbled murrelet, which inhabits state trust lands. The bill prohibits the Department of Natural Resources from adopting a marbled murrelet long-term conservation strategy until analysis of the plan's impacts is completed. Topics of analysis include impacts on revenue,

sustainable harvest volume, acres available for management and acres deferred by class, and must be submitted over six 10-year periods of study. Current analysis of the proposed strategy does not consider junior taxing district levels or compare the proposed solution effects with the interim strategy. The bill also removes two other proposed conservation strategies from consideration. WSAC will be supporting the financial analysis proposed by the bill, but opposes removal of alternative strategies.

Housing tax/councilmanic

H Finance

Doglio

Support

HB 1590

House Bill 1590, sponsored by Rep. Beth Doglio (D- Olympia), allows counties to impose a .01 local sales and use tax for affordable housing with a councilmanic authority, rather than having to seek voter approval as is required under current law. The revenue generated could be spent on constructing affordable housing, constructing mental and behavioral health-related facilities, the operations and maintenance of affordable housing facilities to serve a population at or below 60% of the county's adjusted median income.

Homelessness rights

H Approps

Gregerson

SHB 1591

House Bill 1591, sponsored by Rep. Mia Gregerson, concerns the rights of people who are homeless. This bill establishes the right to be homeless, which includes the right to occupy a parked vehicle. A person who is experiencing homelessness may not be subject to penalties by law enforcement or agents of any public-private partnership for surviving in a public space. An amended version of the bill passed through the House Civil Rights and Judiciary Committee with eight yeas and seven nays. The vote closely followed party lines apart from one democrat, Rep. Amy Walen (D-Kirkland), voting in opposition to the bill. The amended version addresses some concerns identified by local governments but maintains provisions preempting local control. Under the amended version, homeless persons may still engage in a variety of activities in public space in areas lacking adequate shelters; however, these activities may not impede on the ability of state and local governments to manage public health threats or public safety concerns, provide workplaces free of unreasonable workplace hazards, or operate, manage, and maintain public facilities. Other changes include: the removal of provisions relating to a civil cause of action; removal of certain definitions; requiring the state, cities, and counties to determine whether their policies and laws infringe upon the rights of homeless persons recognized in *Martin v. Boise* or this bill, make appropriate revisions, and recommendation appropriate revisions to the legislature; requiring the Office of Homeless Youth Prevention and Protection Programs to make recommendations to the legislature regarding rights of homeless youth to be implemented in residential runaway and homeless youth programs; and the removal of the intent section.

Drought preparedness

H Rules R

Blake

SHB 1622
(SB 5675)

House Bill 1622, sponsored by Rep. Brian Blake (D- Aberdeen), provides the Department of Ecology the authority to take action and assist water users when a drought emergency occurs. The bill also requires the department to assist in creating an emergency drought response to better prepare for future drought conditions. The department is given the ability to issue grants to eligible public entities to reduce current or future issues stemming from drought conditions, as well as developing and/or updating a drought contingency plan. An amended version of the bill passed out of the House Rural Development, Agriculture, and Natural Resources Committee

with a series of clarifications. Changes include technical clarifications, requiring the Department of Ecology to consult with more parties before making declarations of drought, including the tribes, changes to protocol for emergency withdrawal authorization, and other small technical changes.

