



MONROE CITY COUNCIL
Legislative Affairs Committee Meeting
Tuesday, February 11, 6 P.M.
Monroe City Hall, Permit Assistance Center

2020 Committee
Councilmembers
Ed Davis
Kevin Hanford
Kirk Scarboro

AGENDA

- I. Call to Order**
- II. Special Orders of the Day**
 - A. Select 2020 Chair
- III. Approval Minutes** (November 12, 2019) [\[page 2\]](#)
- IV. New Business**
 - B. Confirm Regular Meeting Date/Time
 - C. 2020 Work Plan [\[page 4\]](#)
 - D. State Legislature Update [\[page 6\]](#)
 - E. Human Services Sales Tax [\[page 34\]](#)
- V. Next Committee Meeting** (March 10, 2020)

Agenda Items: Snohomish County Tomorrow Council of Governments; Legislative Update
- VI. Adjournment**



MONROE CITY COUNCIL
Legislative Affairs Committee Meeting
Tuesday, November 12, 2019, 6 P.M.
Monroe City Hall

2019 Committee
Councilmembers
Ed Davis
Jim Kamp
Kirk Scarboro

DRAFT MINUTES

I. Call to Order

A regular meeting of the Monroe City Council Legislative Affairs Committee was held on Tuesday, November 12, 2019. The meeting was called to order by Councilmember Davis at 6:07 p.m.; Passport Table, Monroe City Hall.

Council Present: Ed Davis & Kirk Scarboro
Mayor: Geoffrey Thomas
Staff Present: Gina Pfister, Clerical Specialist; Deborah Knight, City Administrator; and Trevor Justin, Government Affairs Consultant
Others Present: Heather Rousey

II. Approval of Minutes (August 13, 2019)

Councilmember Davis moved to approve the minutes of the Tuesday, August 13, 2019, Legislative Affairs Committee Meeting; the motion was seconded by Councilmember Scarboro. Motion carried (2-0).

III. Unfinished Business

There was no unfinished business to discuss.

IV. New Business

A. 2020 Legislative Priorities

Ms. Knight presented the City's proposed 2020 Legislative Priorities, organized around the City's 2020 budget themes:

- Addressing chronic and hidden homelessness
- Supporting a transportation package to #Finish522
- Facilitating annexations
- Developing alternative funding sources for park maintenance, operations and capital improvements
- Funding a US 2 corridor study for capacity improvements from Hwy 9 to Stevens Pass

Mr. Justin reviewed bills with revisions and bills to watch in the upcoming legislative session. The committee discussed impacts of I-972, including potential alternative funding sources for Highway 522.

Ms. Knight encouraged the Committee to attend AWC's City Action Days on January 28, 2020.

V. Other

There were no other topics discussed.

VI. Next Committee Meeting (December 10, 2019, 6 p.m.)

VII. Adjournment

Councilmember Davis moved to adjourn the Tuesday, November 12, 2019, Legislative Affairs Committee Meeting; the motion was seconded by Councilmember Scarborough. Motion carried (2-0).

The meeting was adjourned at 6:40 p.m.



MONROE CITY COUNCIL
Legislative Affairs Committee Meeting
Tuesday, February 11, 2020, 6:00 P.M.

2020 Committee
 Councilmembers
 Ed Davis
 Kevin Hanford
 Kirk Scarboro

SUBJECT:	2020 Legislative Committee Work Plan
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DATE:	DEPT:	CONTACT:	PRESENTER:	ITEM:
02/11/2020	Administrative	Deborah Knight	Deborah Knight	New Business C

Attachments: 1. Draft 2020 Work Plan

REQUESTED ACTION: Discuss the 2020 Legislative Committee work plan

POLICY CONSIDERATIONS

The City Council has established Legislative Committees in Section 14A. of the “Council Rules of Procedure.” The primary purpose of the Legislative Affairs Committee is to review and advise upon legislative matters at county, state, and federal levels of interest to the City Council; and City Council policies and procedures.

This is the opportunity for the Legislative Committee to review the draft work plan proposed by city staff. The Committee members may want to direct changes to the work plan prior to presenting the work plan to the full city council for approval.

DESCRIPTION/BACKGROUND

The draft work plan is based on the 2020 Legislative Priorities and the annual work plans developed by city staff to implement the 2020 budget adopted by the city council.

The city council may want to add, change or delete tasks proposed in the Legislative Committee work plan.



2020 LEGISLATIVE COMMITTEE WORK PLAN*

The primary purpose of the Legislative Affairs Committee is to review and advise upon legislative matters at county, state, and federal levels of interest to the City Council; and City Council policies and procedures.

Month	Lead	Agenda Item
February (6 p.m.)	City Administrator	2020 Work Plan Legislative Update
March	City Administrator	Snohomish County Tomorrow Council of Governments Legislative Update
April (6 p.m.)	Community Development	Countywide Planning Policies Legislative Update
May	City Administrator	Legislative Update
June		
July		
August		
September	Community Development	Countywide Planning Policies
October	City Administrator	Legislative Priorities
November		
December		

**Regular Meetings held the third Tuesday of each month at 6:30 p.m.; unless otherwise noted.*



MONROE CITY COUNCIL
Legislative Affairs Committee Meeting
Tuesday, February 11, 2020, 6 P.M.

2020 Committee
Councilmembers
Ed Davis
Kirk Scarboro
Kevin Hanford

SUBJECT:	<i>Legislative Update Week 2 (February 1-February 7)</i>
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DATE:	DEPT:	CONTACT:	PRESENTER:	ITEM:
02/11/2020	Executive	Deborah Knight	Deborah Knight	New Business D

Discussion:

- Attachments:**
1. 2020 Legislative Priorities
 2. Strategies 360 Week 3 Report
 3. Proposed Senate Transportation Bill

REQUESTED ACTION:

Review the list of bills introduced for consideration. Direct Mayor and staff to specific bills the city council may support. Raise issues of concern about bills that may impact city policies and/or services.

POLICY CONSIDERATIONS

The City Council sets the legislative agenda for the city. The City Council adopted its legislative agenda at the council meeting on December 10, 2019 (Attachment 1). The 2020 Legislative Priorities reflects the City of Monroe’s position on key initiatives that are expected to arise in the form of legislation, budget decisions, or policy decisions in the upcoming 2020 Session of the State Legislature.

This is an opportunity for the Legislative Committee to review the list of bills introduced for consideration. The Committee may want to direct Mayor and staff to specific bills the city council may support and raise issues of concern about bills that may impact city policies and/or services. Friday, February 7, is the policy committee cutoff deadline.

