From the Legislative Director

Legislators asked to support strong cities and they seem to be listening - just not acting yet!

When discussing AWC’s fiscal sustainability-focused 2015 Action Agenda, legislators’ reactions seem to have evolved from a year ago when many, even sympathetic ones, responded with, “You can’t be serious when we can’t even sufficiently fund the state’s needs.” More often now, legislators acknowledge that sustaining the state’s economic and social vitality relies much on how cities and counties are doing on the home front.

AWC and cities are asking the state to strengthen and update the state/local government partnerships that keep our communities strong now and into the future. Minds and doors are open to hear what cities need, thanks in large part to what hundreds of city officials across the state are doing to communicate your needs directly to your representatives in Olympia.

• For the first time in recent memory, legislators from both political parties and chambers have formed local government champion’s caucuses. Their aim is to find common ground, bills, and revenues to support strong cities and counties.

• They know that across the state, good jobs, great schools, economic opportunity, and a great quality of life, all depend on cities with healthy and safe main streets, thriving neighborhoods and business centers.

• Several priority bills highlighted in this week’s Bulletin demonstrate a willingness to consider support for critical public safety needs by sharing a portion of new marijuana tax revenue and local option revenue tools to help address city street maintenance and mobility needs.

• Other priority bills are either still in the works or haven’t yet been scheduled for hearing on issues such as restoring growth in shared liquor revenue, and demonstrating a commitment to help fund critical city infrastructure. We expect to see them on agendas soon.

This is all very encouraging. As legislators settle in to start the 4th week of deliberations during their 15-week session, it’s also time for them to start acting and demonstrating a “can do” approach.

• For the next three weeks, committees in both chambers will sift through their piles of bills. AWC expends a considerable amount of time and energy sharing concerns about many of these - several of which are noted in this week’s Bulletin. You too can let your legislators know your opinions on these!

• By Friday, February 20, at 5 pm, anything to do with policy must clear either a House or Senate committee or the bill - good or bad - is considered “dead.” Not coincidentally, AWC’s 2015 City Action Days gathering is scheduled for February 18-19. This is a well-timed...
opportunity for hundreds of city officials from across the state to connect with their legislators and show solidarity on what cities need. Whether from Olympia or home, staying in touch with your legislators remains critical!

- Bills with fiscal impacts have another week to move; although if determined as "necessary to implement the state’s budget," their lifespan can be extended. Several of AWC’s priorities rely, in one way or another, on what’s in or out of the state’s general fund, capital, or transportation budgets.

Your AWC leadership and staff remain optimistic that even with the huge challenges facing the Governor and legislators, there appears to be a renewed interest in considering ways to support and strengthen their local government partners. Now is the time for cities to tell legislators what we need.

Budget and finance

Authorizing state audits of data storage and management practices
This week, the House General Government & Information Technology Committee heard HB 1008, authorizing the State Auditor to conduct audits of a state or local government’s data management and storage practices and requiring state agencies and local governments to report computer breaches to the Auditor. AWC and other local government groups testified with a variety of concerns, including the very broad authority granted under the bill, the extensive audits already conducted, and the duplication of existing safeguards.

Reducing the frequency of local sales tax changes
On Monday, the Senate Ways & Means Committee will hear SB 5511, which would reduce the number of times per year local governments can change their sales tax rates. Currently, local governments may change their rate four times each year: January 1, April 1, July 1, and October 1. This bill would eliminate the option of changes on October 1. A similar bill was introduced in the 2013 legislative session, and AWC found local governments seldom make sales tax changes on October 1.

Allowing counties to retain a portion of property taxes collected
SB 5677 would allow county treasurers to retain a portion of the property taxes collected on behalf of cities, local schools, and junior taxing districts to defray the cost of collecting the tax. The portion kept by the county would phase in over several years, starting with .25% in 2016 and 2017, increasing to .5% in 2018 and 2019, and reaching its final rate of 1% in 2020. The bill is not yet scheduled to be heard, but AWC has already expressed concern about the impact this proposal would have on city revenue.
Environment and land use

New GMA mandate proposed
SB 5604 from Sen. Marko Liias (D-Lynnwood) expands the buildable lands reporting program and makes it a requirement in every county in the state. It would require new land capacity analysis that would subtract all lands that are not developable because of critical areas, lack of infrastructure and other criteria. It would preclude cities from eligibility for growth management related grants until this work is done. AWC participated in a workgroup over the summer hosted by the Department of Commerce that dealt with these issues and recommended further discussion but no legislation.

This bill is scheduled for public hearing in the Senate Government Operations & Security Committee at 10 am on Tuesday, February 3. AWC will oppose this unfunded mandate.