<u>HB 1638</u>	Vaccine preventable diseases	H Rules R	Harris	Support
	House Bill 1638, sponsored by Rep. Harris, prohibits any philosophical or personal objections to immunizations for specific diseases: the mumps, measles, and rubella. The bill also requires sufficient documentation of these immunizations for children for the aforementioned diseases must be documented.			
<u>HB 1662</u> <u>(SB 5696)</u>	Payments in lieu of prop tax	H Approps	Dent	
	House Bill 1662, sponsored by Rep. Tom Dent (R- Moses Lake), amends the Washington Department of Fish and Wildlife (DFW) payment in lieu of property taxes (PILT) rate. The bill would also provide that, if a county elects to receive PILT for eligible game lands, the state treasurer, on behalf of DFW, must distribute to counties PILT that is equal to 50 percent of the assessed value, divided by 1000, multiplied by the local levy rate, less the state levy portion.			
<u>HB 1679</u> <u>(SSB 5676)</u>	Councilmanic REET/GMA	H Finance	Frame	Support
	House Bill 1679, sponsored by Rep. Noel Frame (D- Seattle), provides counties and cities planning under the Growth Management Act more flexibility over imposing a .25 percent tax on the sale of real estate (REET II). The bill removes the current provision requiring voter approval before cities or counties may implement the tax.			
<u>HB 1718</u>	Existing resources/local gov	H Finance	Volz	Support
	House Bill 1718, sponsored by Rep. Mike Volz (R- Spokane), makes a number of changes to county and city financing tools with the intent of providing more flexibility in their use. The bill: 1) removes prohibitions on supplanting existing local government expenditures with proceeds from a locally imposed 0.1 percent sales and use tax dedicated to mental health and substance abuse; 2) allows all county authorities to seek voter approval for the criminal justice regular levy; 3) allows jurisdictions to use revenue generated with a levy lid lift to supplant existing funds; 4) Establishes the Developmental Disability and Mental Health Levy as a separate property tax levy outside the county general levy; 5) establishes the Veterans' Assistance Levy as a separate property tax levy outside the county general levy; and 6) requires the county legislative authority to budget the direct costs of administering the Veterans' Assistance Fund and prohibits the charging of indirect costs or fees.			
<u>SHB 1733</u> <u>(SSB 5543)</u>	Productive farmland	H Approps	Gregerson	
	House Bill 1733, sponsored by, Rep. Mia Gregerson (D- SeaTac), would require the state conservation commission to develop a form and process for an agricultural land assessment to be completed by any state agency, board, council, state university or college before acquisition of an interest in real property.			

<u>SHB 1745</u>	Affordable housing options	H Finance	Ryu	House Bill 1745, introduced by Rep. Cindy Ryu (D- Shoreline), authorizes cities or counties to adopt an ordinance creating a property tax exemption program for affordable housing preservation. Qualifying housing units include below-market priced rentals and multi-family housing or accessory dwelling units. The exemption would last six years and may be renewed once. An amended version of the bill passed through the House Committee on Housing, Community Development & Veterans, with changes providing that eligible rental units must meet affordability standards for 25 years, regardless of any transfers of ownership, and clarifying that single-family dwellings meeting the affordability standards may qualify for the program.
<u>HB 1790</u> (<u>SB 5739</u>)	Housing/urban growth areas	H Finance	Griffey	House Bill 1790, sponsored by Rep. Dan Griffey (R- Allyn), alters the current RCW 84.14.060 that governs the development of affordable housing in unincorporated areas of rural counties within urban growth areas. The bill extends the application date by which projects in a residential targeted area in a rural county may be approved until January 1st, 2025.
<u>HB 1829</u>	Veterans' assistance levies	H Finance	Chapman	House Bill 1829, sponsored by Rep. Mike Chapman (D- Port Angeles), allows counties to create a separate levy for the creation of a veteran assistance fund. The Washington Association of Counties is supporting this bill.
<u>HB 1921</u>	Housing market	H Finance	Frame	House Bill 1921, sponsored by Rep. Noel Frame (D- Seattle), addresses the Washington State housing market, and would make changes to the real estate excise tax (REET) rate. The legislation would change the REET from a flat tax rate to a progressive rate structure, and would invest the additional revenue in to affordable housing throughout the state. The legislation would also increase the housing trust fund's capacity with the new real estate excise tax revenue going to the housing trust fund, among other provisions. The bill received mostly positive reactions at a public hearing in the House Finance Committee, with those supporting the bill in favor of its capacity to expand affordable housing and those opposed to the bill, such as the Washington Realtors Association and the Building Industry Association of Washington, critical of its potential to increase costs.
<u>SHB 1946</u> (<u>SSB 5873</u>)	Community forests	H Approps	Chapman	House Bill 1946, sponsored by Rep. Mike Chapman (D- Port Angeles), establishes a Community Forestland Account to provide funding to state and local agencies, tribes, and nonprofit organizations for the development, acquisition, or restoration of community forest projects. A community forest project, as outlined in the legislation, must be managed on behalf of the community and maintain reliable community access. Decisions regarding the forests assisted by this fund must involve community input. Applicants must provide at least 15% in matching funds to be