DESCRIPTION/BACKGROUND

Attachment 2 is the “week 3” report from Trevor Justin, the city’s government affairs representative in Olympia. The report lists upcoming opportunities for public testimony and summarizes bills the city is tracking.

City representatives including Mayor Thomas, Councilmember Rousey, and staff visited legislators on Thursday, January 23, 2020 to share the city’s legislative agenda including issues related to homelessness, parks funding and transportation. City officials including Mayor Thomas, Councilmember Hanford, Councilmember Davis, and Councilmember Rousey met with legislators and attended the AWC Legislative Conference on January 28-29, 2020.

Parks Director, Mike Farrell, testified at the House Local Government Committee in favor of HB 2625 on Wednesday, January 21, 2020 and again on Thursday, February 6, in favor of the companion bill SB 5317.

This legislation would provide authority for park agencies (cities and park districts) to go to the voters with a 1/10th of 1 cent sales tax ballot measure – and, if approved, to have full bonding authority that goes with the new .1 sales tax. The legislation being prime-sponsored by Rep. Carolyn Eslick (R-Sultan/39th Dist.) and Sen. Marko Liias (D-Edmonds/21st Dist.) would provide this new authority for 10 years – and for a full term of bonding if agencies use their discretion to

bond against it. The response is positive. Representative Senn, the House Finance Chair requested the bill to be referred directly to her Committee.

Transportation

Attachment 3 is the most updated proposal of the next transportation package, Forward WA. The proposal is not yet in bill form and takes a two option approach on funding (carbon fee vs. cap and invest).

The package includes Monroe’s priority projects:

- Project #4 - SR 522 widening \$83.6m
- Project #5 - SR 522 Paradise Lake Road interchange \$83.6m
- Project #9 - US 2 Monroe Bypass and Widening \$58.5m
- Project #25 - US 2 Trestle Full Rebuild \$1,802 m

The City Council passed Resolution 001/2020 in favor of supporting the package at the council meeting on February 4, 2020. Mayor Thomas and Councilmember Rousey provided testimony in favor of the proposed package at the Senate Transportation Committee hearing Wednesday, February 5, 2020.



CITY OF MONROE 2020 LEGISLATIVE PRIORITIES

ADDRESS CHRONIC HOMELESSNESS

The City has three priorities to address chronic homelessness:

- 1) Support capital facilities for housing and treatment that respect local land use authority;
- 2) Support measures that expand the community's ability to treat individuals with mental health, behavioral health, and substance abuse disorders; and
- 3) Oppose measures that limit the city's ability to adequately deal with chronic homeless individuals who refuse to accept assistance.

Support Capital Facilities for Housing and Treatment:

- [HB 1406](#) – Encouraging investments in affordable and supportive housing. Passed in 2019. Support technical changes in 2020.
- [HB 1923](#) – Increasing urban residential building capacity. Passed in 2019. Review proposed technical changes in 2020.
- Support funding to build facilities and programs to reduce chronic homelessness (shelters, treatment programs, etc.)

Expand the Ability to Treat Mental Health, Behavioral Health and Substance Abuse Disorders

- [HB 1713](#) – Expand treatment systems and involuntary treatment authority for persons experiencing mental health, behavioral health and substance abuse disorder. (Ricky's Law)
- [RCW 9A.20.010](#) – Enforce existing laws for felony possession of controlled substances and quality of life crimes.
- Budget request for a LEAN study lead by the State Auditor's Office to align county-wide services to end homelessness in the Skykomish Valley. Budget request amount (\$100,000).

Oppose Measures that Limit the City's Ability to Address Chronic Homeless Individuals Who Refuse Help

- [HB 1591](#) - Concerning the rights of persons experiencing homelessness. Not passed in 2019. Work with lead sponsor to address concerns in 2020.

FACILITATE ANNEXATIONS

- Support annexations within the Urban Growth Area including the annexation of unincorporated island territories (HB 1357); and the ability to annex unincorporated areas without a referendum provision pursuant to a jointly approved interlocal agreement with the county (HB 1598).
- Monitor recommendations from the Ruckelshaus Report that would require cities to accommodate minimum land use densities and housing types.



CITY OF MONROE 2020 LEGISLATIVE PRIORITIES

FUND PARK OPERATIONS, MAINTENANCE AND CAPITAL IMPROVEMENTS

2019 Achievements:

- Passed HB 2044 – concerning de-annexation of a portion of land from a park and recreation district or metropolitan park district.

2020 Priorities:

- Support amended [HB 1371](#) to allow voter approved sales tax for parks operations, maintenance and capital projects.

FINISH STATE ROUTE 522

2019 Achievements:

- Allocated \$12.8 Million of new funds for design and engineering work to be spent in the 2019-21 biennium.
- Moved up a previously allocated additional \$10 Million for design and engineering work to the 2021-23 biennium. These funds had been originally allocated for the 2025-27 and 2027-29 biennia within the Connecting Washington package approved in 2015.

2020 Priorities:

- Protect design funding from cuts to fund other transportation priorities post I-976 approval.
- Support proposed Transportation Package request – keep the request in front of people and be ready for any smaller transportation budget opportunities that may arise.

SUPPORT US-2 CAPACITY IMPROVMENTS FOR ECONOMIC DEVELOPMENT

- Support Representative Eslick's request for a US 2 capacity study from Highway 9 to Wenatchee.

City of Monroe Bill Status & Upcoming Events Report

Upcoming Events

Housing Stability & Affordability (Senate) - SHR 2, JACB - 2/3 @ 1:30pm

- SB 6212 - Exec Session - Concerning the authority of counties, cities, and towns to exceed statutory property tax limitations for the purpose of financing affordable housing for very low-income households and low-income households.
- SB 6302 - Exec Session - Prohibiting local governments from limiting the number of unrelated persons occupying a home.
- SB 6328 - Exec Session - Creating a local infrastructure investment program to support the development of affordable housing, workforce housing, and revitalization efforts.
- SB 6546 - Public Hearing - Incentivizing shared housing. (Hearing is on the Proposed Substitute.)
- SB 6631 - Public Hearing - Concerning the sales and use tax for affordable and supportive housing.

Appropriations (House) - HHR A, JLOB - 2/3 @ 3:30pm

- HB 2193 - Exec Session - Reauthorizing and expanding the financial fraud and identity theft crimes investigation and prosecution program.
- HB 2786 - Exec Session - Establishing the opioid epidemic response advisory council.
- HB 2834 - Public Hearing - Implementing an identicard program to provide individuals a Washington state issued identicard.