Bill would require cities to allow electric vehicle charging stations in residential zones
SB 5446 would require cities along most of the state’s major highways to allow electric vehicle chargers in residential and multifamily zones. Cities would also be required to offer incentives (height or bulk bonuses, etc.) for chargers in those zones. There is no language speaking to limitations on the commercial application of these chargers, and it is unclear whether we would have the authorization to limit that use.

This bill is scheduled for public hearing in the Senate Energy, Environment & Telecommunications Committee at 1:30 pm on Thursday, February 5. AWC will express concerns.

Governor’s proposal on toxics reduction gets first hearing
HB 1472 contains Governor Inslee’s toxic reduction proposal detailed here. This companion to the recent rulemaking on the “fish consumption” issue seeks to provide strong tools to address non-point pollution to accompany a more modest increase in standards on the water quality regulation side. AWC is supportive of the general thrust of this approach, while joining others in concerns that there needs to be significant and transparent sideboards to the proposed authorization given to the Department of Ecology to ban the use of certain toxics in the state. AWC is supportive of a process that can ultimately result in a ban, but we believe that there is room to improve the process to get there.

HB 1472 is scheduled for public hearing in the House Environment Committee at 1:30 pm on Monday, February 2.
Infrastructure

Senate considering new local infrastructure financing tool
SB 5624 and the accompanying constitutional amendment in SJR 8204 provide an interesting framework to assist small to medium sized jurisdictions access the private debt (bond) market by providing state assistance to go through the process. We appreciate the recognition that infrastructure investment is critical and want to be supportive of efforts to find new tools to meet that challenge. We will need technical advice from cities on whether this is a truly helpful approach. Our major concern is that this not be seen as a viable replacement for the Public Works Trust Fund (PWTF), which provides actual resources for local infrastructure projects. We continue to advocate strongly that the Legislature not permanently sweep the PWTF revenues to the general fund. Please provide your feedback on SB 5624 to Carl Schroeder.

These bills are scheduled for a public hearing in the Senate Ways & Means Committee at 3:30 pm and Monday, February 2.

House committee to consider a number of public contracting bills
On Friday, February 6 at 8 am, the House Capital Budget Committee will be holding a public hearing on a number of bills related to public contracting:
- **HB 1711** specifically allows a city to include criteria related to bidders’ qualifications and experience in determining bidder responsibility.
- **HB 1575** would require surety bonds to come from a surety insurer with a financial strength rating of at least A-.
- **HB 1754** would add building envelope to the list of building trades that a prime contractor must list for bids on public works.

If you have comments or concerns to share on any of these bills, please share them with Alison Hellberg prior to the hearing.

General government

Voting Rights Act up for hearing next week
For the fourth year in a row, legislation establishing a Washington State Voting Rights Act (VRA) is making its way through the legislature. **HB 1745**, sponsored by Rep. Luis Moscoso (D-Mountlake Terrace), is scheduled for public hearing on Thursday, February 5 at 1:30 pm in the House State Government Committee.

As noted in past Bulletin articles, the Washington VRA has been a legislative issue since 2012. Under **HB 1745**, members of a protected class would be allowed to file an action against a local government demonstrating their combined voting preferences as a group are different from the rest of the electorate and that there is polarized voting. This action requires local governments to review their election processes and change their electoral system. This change includes, but is not limited to, implementing a district-based election system. If a local government does not change its election process, members of the protected class may file an action in a trial court.
Over the course of the past three years, AWC has worked with legislators, the Governor’s office, the ACLU, local governments, and other stakeholders on the bill. Throughout this time AWC has had concerns with the legislation due in part to its litigation component. Significant changes were made to the bill this past fall based on local government’s feedback. While the bill is markedly better than it was a year ago, a few issues remain.

Among our most noteworthy concerns:

1. **Litigation bill/cause of action**: The bill creates a new cause of action against local governments. If a local government is accused under the VRA, its only recourse is to accept the complainant’s issue and re-district or litigate.

2. **Overturning elections**: The Act would require new elections for positions with at least two years left in the term under certain circumstances. Candidates put a great deal of time, money, and effort into running for office. Potential candidates may decide not to put in the effort to run if there was a risk of their election being overturned.

3. **Costs**: The proposed legislation raises questions about the costs and resources associated with implementation and compliance with the VRA. These fiscal impacts include: resources to conduct ongoing demographic studies; resources to develop, review and evaluate redistricting options; resources to conduct public processes for review and consideration of options related to compliance with the Act; litigation costs, including attorney fees which couldn’t be recovered by the political subdivision; and election costs.