eligible for approval. The Department of Natural Resources would be authorized to develop rules governing the application and administration process for funding and must submit a list of approved projects every even year to the Governor. An amended version of the bill passed through the House Rural Development, Agriculture, and Natural Resources Committee, specifies that the Community Forest Grant Program under the Community Forestland Account is a competitive grant program and requires the Department of Natural Resources to establish scoring criteria. The amended version prohibits Grant Program rules from being more restrictive than Forest Practice Rules and allows grant recipients to repay matching funds on a schedule. Any grant recipient must submit a review every five years proving that the site has not been converted to a non-forest use or use inconsistent with the management plan. Those who do not submit a review are ineligible for future funding from the program.

Ballots, prepaid postage S Ways & Means Nguyen

[SB 5063](#)
(HB 1209)

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).

Election cost reimbursement S Ways & Means Hunt

[SB 5073](#)
(HB 1291)

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.

Real estate taxes/housing S 2nd Reading Kuderer Support

[SB 5195](#)
(HB 1219)

Senate Bill 5195, sponsored by Sen. Patty Kuderer (D- Bellevue), allows cities and counties to utilize real estate excise tax revenues for affordable housing. Cities and 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. At the public hearing on the proposal, cities and counties supported the bill, while the Washington Realtors Association expressed concerns. The Washington Realtors support extending the sunset on the authority but oppose removing the cap or making the authority permanent.

Emergency comm. max tax rate S Rules 2 Hunt

[SSB 5272](#)
(HB 1653)

Senate Bill 5272, sponsored by Sen. Sam Hunt (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 bills was amended to clarify that the tax revenue must be used solely for the purpose of funding emergency communications systems and facilities.

<u>SSB 5330</u> (SHB 1273)	Small forestland owners	S Rules 2G	Braun	Senate Bill 5530, sponsored by Sen. John Braun (R- Centralia), establishes a legislative work group to analyze state regulatory impact on small forest land owners. The group must report on a series of topics, including changes in the number of small forest land owners, factors that caused owners to sell their land, changes in land use for lots previously owned by small forest land owners, interaction with the forest riparian easement program, and more. The bill allows the legislative work group to contract with outside entities such as the University of Washington or Washington State Institute for Public Policy. The report would be due to the legislature on November 1st, 2019.
<u>SSB 5357</u> (HB 1493)	Affordable housing taxes	S Ways & Means	Darneille	Support
SSB 5357: Authorizing cities and counties to impose additional taxes for affordable housing. Senate Bill 5357, sponsored by Sen. Jeannie Darneille (D- Tacoma), allows cities and counties to impose additional Real Estate Excise Taxes for the development of affordable housing. An amended version of the bill passed through the Senate Committee on Housing Stability and Affordability. The amended version authorizes cities and counties to impose a .25% increase, rather than .50% increase, in REET revenues with councilmanic approval.				
<u>SSB 5358</u> (SHB 1377)	Housing dev./religious orgs.	S Rules 2G	Saldaña	Senate Bill 5358, sponsored by Sen. Rebecca Saldana (D- Seattle), would require cities to offer a density bonus to affordable housing developments being constructed on property owned by religious organizations. This proposal was introduced in previous legislative sessions. An amended version of the bill passed through the Senate Committee on Housing Stability & Affordability. The amended version incorporates suggestions made by the Association of Washington Cities, allowing cities under the Growth Management Act control over the development and implementation of density bonus policies. Other changes include expansion of the increased density bonus allowance to all cities and counties fully planning under the Growth Management Act, removal of the requirement that affordable housing developments must be located in a limited area of more intensive rural development, and the addition of an evaluative review conducted by the Joint Legislation Audit and Review Committee by December 2030.
<u>SB 5366</u>	Urban centers/multiple-units	S Ways & Means	Wagoner	Support
Senate Bill 5366, sponsored by Sen. Keith Wagoner (R- Sedro-Woolley), allows all cities and towns to provide property tax exemptions for eligible multi-unit residential housing projects in urban centers until July 1, 2022.				
<u>SSB 5432</u> (HB 1393)	Behavioral health, integrate	S Ways & Means	Dhingra	

Senate Bill 5432, sponsored by Sen. Manka Dhingra (D- Redmond), 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.