Finance (House) - HHR A, JLOB - 2/4 @ 8:00am

- HB 2907 - Public Hearing - Authorizing counties with populations over two million to impose an excise tax on business.

Local Government (Senate) - SHR 3, JACB - 2/4 @ 8:00am

- SB 6643 - Public Hearing - Combining a resolution proposing abandonment and a resolution proposing a council-manager plan of government into a single proposition.

Health Care & Wellness (House) - HHR A, JLOB - 2/4 @ 1:30pm

- HB 2336 - Exec Session - Reimbursing contingency management programs.
- HB 2642 - Exec Session - Removing health coverage barriers to accessing substance use disorder treatment services.

Environment & Energy (House) - HHR B, JLOB - 2/4 @ 3:30pm

- HB 2206 - Public Hearing - Concerning equity by authorizing government services outside of urban growth areas.

Bill Status & Upcoming Events Report

February 1, 2020

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- HB 2342 - Exec Session - Aligning the timing of comprehensive plan updates required by the growth management act with the timing of shoreline master program updates required by the shoreline management act.
- HB 2427 - Exec Session - Tackling climate change as a goal of the growth management act.
- HB 2536 - Public Hearing - Updating rural character under the growth management act.
- HB 2570 - Exec Session - Managing growth by planning and zoning for accessory dwelling units.
- HB 2586 - Exec Session - Concerning the electrification of homes and buildings.
- HB 2802 - Public Hearing - Aligning the administration of the growth management hearings board with other boards within the environmental land use and hearings office by modifying requirements pertaining to growth management hearings board membership and the duties and responsibilities of members, streamlining procedures in cases before the growth management hearings board, and allowing the use of administrative appeals judges in growth management hearings board proceedings.

Labor & Workplace Standards (House) - HHR E, JLOB - 2/4 @ 3:30pm

- HB 2715 - Exec Session - Concerning minimum labor standards for certain employees working at an airport or air navigation facility.

Transportation (Senate) - SHR 1, JACB - 2/4 @ 3:30pm

- SB 6031 - Public Hearing - Limiting state and local taxes, fees, and other charges relating to vehicles.
- SB 6245 - Public Hearing - Limiting state and local taxes, fees, and other charges relating to vehicles.
- SB 6350 - Public Hearing - Limiting state and local taxes, fees, and other charges relating to vehicles.

Human Services, Reentry & Rehabilitation (Senate) - SHR 4, JACB - 2/5 @ 8:00am

- SB 6585 - Public Hearing - Encouraging the use of medication-assisted treatment within jails.

Local Government (House) - HHR D, JLOB - 2/5 @ 8:00am

- HB 2804 - Public Hearing - Addressing local government infrastructure.
- HB 2886 - Public Hearing - Concerning local government permitting and land use decisions.

Health Care & Wellness (House) - HHR A, JLOB - 2/5 @ 1:30pm

- HB 2336 - Exec Session - Reimbursing contingency management programs.
- HB 2642 - Exec Session - Removing health coverage barriers to accessing substance use disorder treatment services.

Housing Stability & Affordability (Senate) - SHR 2, JACB - 2/5 @ 1:30pm

- SB 6364 - Exec Session - Incentivizing smaller, more affordable single-family home development through impact fee schedule modifications.
- SB 6411 - Exec Session - Expanding the property tax exemption for new and rehabilitated multiple-unit dwellings in urban growth areas.
- SB 6536 - Exec Session - Creating more housing options in traditionally single-family zones. (Oppose)
- SB 6546 - Exec Session - Incentivizing shared housing.
- SB 6617 - Exec Session - Concerning accessory dwelling unit regulation.
- SB 6631 - Exec Session - Concerning the sales and use tax for affordable and supportive housing.
- SB 6649 - Public Hearing - Establishing a local sales and use tax option to fund emergency homeless shelters.

Environment & Energy (House) - HHR B, JLOB - 2/6 @ 8:00am

- HB 2780 - Public Hearing - Creating more housing options in traditionally single-family zones. (Oppose)

Capital Budget (House) - HHR B, JLOB - 2/6 @ 1:30pm

- HB 2282 - Exec Session - Creating a grant program for converting unused public buildings to housing for homeless persons.

Finance (House) - HHR A, JLOB - 2/6 @ 1:30pm

- HB 2625 - Public Hearing - Concerning local parks funding options. (Support/High)
- HB 2778 - Public Hearing - Concerning community redevelopment financing in apportionment districts.

Health Care & Wellness (House) - HHR A, JLOB - 2/7 @ 8:00am

- HB 2336 - Exec Session - Reimbursing contingency management programs.
- HB 2642 - Exec Session - Removing health coverage barriers to accessing substance use disorder treatment services.

Local Government (House) - HHR D, JLOB - 2/7 @ 10:00am

- HB 2804 - Exec Session - Addressing local government infrastructure.

Finance (House) - HHR A, JLOB - 2/7 @ 1:30pm

- HB 2620 - Exec Session - Expanding the property tax exemption for new and rehabilitated multiple-unit dwellings in urban growth areas.
- HB 2620 - Public Hearing - Expanding the property tax exemption for new and rehabilitated multiple-unit dwellings in urban growth areas.
- HB 2625 - Exec Session - Concerning local parks funding options. (Support/High)

Bill Status & Upcoming Events Report

February 1, 2020

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- HB 2746 - Exec Session - Concerning affordable housing incentives.
- HB 2746 - Public Hearing - Concerning affordable housing incentives.
- HB 2778 - Exec Session - Concerning community redevelopment financing in apportionment districts.
- HB 2797 - Exec Session - Concerning the sales and use tax for affordable and supportive housing.
- HB 2797 - Public Hearing - Concerning the sales and use tax for affordable and supportive housing.
- HB 2907 - Exec Session - Authorizing counties with populations over two million to impose an excise tax on business.
- HJR 4212 - Public Hearing - Providing for community redevelopment financing in apportionment districts.

