

Skagit County Legislative Report March 23, 2019

The March 20th report from the Economic and Revenue Forecast Council forecasts a slight increase of approximately \$550 million in general fund revenue for the 2019-21 biennium compared to the February forecast. With this updated revenue information, the House is anticipated to release its budget proposals on Monday, March 25 and hold a public hearing on the proposal later that day. The Senate will release its budget proposals either later in the week or early the following week. Once the House and Senate have each released their respective budget proposals, each chamber will hold a public hearing, make amendments, and then begin negotiating. Generally, if funding is included in both budgets, it is highly likely that it will be included in the final budget that is negotiated and agreed to by both chambers. If funding is included in one chamber's budget proposal, but not the other, it's less certain. In that case, whether funding will be included in the final budget will be determined through budget negotiations in the coming weeks. Much of the final budget negotiations are behind closed doors, with relatively little public process and are often challenging to influence.

While the Legislature begins budget deliberations, they will continue considering legislation. The Legislature is currently meeting in committees, holding public hearings and voting on bills that passed the opposite chamber. Bills need to advance out of policy committees prior to April 3, and fiscal committees prior to April 9, unless they have been designated "necessary to implement the budget." After April 9, they will spend the remainder of session on the floor voting on bills. Session is scheduled to end on Sunday, April 28th (and will ***fingers crossed*** hopefully end on time!).

Skagit County Requests for the Week

GTHGA has submitted requests for the county's \$1.5 million capital budget request to upgrade the county emergency communications system. We will be in touch early this week to inform you whether this project have been funded in the House proposed budgets that will be released on Monday.

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.

State Government & Tribal Relations (House) - HHR E, JLOB - 3/27 @ 1:30pm

- ESB 5779 - Public Hearing - Concerning ballot drop box placement requirements. **We will sign the county in at this hearing to support this bill.**

Health & Long Term Care (Senate) - SHR 4, JACB - 3/29 @ 8:00am

- EHB 1638 - Public Hearing - Promoting immunity against vaccine preventable diseases. **We will sign the county in at this hearing to support this bill.**

Bill Summaries

Outlined below are relevant bills GTHGA is tracking for the county. Where a position is indicated below, GTHGA will continue to communicate these positions to legislators as bills are considered in committees.

Bill #	Title	Short Description	Status	Sponsor	Position
E2SHB 1105	Protecting taxpayers from home foreclosure.	<p>House Bill 1105, sponsored by Rep. Tina Orwall (D- Des Moines), requires treasurers to annually distribute tax statements by March 15. More specifically, the statement must include current and delinquent taxes due, penalties and interest due, and information for the statewide foreclosure hotline. The bill would require county treasurers to provide the contact information of delinquent taxpayers to a homeownership resource center after the expiration of two years from the date of the property tax delinquency. The bill was amended in the House Appropriations Committee before passing the House with floor amendments. The version of the bill that passed out of Committee requires county assessors to assist taxpayers in applying for the property tax exemption program or tax deferral program or refer them to a homeownership resource center; requires county treasurers and assessors to publicly display information about the exemption and deferral programs in their office; requires tax delinquency notes to specify where a taxpayer can obtain the balance of any taxes due rather than printing the balances on the notice itself; requires all tax statements distributed, rather than those exclusively distributed to a residential address, to include information about the exemption and deferral programs; and strikes funding for the homeownership resource hotline. The House passed the bill with an additional floor amendment that is extremely harmful to counties, removing a 3 percent and 5 percent penalty assessed on the delinquent taxes currently allocated to counties. The Senate Local Government Committee heard a substitute version of this bill that removes the House floor</p>	S Local Governmen	Orwall	Neutral

		amendment, and the Chair and sponsor have committed to moving this version.			
<u>EHB 1219</u>	Providing cities and counties authority to use real estate excise taxes to support affordable housing and homelessness projects.	House Bill 1219, sponsored by Rep. Amy Walen (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. Before passing the House, the bill was significantly amended. This version of the bill extends the sunset on the authority to January 1st, 2026, so long as the city or county documents that it has funds for certain capital projects in its capital facilities plan. The amendment also reinstates the financial cap on the use of REET II funding for affordable housing, limiting the annual amount to either \$100,000 or 25% of available funds not exceeding \$1,000,000. This cap does not apply to REET II funding used prior to June 30th, 2019. This bill has been heard in the Senate policy committee and is scheduled to be voted out of committee on March 25 th .	S Housing Stabil	Walen	Support
<u>SHB 1406</u>	Encouraging investments in affordable and supportive housing.	House Bill 1406, sponsored by Rep. June Robinson (D-Everett), would allow 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	S Housing Stabil	Robinson	Support