<u>SB 5467</u> (HB 1443)	Tax preferences/mass timber	S Ways & Means	Liias
---	------------------------------------	----------------	-------

Senate Bill 5467, sponsored by Sen. Marko Liias (D- Lynnwood), adds mass timber products to the list of products eligible for the preferential timber products business and occupation tax. Mass timber products consist of products that use large, panelized wood construction, such as cross-laminated timber, glue laminated timber, and laminated strand timber.

<u>SB 5537</u>	Behavioral health facilities	S Ways & Means	Braun	Support
--------------------------------	-------------------------------------	----------------	-------	---------

Senate Bill 5537, sponsored by Sen. John Braun (R- Centralia), authorizes the State Finance Committee to issue up to five hundred million dollars of general obligation bonds to finance behavioral health capital improvements. Eligible projects include construction of evaluation and treatment centers, crisis triage and stabilization centers, detoxification centers, transitional and long-term housing, residential treatment centers, and more. The bill establishes both taxable and tax exempt bond accounts. Provisions authorizing the state to issue bonds must be ratified by the public in the next general election before going into effect.

<u>SSB 5543</u> (SHB 1733)	Productive farmland	S Ways & Means	Takko
---	----------------------------	----------------	-------

Senate Bill 5543, sponsored by Sen. Dean Takko (D- Longview), would require the state conservation commission to develop a form and process for an agricultural land assessment to be completed by any state agency, board, council, state university or college before acquisition of an interest in real property.

<u>SSB 5547</u> (SHB 1546)	Marbled murrelet strategy	S Ways & Means	Van De Wege
---	----------------------------------	----------------	-------------

Senate Bill 5547, sponsored by Sen. Kevin Van De Wege (D- Sequim), concerns the conservation of a federally endangered bird, the marbled murrelet, which inhabits state trust lands. The bill prohibits the Department of Natural Resources from adopting a marbled murrelet long-term conservation strategy until analysis of the plan's impacts is completed. Topics of analysis include impacts on revenue, sustainable harvest volume, acres available for management and acres deferred by class, and must be submitted over six 10-year periods of study. Current analysis of the proposed strategy does not consider junior taxing district levels or compare the proposed solution effects with the interim strategy. The bill also removes two other proposed conservation strategies from consideration. WSAC will be supporting the financial analysis proposed by the bill, but opposes removal of alternative strategies.

<u>SB 5582</u>	Affordable housing/REET	S Ways & Means	Saldaña
--------------------------------	--------------------------------	----------------	---------

Senate Bill 5582, sponsored by Sen. Rebecca Saldana (D-Seattle), would replace the current flat rate real estate excise tax with a graduated tax structure that would increase revenue for affordable housing

Affordable housing/sales tax

S Ways & Means

Kuderer

Support

Senate Bill 5646, sponsored by Sen. Patty Kuderer (D-Bellevue), allows local jurisdictions to impose a .02 credit against the state sales tax to fund affordable housing. 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. The bill received strong support at a public hearing in the Senate Ways and Means Committee, with strong testimonies from local governments and other entities in support of the bill. Many others signed in support of the bill but did not testify.

[SB 5646](#)
(SHB 1406)

Councilmanic REET/GMA

S Rules 2

Takko

Support

Sen. Dean Takko (D- Longview) introduced Senate Bill 5676, which authorizes county or city legislative authorities planning under the growth management act to impose real estate excise taxes without issuing a referendum. The taxes may not exceed .025 percent of the selling price and may be used toward capital projects. An amended version of the bill passed through the Senate Committee on Local Government, adding a referendum process to repeal an ordinance imposing REET II.