Bill #	Abbrev. Title	Short Description	Status	Sponsor	Position	Priority
HB 1204 (E2SSB 5397)	Plastic packaging	Concerning the responsible management of plastic packaging.	H Env & Energy	Peterson		
2SHB 1205	Plastic bags	Reducing pollution from plastic bags by establishing minimum state standards for the use of bags at retail establishments.	H Rules R	Peterson		
SHB 1371	Parks benefit districts	Concerning the creation of parks benefit districts.	H Finance	Eslick		
HB 1374	Local gov firearm regulation	Relating to local government authority to regulate firearms.	H Civil R & Judi	Macri		
SHB 1591	Homelessness rights	Concerning the rights of persons experiencing homelessness.	H Approps	Gregerson		
SHB 1598	City annexing/interlocal ag.	Providing code cities of a certain size with the ability to annex unincorporated areas without a referendum provision pursuant to a jointly approved interlocal agreement with the county.	H Rules C	Doglio		
HB 1679 (SSB 5676)	Councilmanic REET/GMA	Authorizing cities planning under the growth management act to impose certain real estate excise taxes by councilmanic	H Finance	Frame		

		action.				
HB 1699	Deannexation/parks & rec.	Concerning the deannexation of a portion of land from a park and recreation district.	H Rules X	Eslick		
HB 1814 (2E2SSB 5720)	Involuntary treatment act	Concerning the involuntary treatment act.	H Civil R & Judi	Orwall		
2SHB 1938	Local infra. investment prg	Creating a local infrastructure investment program to support the development of affordable housing, workforce housing, and revitalization efforts.	H Hous, Com Dev &	Steele		
SHB 2069	Utility service charges	Concerning a property owner's or tenant's liability for delinquent and unpaid utility service charges.	H Civil R & Judi	Dufault	Oppose	
HB 2193 (SSB 6074)	Financial fraud/theft crimes	Reauthorizing and expanding the financial fraud and identity theft crimes investigation and prosecution program.	H Approps	Kirby		
HB 2206	GMA/rural gov. services	Concerning equity by authorizing government services outside of urban growth areas.	H Env & Energy	MacEwen		
HB 2227 (SB 6031)	Vehicle taxes & fees	Limiting state and local taxes, fees, and other charges relating to vehicles.	H Trans	Young		
HB 2282	Unused public buildings	Creating a grant program for converting unused public buildings to housing for homeless persons.	H Cap Budget	Walsh		
HB 2285	Road maintenance/planning	Elevating road maintenance and preservation in transportation planning.	H Trans	McCaslin		
HB 2307	Fireworks prohibitions	Concerning fireworks prohibitions adopted by cities or counties.	H Rules R	Fitzgibbon		

HB 2322 (SB 6497)	Transp. budget, supplemental	Making supplemental transportation appropriations for the 2019-2021 fiscal biennium.	H Trans	Fey		
HB 2324 (SB 6248)	Capital budget, supplemental	Concerning the capital budget.	H Cap Budget	Tharinger		
HB 2325 (SB 6168)	Operating budget, supplement	Making 2019-2021 fiscal biennium supplemental operating appropriations.	H Approps	Ormsby		
HB 2331	OPMA agendas & notices	Modifying the requirements for posting agendas and notices under the open public meetings act.	H State Govt & T	Kraft		
HB 2336	Contingency management	Reimbursing contingency management programs.	H HC/Wellness	Davis		
HB 2342	Comprehensive plan updates	Aligning the timing of comprehensive plan updates required by the growth management act with the timing of shoreline master program updates required by the shoreline management act.	H Env & Energy	Fitzgibbon		
SHB 2343	Urban housing	Concerning urban housing supply.	H Rules R	Fitzgibbon		
HB 2362 (SB 6652)	Local transportation revenue	Addressing local transportation revenue options.	H Trans	Ramos		
HB 2370	Growth mngmt board standing	Concerning standing before the growth management hearings board.	H Env & Energy	Hoff		
SHB 2388	Homelessness definitions	Standardizing definitions of homelessness to improve access to services.	H Approps	Senn		
HB 2427 (SB 6453)	Climate change/GMA	Tackling climate change as a goal of the growth management act.	H Env & Energy	Duerr		
HB 2503	Fish passage barrier removal	Addressing the removal of fish	H Trans	Barkis		

		passage barriers.				
HB 2507	Wastewater pollution	Addressing illicit discharges of wastewater pollution.	H Env & Energy	Irwin		
HB 2508 (SB 6481)	City utility surplus	Simplifying the process for donating low-value surplus property owned by a city-owned utility.	H Local Govt	Wylie		
HB 2536	Rural character/GMA	Updating rural character under the growth management act.	H Env & Energy	Maycumber		
HB 2545	Jail records/managed health	Making jail records available to managed health care systems.	H PSDP	Davis		
HB 2549	Salmon recovery efforts/GMA	Integrating salmon recovery efforts with growth management.	H Env & Energy	Lekanoff		
HB 2570	Accessory dwelling units	Managing growth by planning and zoning for accessory dwelling units.	H Env & Energy	Gregerson		
HB 2586 (SB 6496)	Electrification	Concerning the electrification of homes and buildings.	H Env & Energy	Ramel		
SHB 2607	Identicards/homelessness	Assisting homeless individuals in obtaining Washington state identicards.	H HSELDPs	Callan		
HB 2609 (SB 6335)	Climate change/GMA	Addressing climate change through growth management.	H Env & Energy	Duerr		
HB 2620 (SB 6411)	Multiple-unit dwellings/tax	Expanding the property tax exemption for new and rehabilitated multiple-unit dwellings in urban growth areas.	H Finance	Walén		
HB 2625	Local parks funding options	Concerning local parks funding options.	H Finance	Eslick	Support	High
HB 2640 (SB 6504)	Private detention/GMA	Clarifying that facilities that are operated by a private entity in which persons are detained in custody under process of law pending the outcome of legal proceedings are not essential	H ENVIDP	Fey		

		public facilities under the growth management act.				
HB 2642	Sub. use disorder coverage	Removing health coverage barriers to accessing substance use disorder treatment services.	H HC/Wellness	Davis		
HB 2649	Homeless shelter capacity	Concerning homeless shelter capacity.	H Hous, Com Dev	Ryu		
HB 2656 (SB 6627)	Single-use food service	Reducing waste associated with single-use food service products.	H Env & Energy	Gregerson		
HB 2659 (SB 6350)	Vehicle taxes & fees	Limiting state and local taxes, fees, and other charges relating to vehicles.	H Trans	Young		
HB 2687	GMA/affordable housing plans	Planning for affordable housing under the growth management act.	H Env & Energy	Barkis		
HB 2715 (SB 6217)	Airport labor standards	Concerning minimum labor standards for certain employees working at an airport or air navigation facility.	H Labor & Workpl	Gregerson		
HB 2746	Afford. housing incentives	Concerning affordable housing incentives.	H Finance	Ramel		
HB 2774	Housing/state property inven	Concerning the inventory of underutilized, state-owned property that may be suitable for the development of affordable housing.	H Hous, Com Dev	Ryu		
HB 2778	Community redevelop. financing	Concerning community redevelopment financing in apportionment districts.	H Finance	Sullivan		
HB 2780 (SB 6536)	Single-family zones	Creating more housing options in traditionally single-family zones.	H Env & Energy	Macri	Oppose	
HB 2786	Opioid response council	Establishing the opioid epidemic response advisory council.	H Approps	Robinson		
HB 2797	Housing/sales & use tax	Concerning the sales	H Finance	Robinson		

