CITY OF SEATTLE 2005 STATE LEGISLATIVE BULLETIN

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Number 1

The 2005 legislative session begin on Monday, January 10. This is a 105 day session scheduled to end on April 24. All members of the House of Representatives and approximately half of the Senators took the oath of office on Monday. Governor Christine Gregoire was sworn in on Wednesday. Democrats control the House by a 55-43 margin and control the Senate by a 26-23 margin. Major issues facing the legislature include a budget deficit of approximately \$1.8 billion for the biennium, funding for the education initiatives from a few years back, escalating health care costs and transportation funding.

The legislature is starting slowly with most of the committee meetings during the first and second week focused on educating the legislators and the public on issues facing the various committees.

SESSION PRIORITIES

Transportation Solutions

The House and Senate Transportation Committees will hold work sessions on critical at risk structures including the Alaskan Way Viaduct and SR 520. The House Transportation Committee will also hold a work session on the state priorities of transportation funding.

Local Revenue Options

The Department of Revenue held a meeting to brief interested parties on their latest proposal for the Streamlined Sales Tax (SST) issue. The major component of this legislation changes the sourcing provisions in the state from a point of origin base to a destination based system. This means that the sales tax will be collected in the city/county in which the merchandise is received. The effort is to bring the State of Washington into compliance with most of the other states and provide a mechanism for the collection of internet and catalog sales tax. The mitigation proposal would provide backfill for those cities still reeling from the repeal of the MVET and mitigation for cities negatively impacted by implementation of SST. Mitigation would be based on actual losses and could potentially continue for ten years. For the first three years \$19.5 million in state funds would be provided for mitigation. Beginning in year four this amount will decrease 10% each year.

State Funding - Capital Budget

The House Capital Budget Committee held a public hearing on **HB 1049** authorizing funding for projects recommended by the public works board. Seattle has three projects on the funding list totaling almost \$5.7 million. **Seattle supports this legislation.**

Governor Locke's 2005-07 Capital Budget proposal included \$100 million for the Housing Trust Fund which is an increase of \$19 million over the last biennium. **Seattle supports this funding level.**

SESSION OBJECTIVES

McCaw Hall

The City continues to pursue state funding in the Capital Budget. Governor Locke's proposed Capital Budget included \$2 million for the project.

Public Disclosure

The House State Government Operations & Accountability Committee is holding a work session on the Public Disclosure Act on January 19.

Public Health

The Senate Labor, Commerce, Research & Development Committee held a hearing on **SB 5048** which would prevent the distribution of tobacco samples anywhere in WA State. **Seattle supports this legislation.**

POLICY ISSUES

Elections and General Government

The Senate Government Operations & Elections Committee and the House State Government Committee are holding work sessions on elections reform. The Secretary of State has proposed a number of changes including moving the primary election to the third week in June, require postmarks on the ballots the Friday before the election or be received by the end of election day, and require the state to pay for election costs in even numbered years.

Energy

A number of bills have been introduced related to energy. **HB 1009** requires utilities to allow for electronic payment. **HB 1010** requires electric utilities to prepare Integrated Resource Plans (IRP) that will describe the mix of generating resources and improvements that will meet current/future energy needs at the lowest reasonable cost to the utility and its ratepayers. **HB 1047** requires electric utilities to prepare Integrated Resource Plans plus encourages utilities to meet state renewable energy goals developed from the IRP data. **HB 1013** would impose real estate excise taxes on components of certain electrical generation facilities. This is specific to gas turbine electrical generation facilities.

SB 5101 is an incentives proposal for individuals, businesses, or local governments who purchase solar or wind energy systems that are installed on their own property. **SB 5111** is also an incentives bill to manufacturers of renewable energy systems. **SB 5098** is an energy-efficient products proposal that is estimated to save electricity and water based on new products standards. **Seattle supports SB 5098**.

There will be hearings on IRPs, renewable portfolio standards (RPS's) and energy- efficient standards this week. We anticipate a good deal of focus on these issues during the session.

Housing

The Senate Financial Institutions, Housing & Consumer Protection Committee will be holding a work session on Tent City. Seattle, in addition to other jurisdictions and advocates, will participate.

Parks

The Washington Wildlife and Recreation Program (WWRP) had a lobby day on Thursday. Seattle has a number of projects recommended – Myrtle Edwards, Lower Woodland Skate Park, Ercolini Park Acquisition and South Lake Union. Which projects get funded is based on how big an appropriation this program receives. **Seattle supports a funding level of \$60 million.**

Water

SB 5029 and HB 1123 require the State Board of Health to establish standards for drinking water quality for schools. Standards will be set and testing will be conducted by December 1, 2006. Results are to be posted.

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