Cities who have an interest should take a look at the latest version that is markedly different than previous years and takes into account some of the local government’s concerns. Please contact AWC’s Victoria Lincoln or Jane Wall with your comments.

**Law and justice**

**Bill granting cities more authority over fireworks up for public hearing**

HB 1702, sponsored by Rep. Luis Moscoso (D-Mountlake Terrace), adopts the National Fire Protection Association code for the regulation of manufacture and sale of fireworks. It authorizes a city or county to enact an ordinance that is more restrictive than state law as to the days and hours of legal sale of consumer fireworks, the days and hours of legal use of consumer fireworks, and the types of consumer fireworks that may be sold and used within the geographical boundary of a county or city. If the ordinance adopted is in conflict with state law, it will become null and void. HB 1702 is scheduled for public hearing Wednesday, February 2 at 8 am in the House Local Government Committee.

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Marijuana

AWC priority bill to share marijuana excise tax revenue with cities scheduled for hearing

SB 5417 has been scheduled for a public hearing in the Senate Commerce & Labor Committee on Monday, February 2 at 1:30 pm. The proposal, sponsored by Sen. Ann Rivers (R-La Center), is one of AWC’s priorities. The bill shares 33% of the excise tax revenue collected by the state with cities and counties per a distribution model that provides funding for jurisdictions based in-part on how much marijuana revenue is generated in their community, and also in-part on a per-capita basis for criminal justice purposes. The bill only provides revenue to jurisdictions that allow for the siting of marijuana businesses. Additionally, it allows for local authority for a city to modify the 1,000 foot buffer zone around certain uses. Please contact members of the Senate Commerce & Labor Committee and encourage them to support this bill.

An alternative proposal to align medical and recreational marijuana is also scheduled for a hearing at the same committee meeting. SB 5519 eliminates collective gardens effective August 2016 and directs the Liquor Control Board to reopen the license application process to allow for additional recreational marijuana licensees. SB 5519 also creates a medical endorsement for those selling to qualified patients. Additionally, the proposal allows for home grows of up to six plants for recreational use and up to 15 plants for qualifying medical patients or their designated providers. SB 5519 would also require a public vote for a jurisdiction to prohibit marijuana businesses.

Another marijuana bill, PSHB 1461, has been scheduled for a hearing in the House Commerce & Gaming Committee on both February 2 and 3 to accommodate what will likely be a large amount of testimony. The bill is 131 pages and combines 19 different marijuana related bills that have been referred to the committee. The bill does include a revenue sharing provision for local governments. AWC staff will be testifying to indicate which proposals contained in the bill cities support and which we have concerns with.

Open Government

Proposed legislation would reroute public records fines to State Archivist

Next Thursday, February 5 at 1:30 pm, the House State Government Committee will hear HB 1691, concerning remedies for actions under the public records act.

The proposal, sponsored by Rep. Kevin Van De Wege (D-Sequim), leaves it up to the discretion of the courts as to whether a person prevailing in a public records case is to be awarded costs and attorney’s fees. In addition, the bill amends the public records act by awarding any discretionary fines levied against an agency to the State Archives, as opposed to the prevailing party. However, the court may award a portion of the fine to the prevailing person in an amount that would reimburse them for any demonstrated financial loss caused by the failure of the agency to timely release the public record or respond to the request.

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AWC public records bill up for hearing next week

On Tuesday, February 3 at 10 am, the House State Government Committee will hear HB 1684, concerning charges for the cost of providing records in response to public records requests. AWC will testifying in support of this proposal.

In recognition of the trend towards requestors asking for records electronically in lieu of paper copies, HB 1684, sponsored by Rep. Dean Takko (D-Longview), allows agencies to charge a reasonable fee for the transmission of electronic copies. Currently there is no authority for an equivalent per page cost for electronic transmission, yet there are costs associated with producing electronic copies of records in response to public records requests similar to those of making a paper copy.

Under the legislation, a local government may not charge for the transmission of the first ten megabytes of electronic data for each individual request but may charge a rate of fifteen cents per megabyte after. A local government may also charge the actual cost of postage, delivery, or the cost of any container, envelope or storage device to send the public records request. Finally, if an agency determines that the records request is more than 10% of the agency’s records they may, before processing the request, require a deposit in an amount not to exceed the estimate of providing 10% of all agency records. We encourage you to let your legislators know that cities’ support this bill.

Senate launches remote testimony pilot project

The Senate is launching a new remote testimony pilot project. The goal is to give Eastern Washington citizens the opportunity to provide testimony without having to travel to Olympia. While in the very beginning stages of the project, the process is not clearly defined. Testing has been conducted in Spokane and Pasco, but there are no set locations for open remote testifying.