(SB 6631)		and use tax for affordable and supportive housing.				
HB 2802	GMA hearings board admin.	Aligning the administration of the growth management hearings board with other boards within the environmental land use and hearings office by modifying requirements pertaining to growth management hearings board membership and the duties and responsibilities of members, streamlining procedures in cases before the growth management hearings board, and allowing the use of administrative appeals judges in growth management hearings board proceedings.	H Env & Energy	Fitzgibbon		
HB 2804	Local government infrastruct	Addressing local government infrastructure.	H Local Govt	Duerr		
HB 2834 (SB 6426)	Identicard/homeless	Implementing an identicard program to provide individuals a Washington state issued identicard.	H Approps	Harris		
HB 2886	Local government permitting	Concerning local government permitting and land use decisions.	H Local Govt	Gildon		
HB 2893	Homeless individuals	Concerning homeless individuals.	H Civil R & Judi	Thai	Oppose	
HB 2907	County business excise tax	Authorizing counties with populations over two million to impose an excise tax on business.	H Finance	Macri		
HB 2913	Transportation revenue	Concerning transportation revenue.	H Trans	Fey		
HJR 4212	Community redevl.	Providing for	H Finance	Sullivan		

	financing	community redevelopment financing in apportionment districts.				
ESSB 5323	Plastic bags	Reducing pollution from plastic bags by establishing minimum state standards for the use of bags at retail establishments.	H Env & Energy	Das		
E2SSB 5397	Plastic packaging	Concerning the responsible management of plastic packaging.	C 460 L 19	Rolfes		
SSB 5676	Councilmanic REET/GMA	Authorizing cities planning under the growth management act to impose certain real estate excise taxes by council action.	S Rules 2	Takko		
SSB 5680	Parks benefit districts	Concerning the creation of parks benefit districts.	S Ways & Means	Lias		
2E2SSB 5720	Involuntary treatment act	Concerning the involuntary treatment act.	H Civil R & Judi	Dhingra		Medium
SB 6031 (HB 2227)	Vehicle taxes & fees	Limiting state and local taxes, fees, and other charges relating to vehicles.	S Transportation	Fortunato		
SSB 6074	Financial fraud/theft crimes	Reauthorizing and expanding the financial fraud and identity theft crimes investigation and prosecution program.	S Ways & Means	Dhingra		
SB 6109	Executorships	Ensuring persons with serious mental illness and substance use disorders receive proper care and assistance.	S Behavioral Hea	O'Ban		
SB 6125	PERS/elected positions	Concerning postretirement work in an elected city or county council position.	S Ways & Means	Hunt		
SB 6126	Housing tax/councilmanic	Allowing the local sales and use tax for affordable housing to be imposed by a	S Rules 2	Hunt		

		councilmanic authority.				
SSB 6148	Peace officer polygraphs	Concerning peace officer certification.	S Rules 2	Salomon		
SB 6150	GMA actions effective date	Concerning the effective date of certain actions taken under the growth management act.	S Local Governme	Salomon		
SB 6167 (HB 2522)	Homelessness BSA approps.	Making expenditures from the budget stabilization account to alleviate the issue of homelessness.	S Ways & Means	Rolfes		
SB 6168 (HB 2325)	Operating budget, supplement	Making 2019-2021 fiscal biennium supplemental operating appropriations.	S Ways & Means	Rolfes		
SB 6186	Homelessness diversion	Prioritizing homelessness diversion services.	S Housing Stabil	Zeiger		
SB 6194	Multiple business taxes	Prohibiting cities and towns from citing the same statutory authority to impose multiple business taxes.	S Local Governme	Braun		
SB 6196	Homelessness impact grants	Creating a homelessness impact grant program to address security and sanitation impacts of homeless populations.	S Housing Stabil	Braun		
SB 6212 (HB 2489)	Affordable housing/prop. tax	Concerning the authority of counties, cities, and towns to exceed statutory property tax limitations for the purpose of financing affordable housing for very low-income households and low-income households.	S Housing Stabil	Das		
SB 6217 (HB 2715)	Airport labor standards	Concerning minimum labor standards for certain employees working at an airport or air navigation facility.	S Labor & Commer	Keiser		
SSB 6237	Day-care facilities/cities	Authorizing and	S Rules 2	Kuderer		

		encouraging cities to notify the department of children, youth, and families of conditions at family day-care provider facilities that could cause harm to a child's health, welfare, or safety.				
SB 6245	Vehicle taxes & fees	Limiting state and local taxes, fees, and other charges relating to vehicles.	S Transportation	O'Ban		
SB 6302	Home occupant load limits	Prohibiting local governments from limiting the number of unrelated persons occupying a home.	S Housing Stabil	Rolfes		
SB 6304 (SHB 2607)	Identicards/homelessness	Assisting homeless individuals in obtaining Washington state identicards.	S Transportation	Lias		
SB 6328	Local infra. investment prg	Creating a local infrastructure investment program to support the development of affordable housing, workforce housing, and revitalization efforts.	S Housing Stabil	Warnick		
SB 6334 (SHB 2343)	Urban housing	Concerning urban housing supply.	S Housing Stabil	Salomon		
SB 6335 (HB 2609)	Climate change/GMA	Addressing climate change through growth management.	S Local Governme	Salomon		
SB 6350 (HB 2659)	Vehicle taxes & fees	Limiting state and local taxes, fees, and other charges relating to vehicles.	S Transportation	Fortunato		
SB 6364	Impact fee schedule	Incentivizing smaller, more affordable single-family home development through impact fee schedule modifications.	S Housing Stabil	Zeiger		
SB 6388	Housing/impact fees	Concerning impact fees for multifamily and single-family housing.	S Housing Stabil	Zeiger		
SB 6411 (HB 2620)	Multiple-unit dwellings/tax	Expanding the property tax	S Housing Stabil	Das		