[SSB 5676](#)
(HB 1679)

Payments in lieu of prop tax

S Ways & Means

Warnick

Senate Bill 5696, sponsored by Sen. Judy Warnick (R- Moses Lake), amends the Washington Department of Fish and Wildlife (DFW) payment in lieu of property taxes (PILT) rate. The bill would also provide that, if a county elects to receive PILT for eligible game lands, the state treasurer, on behalf of DFW, must distribute to counties PILT that is equal to 50 percent of the assessed value, divided by 1000, multiplied by the local levy rate, less the state levy portion.

[SB 5696](#)
(HB 1662)

Ballot drop box placement

S Rules 2

Kuderer

Support

Senate Bill 5779, sponsored by Sen. Patty Kuderer (D- Bellevue), would eliminate the requirement that the county auditor must have a minimum of one ballot drop box per 15,000 registered voters in the county. Instead, one ballot drop box would be required for every 20,000 registered voters in the county. The bill also eliminate that a ballot drop box must be in every city, town and place in a county with a post office.

[SB 5779](#)

Community forests pilot S Ways & Means Hawkins

[SSB 5873](#)
(SHB
1946)

Senate Bill 5873, sponsored by Sen. Brad Hawkins (R- East Wenatchee), establishes a Community Forestland Account to provide funding to state and local agencies, tribes, and nonprofit organizations for the development, acquisition, or restoration of community forest projects. A community forest project, as outlined in the legislation, must be managed on behalf of the community and maintain reliable community access. Decisions regarding the forests assisted by this fund must involve community input. Applicants must provide at least 15% in matching funds to be eligible for approval. The Department of Natural Resources would be authorized to develop rules governing the application and administration process for funding and must submit a list of approved projects every even year to the Governor.

Transportation funding bonds S Transportation Hobbs

[SB 5970](#)

Senate Bill 5970, sponsored by [Sen. Steve Hobbs](#) (D- Lake Stevens), is the first bill codifying Sen. Hobbs's transportation revenue package. The bill authorizes the Department of Transportation to sell five billion dollars of general obligation bonds. The revenue generated by the bonds is to be deposited in the Forward Washington Account in the Motor Vehicle Fund. The bill also outlines the process of repayment of the principle and interest of the bonds, which are to be repaid by fuel excise taxes and carbon fees.

Transportation funding S Transportation Hobbs

[SB 5971](#)

Senate Bill 5971, sponsored by [Sen. Steve Hobbs](#) (D- Lake Stevens), establishes the mechanisms by which Sen. Hobbs's revenue package is to be funded. The bill: establishes a carbon pollution fee of \$15 on the sale of fossil fuels to a consumer; requires the Department of Ecology to adopt rules criteria for the administration of this fee; allows the Department of Ecology to receive assistance from other state departments for administration of this fee; establishes preemption of the state carbon fee over any municipal carbon fees; diverts some sales and use tax revenues collected on car rentals, automobile parts, and bicycles into the act's Forward Flexible Account; levies an additional tax .01 tax on the sale of automobile parts and bicycles; establishes an annual transportation benefit assessment on developed parcels of land; establishes a six cent gas tax increase; increases vehicle weight fees; adds additional penalties for high occupancy vehicle lane infractions; creates the Forward Flexible Account and Forward Washington Account; and adds a series of technical changes.

Additive trans funding S Transportation Hobbs

[SB 5972](#)

Senate Bill 5972, sponsored by [Sen. Steve Hobbs](#) (D- Lake Stevens), allocates revenue collected under SB 5971 to various transportation revenue accounts. The bill bonds certain revenues, including \$100,000 to study a bridge authority for the Columbia River bridge; \$11,000,000 for the Rural Mobility Grant Program Account; \$50,000,000 for the Transportation Grid Electrification Grants; \$350,000,000 for removal of fish culverts; \$50,000,000 for storm water improvements; and

\$37,500,000 to cities and counties. The bill also establishes projects of statewide significance, including the US 2 Trestle replacement; 1-5 Bridge over the Columbia River replacement; Fish passage barrier removal projects; Hood River Bridge replacement; Bridge of the Gods replacement, and construction of a Columbia River Bridge. The act would take effect immediately.