Those interested in providing remote testimony on a particular bill should contact the chair of the committee hearing the bill as soon as the bill is scheduled for hearing. The chair will then decide if remote testimony will be heard and also chooses the remote location. He or she must start the process the Wednesday prior to the hearing, so it is important to contact the chair as soon as possible. The list of Senate committees/chairs can be found here, and the committee schedules and agendas are located here. For more information, contact Senate Committee Services at 360-786-7400.

Personnel

Modifying the definition of occupational disease

Last year’s proposal to modify the definition of occupational disease has been reintroduced this year and is scheduled to be heard in the Senate Commerce & Labor Committee next week. SB 5509 specifies an occupational disease claim must arise out of and in the course of employment where the worker is exposed to the disease and outlines this four-part test:

- The disease is proximately caused by the distinctive conditions under which the work is performed and risk of exposure inherent therein;
- The disease arose as a natural incident of the employment-related exposure;

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• The worker would not have ordinarily been exposed to the disease outside of the worker’s employment; and

• The disease is not an ordinary condition of life to which the general public is exposed without regard to employment.

The bill also shortens the statute of limitations on all occupational disease claims from two years to one year.

**Employee reporting of workplace injuries**

This week AWC testified in support of HB 1253, requiring workers to report workplace injuries “immediately” to the employer. The bill and its Senate companion, SB 5576, require reports to be made in writing, signed by the worker, and submitted to the employer within 60 days of the injury or before the worker files an application for benefits, whichever comes first. If the worker is unable to notify the employer in writing due to the injury, someone on the worker’s behalf may do so. If the worker or someone on his or her behalf does not notify the employer, the worker is not eligible for workers’ compensation benefits.

**All payers claim database**

The House Health Care & Wellness Committee recently heard HB 1437, making changes to the all payer health care claims database that was established in 2014. Most importantly, it requires the state to select a lead organization responsible for coordinating and managing the claims database and requires all health carriers to submit health claims data into the database. AWC is supportive of this Governor Inslee request legislation because it creates a database of cost information that will help with managing health care costs in the future.

**Volunteers needed to update human resources section of the Local Government Common Records Retention Schedule**

The Washington State Archives is seeking subject matter experts to assist with updating the Human Resource Management (HR) section of the Local Government Common Records Retention Schedule (CORE).

In order to encourage statewide participation, most input will be gathered by e-mail, but an occasional in-person meeting will be held. Attendees will be able to participate in the meetings remotely from Bellingham, Ellensburg, Bellevue, Cheney, and Olympia. The review will begin in February and take between 4 and 8 months.

If you are interested in participating, please email recordsmanagement@sos.wa.gov with the subject line “Request for Reference Group Participants - CORE/Human Resource Management (and Payroll).”
Transportation

Transportation local options bill gets public hearing

HB 1593 sponsored by Rep. Joan McBride (D-Kirkland) will have a public hearing in the House Transportation Committee on Wednesday, February 4 at 3:30 pm. As a reminder, this bill:

- Increases the Transportation Benefit District (TBD) councilmanic motor vehicle fee authority from $20 to $50.
- Allows a city to assume the administrative functions of a TBD entirely within its borders.
- Makes the TBD sales tax authority councilmanic rather than voter-approved.
- Authorizes cities to form transportation utilities (similar to street maintenance utility proposals of years past).

This is a priority bill for AWC, and we will have cities testifying about their maintenance and preservation needs. Please contact your legislators, especially if they sit on the House Transportation Committee, and let them know how this bill would help your city maintain its transportation investments and improve mobility for your community's residents and businesses.

Bill regarding transport of oil up for public hearing

HB 1449 sponsored by Rep. Jessyn Farrell (D-Seattle) is being heard in the House Environment Committee on Tuesday, February 3 at 1:30 pm. Representatives of several cities will be testifying on the bill and sharing information on emergency preparedness and response that local communities have and what they need.

AWC could use your help. We would like to make sure that any proposal includes resources for local emergency planning and response efforts. Please share with your legislators about work that your community has done to assess risks associated with the transport of oil through your community and what resources you need to adequately protect the public in the case of an incident.

Bill regulating commercial parking applies to city lots and on-street parking

HB 1443 sponsored by Rep. Graham Hunt (R-Orting) would apply new signage requirements and regulate fees and late charges for commercial parking lots. However, the definitions within the bill are broad enough to apply to city owned and managed lots as well as metered on-street parking.

The bill is scheduled for public hearing in the House Business & Financial Services Committee at 8 am on Tuesday, February 3. AWC will testify with concerns on the bill. If you have specific concerns you would like to share, please send them to Dave Catterson prior to the hearing.
**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 directly.

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

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