		exemption for new and rehabilitated multiple-unit dwellings in urban growth areas.				
SB 6426 (HB 2834)	Identocard/homeless	Implementing an identocard program to provide individuals a Washington state issued identocard.	S Transportation	Cleveland		
SB 6453 (HB 2427)	Climate change/GMA	Tackling climate change as a goal of the growth management act.	S Local Governme	Salomon		
SB 6463	Comp. plans/environment	Eliminating environmental analysis and mitigation requirements on projects within the comprehensive plan.	S Local Governme	Wilson		
SB 6472 (SHB 2388)	Homelessness definitions	Standardizing definitions of homelessness to improve access to services.	S Human Svcs, Re	Lovelett		
SB 6481 (HB 2508)	City utility surplus	Simplifying the process for donating low-value surplus property owned by a city-owned utility.	S Rules 2	Cleveland		
SB 6490 (HB 2878)	Criminal justice/housing	Addressing housing concerns for individuals impacted by the criminal justice system.	S Human Svcs, Re	Darneille		
SB 6496 (HB 2586)	Electrification	Concerning the electrification of homes and buildings.	S Environment, E	Lovelett		
SB 6504 (HB 2640)	Private detention/GMA	Clarifying that facilities that are operated by a private entity in which persons are detained in custody under process of law pending the outcome of legal proceedings are not essential public facilities under the growth management act.	S Local Governme	Darneille		

SB 6536 (HB 2780)	Single-family zones	Creating more housing options in traditionally single-family zones.	S Housing Stabil	Das	Oppose	
SB 6546	Shared housing	Incentivizing shared housing.	S Housing Stabil	Zeiger		
SB 6566	Kitsap comprehensive plan	Amending the schedule for updates to the comprehensive plan of Kitsap county that are required under the growth management act to match the update schedules of other central Puget Sound counties.	S Local Governme	Randall		
SB 6574	GMHB & ELUHO powers, duties	Clarifying the respective administrative powers, duties, and responsibilities of the growth management hearings board and the environmental land use and hearings office.	S Local Governme	Takko		
SB 6585	Medication-assisted tx/jails	Encouraging the use of medication-assisted treatment within jails.	S Human Svcs, Re	Zeiger		
SB 6586	Electric vehicles/per mile	Implementing a per mile charge on electric and hybrid vehicles.	S Transportation	Salda?a		
SB 6617	Accessory dwelling units	Concerning accessory dwelling unit regulation.	S Housing Stabil	Liias		
SB 6631 (HB 2797)	Housing/sales & use tax	Concerning the sales and use tax for affordable and supportive housing.	S Housing Stabil	Salda?a		
SB 6643	Abandon/council-manager plan	Combining a resolution proposing abandonment and a resolution proposing a council-manager plan of government into a single proposition.	S Local Governmen	Takko		
SB 6649	Emerg. homeless shelters/tax	Establishing a local sales and use tax option to fund emergency homeless shelters.	S Housing Stabil	Zeiger		

Chair Proposed 2-5-2020
2020 New Law Transportation Funding Proposal Summary
15 Year: FY 2021 – FY 2035

Summary:

Option 1A - Carbon Fee Utilities Included:

Assumptions include imposing a flat rate \$10 per metric ton for utilities and \$15 per metric ton for other entities on July 1, 2021 on carbon dioxide emissions on the sale or use of fossil fuels within the state of Washington and the sale or use of electricity in Washington generated using fossil fuels.

Exemptions include: energy-intensive trade-exposed (EITE) facilities; the sale or use of coal transition power; fuel used solely for agricultural purposes; aircraft fuel; fossil fuels and electricity used to manufacture timber products; activities or property of Indian tribes and individual Indians that are exempt from state taxation as a matter of federal law or state law; eligible renewable resources; biogas, biodiesel, cellulosic ethanol, and renewable diesel; and a variety of other industries and entities.

Option 1B - Carbon Fee Transportation Sector Only, Utilities Excluded:

Assumptions include imposing a flat rate \$20 per metric ton on July 1, 2021 on carbon dioxide emissions on the sale or use of fossil fuels within the state of Washington for transportation sector fuels only. Utilities are excluded from this carbon fee.

Exemptions include fuel used solely for agricultural purposes; aircraft fuel; marine fuel; rail; and exported transportation fuel.

Revenue from the carbon fee is available for environmental investments throughout the transportation system including:

- Fish passage barrier removal/corrections;
- Removal of key local fish passage barriers using a watershed approach;
- Storm water improvements;
- Next generation ferry vessel and terminal investments including electrification initiatives;
- Energy grid upgrades targeting transportation electrification;
- Debt service repayment on related capital investments.

Option 2 - Cap and Invest Program:

Based on PSSB 5981, assumptions include creation of a program to cap and then reduce statewide greenhouse gas (GHG) emissions. GHG emissions allowances are distributed by the state in a declining amount each year to meet emission targets established for 2035 and 2050. The program is to be designed to link with other jurisdictions with similar trading programs.

The program starts January 1, 2021, for entities that emit equal to or greater than 25,000 metric tons of CO₂ equivalent and entities that choose to opt-in to the program. For EITEs, January 1, 2024. Exempted entities: Biomass, biofuel, aviation and watercraft fuels, coal-fired electric generation and national security facilities.

The state revenue from cap and invest system is available for environmental investments throughout the transportation system including:

- Fish passage barrier removal/corrections;
- Removal of key local fish passage barriers using a watershed approach;
- Storm water improvements;
- Next generation ferry vessel and terminal investments including electrification initiatives;
- Energy grid upgrades targeting transportation electrification;

Motor and Special Fuels Excise Tax:

Option 1A and Option 2 raise the state's fuel tax rate to 55.4 cents per gallon, an increase of 6 cents per gallon.

Option 1B Raises the state's fuel tax rate to 57.4 cents per gallon, an increase of 8 cents per gallon.

Revenue from the tax is available for transportation investments including:

- State highway and local road/street improvements and preservation;
- Tribal highway/road/street improvements and preservation;
- State highway maintenance;
- State highway traffic operations;
- State highway related facilities; and
- Debt service repayment on related capital investments.

Assessed Value Transportation Assessment:

Imposes a statewide transportation impact fee based on assessed value of 0.4% for commercial development, 0.1% for manufacturing development, and 0.2% for residential development. This assessment only applies to new construction. Exemptions are provided for designated forestland, agriculture land, and timberland.