		<p>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 version of the bill that passed the House 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). This bill has been heard in the Senate policy committee and is scheduled to be voted out of committee on March 25th.</p>			
<p>2SHB 1497</p>	<p>Concerning foundational public health services.</p>	<p>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. The bill passed the House 96-4, and has already been heard and passed out of the Senate policy committee. It is now awaiting floor action in the Senate.</p>	<p>S Rules 2</p>	<p>Robinson</p>	<p>Support</p>
<p>EHB 1638</p>	<p>Promoting immunity against vaccine preventable diseases.</p>	<p>House Bill 1638, sponsored by Rep. Paul Harris (R- Vancouver), removes the philosophical or personal objection exemption from the requirement to receive the measles, mumps, and rubella vaccine. The bill also requires that a public school, a private school or a licensed day care center receive proof of immunizations before the child can attend the school or center. The bill passed out of the House with a series of floor amendments. This</p>	<p>S Health & Long T</p>	<p>Harris</p>	<p>Support</p>

		<p>version of the bill maintains removal of the philosophical or personal exemption from the MMR vaccine, but allows: proof of disease immunity through laboratory evidence or a health care provider's attestation of disease immunity to be considered sufficient proof of immunization; individuals who do not have a positive antibody response to a full vaccine series to be considered nonresponders and therefore exempt from further vaccination; health care practitioners to use immune system problems or an adverse vaccine reaction in a biological parent, brother, or sister as a viable medical exemption; parents to provide a written certification, with evidence from a health care practitioner, that the child has a biological parent or sibling whose immune system problems or adverse reaction would make the vaccine contraindicated for the child. The amended version of the bill grandfathers the restrictions in, exempting current high school students from the new requirement.</p>			
<p>HB 2119</p>	<p>Concerning the distribution of moneys derived from certain state forestlands.</p>	<p>House Bill 2119, sponsored by Rep. Debra Lekanoff (D- Bow), allows a county to pay, distribute, and prorate payments of money from the former Common School Trust Land exchanged into the State Forestlands Trust in the same way that general taxes are paid for the former forestlands subject to the exchange. The bill addresses revenue loss for junior taxing districts (including the Burlington School District) as a result of the state's Blanchard Forest Strategy. Although there are some concerns surrounding the general language of the bill, the bill cannot be drafted more narrowly without becoming special legislation. The bill passed through the House 61-31, and has already been heard in Senate Ways & Means.</p>	<p>S Ways & Means</p>	<p>Morris</p>	<p>Support</p>
<p>SSB 5366</p>	<p>Expanding the property tax exemption for new and rehabilitated multiple-unit dwellings in urban centers.</p>	<p>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. The bill was amended in the Senate Ways and Means Committee to add a provision allowing any county to establish a residential targeted area</p>	<p>H Hous, Com Dev &</p>	<p>Wagoner</p>	<p>Support</p>

		and receive a property tax exemption on qualifying projects from July 1, 2022 to July 1, 2025. The bill passed the Senate 45-4.			
SB 5505	Addressing the use of local stormwater charges paid by the department of transportation.	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 counties from utilizing the funds for other needs. The bill passed through the Senate without amendment, and was heard in the House Transportation Committee.	H Trans	Hobbs	Oppose
ESB 5779	Concerning ballot drop box placement requirements.	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. The bill was amended before passing the Senate unanimously, adding provisions that conform the bill with changes made in ESSB 5079, the Native American Voting Rights Act.	H State Govt & Tr	Kuderer	Support