Revenue from the fee is available for development and growth management investments including:

- State highway and local road/street improvements and preservation;
- Tribal transportation improvements and preservation;
- Direct distributions to cities and counties;
- Grant funding through CRAB, FMSIB, TIB, and WSDOT Local Programs including;
 - Bicycle and Pedestrian projects and grant program
 - Safe Routes to Schools grant program
 - Complete Streets grant program
- Removal of key local fish passage barriers using a watershed approach; and
- Grants to port districts.

Truck Fees:

Graduated freight project fee increases averaging 16% per biennium. International Fuel Tax Agreement (IFTA) Decal increased by \$22.50 & 3-day trip permit fee increased by \$20.

Revenue from the fees are available for transportation investments including:

- State highway and local road/street improvements and preservation;
- Tribal highway/road/street improvements and preservation;
- State highway maintenance;
- State highway traffic operations;
- State highway related facilities;
- Grant funding through FMSIB; and
- Grants to port districts.

Enhanced Driver's License (EDL) & Identicard (EID) Fee:

Increases the EDL and EID fees by \$15 beginning in October of 2020.

Revenue from the fee is available for transportation investments including:

- State highway and local road/street improvements and preservation;
- Tribal transportation improvements and preservation;
- State highway maintenance;
- State highway traffic operations;
- State highway related facilities;
- PCC railroad upgrades; and
- Grant funding through the WSDOT Public Transportation Program including:
 - Special Needs
 - Rural Mobility
 - Bus & Bus Facility
 - Vanpool
 - Transit Coordination
 - Commute Trip Reduction (CTR)

Auto Parts Sales & Use Tax:

Increases the sales and use tax rate on the sale of auto parts by 1%.

Revenue from the incremental increase in the tax is available for transportation investments including:

- State highway and local road/street improvements and preservation;
- Tribal highway/road/street improvements and preservation;
- State highway maintenance;
- State highway traffic operations; and
- State highway related facilities.

Rental Car Tax:

Increases the rental car tax by 1%.

Revenue from the incremental increase in the tax is available for transportation investments including:

- State highway and local road/street improvements and preservation;
- Tribal transportation improvements and preservation;
- State highway maintenance;
- State highway traffic operations; and
- State highway related facilities.

For-Hire Vehicle Fee:

Imposes a 50 cent per trip fee on for-hire vehicles which includes transportation network companies and taxicabs.

- State highway and local road/street improvements and preservation;
- Tribal transportation improvements and preservation;
- State highway maintenance;
- State highway traffic operations;
- State highway related facilities;
- PCC railroad upgrades; and
- Grant funding through the WSDOT Public Transportation Program including:
 - Special Needs
 - Rural Mobility
 - Bus & Bus Facility
 - Vanpool
 - Transit Coordination
 - Commute Trip Reduction (CTR)

Washington State Ferries (WSF) Capital Vessel Surcharge:

Raises the capital vessel surcharge to 75 cents, an increase of 25 cents.

Revenue from the surcharge is available for next generation ferry vessel and terminal investments including electrification initiatives.

Bicycle Sales & Use Tax:

Increases the sales and use tax rate on the sale of new bicycles, including e-bikes, by 1%.

Revenue from the tax is available for transportation investments including:

- Grant funding through WSDOT Local Programs including:
 - Bicycle and Pedestrian projects and grant program

- Safe Routes to Schools grant program
- Complete Streets grant program
- State highway and local road/street improvements and preservation; and
- Tribal transportation improvements and preservation.

Bond Authorization:

A \$5 billion bond authorization, backed by fuel tax revenues, is needed to expedite construction of priority capital projects identified by the Legislature.

Other Included Policy Initiatives:

- Identify watershed based fish passage barrier remediation and the US 2 trestle project as projects of statewide significance.
- Advance delivery of the SR 432 project.
- Legislation providing a \$50 document fee increase (\$200 total) for auto dealers.

Estimated 15-Year (FY 2021-FY 2035) Revenue Impacts of New Law Proposals for 2020 Session

(Dollars in Millions)

	Revenue Item	Chair Proposed Option 1A (Carbon Fee, Utilities included)	Chair Proposed Option 1B (Carbon Fee, Utilities excluded)	Chair Proposed Option 2 (Cap & Invest)
1	Carbon Pollution Fee - Option 1A - \$10 per metric ton for utilities and \$15 per metric ton for other entities on 7/1/2021 with exemptions, no growth factor. - Option 1B - \$20 per metric ton for transportation sector only on 7/1/2021 with exemptions, no growth factor. Utilities excluded entirely.	\$9,152	\$8,057	\$0
2	Cap & Invest Revenues - The state revenue from Cap and Invest system, which is designed to limit greenhouse gas emissions to targets established for 2035 and 2050, is dedicated for transportation purposes.	\$0	\$0	\$8,741
3	Fuel Taxes - Options 1A & 2=6 cent increase on 7/1/2020, with total state gas tax=55.4 cents. - Options 1B= 8 cent increase on 7/1/2020, with total state gas tax=57.4 cents.	\$3,224	\$4,299	\$3,224
4	Statewide Special Transportation Benefit Assessment - New assessment on <u>new construction</u> value increase on 7/1/2020. Residential = \$2 per \$1,000 AAV; Manufacturing=\$1 per \$1,000 AAV, Commercial/All Other=\$4 per \$1,000 of AAV. Forestland, agriculture land and timberland are exempt.	\$1,671	\$1,671	\$1,671
5	For-Hire Vehicles and Transportation Network Company Fees - New \$50 cent per trip fee on taxicabs and TNCs (e.g. Uber, Lyft) on 7/1/2020.	\$456	\$456	\$456
6	Automobile Parts Sales and Use Tax - 1% increase on 7/1/2020.	\$403	\$403	\$403
7	Enhanced Driver's Licenses and Identical Cards - \$24 fee increased to \$39 on 10/1/2020 (6-year license).	\$175	\$175	\$175
8	Freight Project Fees - Additional 10-22% freight project fee phased-in over 5 biennia.	\$243	\$243	\$243
9	Trip Permit Fees (3-day for unlicensed drivers or oversized loads) - \$25 fee increased to \$45 on 7/1/2020.	\$52	\$52	\$52
10	Increase in IFTA Decals (Interstate trucks) - \$10 fee increased to \$32.50 on 7/1/2020.	\$12	\$12	\$12
11	Rental Car Tax - 5.9% increased to 6.9% on 7/1/2020.	\$108	\$108	\$108
12	Capital Vessel Surcharge - 50 cent surcharge increased to 75 cents on 7/1/2020.	\$67	\$67	\$67
13	Bicycle Sales and Use Tax - 1% increase on 7/1/2020.	\$15	\$15	\$15
14	Tacoma Narrows Bridge Transfers - A total of \$114.5 million in transfers from the Forward Washington Account to the Tacoma Narrows Bridge Account are made to prevent future toll rate increases for the Tacoma Narrows Bridge.	(\$114)	(\$114)	(\$114)
15	Interest Income - Forward Washington Account and Forward Flexible Account interest earnings.	\$25	\$25	\$25
	New Law Revenue Total	\$15,487.3	\$15,467.3	\$15,076.3

LEAP Transportation Document 2020 NL-1 as developed February 5, 2020
Forward Washington Projects
(\$ Thousands)

	Project Title	Leg Dist	Fund	Total
	Highway Improvements Program (I) Total			11,711,742
1	I-5 Bridge Replacement	49	FWA/Fed/Toll/Other	3,140,000
2	SR 18 Widening – Issaquah/Hobart Rd to Raging River	5	FWA	259,000
3	SR 9 Widening – 176th St SE to SR 96	1, 44	FWA	58,200
4	SR 522 Widening	1	FWA	83,600
5	SR 522 Paradise Lake Road Interchange	1	FWA	83,600
6	Apple Capital Loop	12	FWA	169,000
7	Watershed Fish Passage Barrier Removal	Multiple	FWA	3,500,000
8	Stormwater Retrofits & Improvements	Multiple	FWA	500,000
9	US 2 Monroe Bypass and Widening	39	FWA	58,500
10	SR 410/White River Bridge	31	FWA	56,906
11	SR 162/Sumner to Orting Improvements - Engineering & ROW	2, 25, 31	FWA	300
12	Columbia River Bridge Replacement/Hood River to White Salmon	14	FWA/Toll/Other	343,998
13	SR 520 Noise Mitigation	43, 48	FWA	2,000
14	I-5/US 101 South Sound Corridor Study	28, 22, 2, 35	FWA	7,000
15	SR 125/State Line to Walla Walla - Intersection Improvements	16	FWA	18,903
16	I-90/Kittitas to Vantage - Wildlife Fence	13	FWA	11,582
17	US 12/Naches to Yakima - Safety Improvements	14, 15	FWA	2,777
18	US 12 Ackley Road Intersection Safety Improvements	14, 15	FWA	1,669
19	US 12 Cowiche Creek Bridge Replacement	14, 15	FWA	19,012
20	SR 410 Rock Creek Chronic Environmental Deficiency	14	FWA	7,095
21	US 97 Union Gap - Construct Beltway Connection	15	FWA	12,070
22	US 12 East of White Pass - Add Passing Lanes	14	FWA	6,943
23	SR 99/Aurora Avenue Bridge Safety Improvements	36, 43	FWA	70,000
24	I-5/JBLM HOV Improvements	27, 28, 29	FWA	350,000
25	US 2 Trestle Full Rebuild	38, 44	FWA/Toll/Other	1,802,219
26	I-405/NE 8th St Renton Interchange	11, 37	FWA/Toll	245,000
27	US 395/Etopia Interchange	9	FWA	22,512
28	US 395/Foster Wells Road Interchange	9, 16	FWA	20,372
29	US 12/Wallula to Nine Mile Hill Widening	16	FWA	207,313
30	SR 3/Belfair Area - Widening and Safety Improvements (Phase 2)	35	FWA	35,000
31	US 101 Shelton Centerline Safety	35	FWA	5,064
32	SR 3/SR 16 Intersection Improvements	26, 35	FWA	43,987
33	SR 3/Gorst Area - Widening	35, 26	FWA	413,595
34	SR 6/Pluvius Bridge	19	FWA	17,533
35	SR 516/185th to 192nd Widening (Design and Right of Way)	47	FWA	2,000
36	SR 18 Corridor Study	47	FWA	1,000
37	SR 16 Gig Harbor Congestion Improvements	26	FWA	2,095
38	SR 16/SR 160 Roundabouts	26	FWA	7,440
39	SR 410 Improvements - Traffic Ave, SR 162, & 166th Ave	25, 31	FWA	35,099
40	I-5/Port of Tacoma Road Interchange Improvements	25	FWA	20,000
41	SR 104 Realignment for Ferry Traffic	23	FWA	11,000
42	SR 109/Moclips River Bridge Replacement	24	FWA	7,000
43	US 101/Simdars Rd Interchange	24	FWA	7,544
44	US 101 Climbing Lanes	24	FWA	6,500
45	SR 105 Culvert and Drainage Improvements	19	FWA	1,214
46	SR 530/Chief Brown Lane Safety Improvements	39	FWA	12,100
47	SR 548 Blaine Grade Crossing	42	FWA	24,000
48	SR 432 Longview Grade Crossing	19	CWA	Advance

	Project Title	Leg Dist	Fund	Total
	Highway Preservation Program (P) Total			1,000,000
49	Highway Preservation	Multiple	FWA	869,000
50	I-90/RR, Broadway, Park Rd Crossings - Expansion Joint Repair	4	FWA	1,800
51	SR 206/Bruce Rd to Mt Spokane State Park - Chip Seal	4	FWA	1,400
52	SR 27/Freeman to 32nd Ave - Chip Seal	4	FWA	700
53	US 197/The Dalles Bridge Deck Replacement	14	FWA	11,800
54	US 97/Satus Creek Bridge - Bridge Replacement	14	FWA	6,600
55	SR 14/0.4 Mile East of Lyle - Slope Stabilization	14	FWA	6,000
56	SR 241 Mabton Bridge Shortfall	15	FWA	2,500
57	US 12 White Pass Corridor Preservation	14, 20	FWA	80,000
58	SR 410/288th Ave Se Vic to Crystal Mountain Blvd Vic - BST	31	FWA	6,400
59	SR 162/Spiketown Creek Bridge - Bridge Replacement	31	FWA	3,700
60	SR 410/W of SR 162 on-ramp to White River Br - Paving	31	FWA	3,200
61	SR 3/Goldsborough Creek Bridge - Replace Bridge	35	FWA	3,400
62	US 101/N of Sund Creek to N of Bourgault Rd - Chip Seal	35	FWA	1,900
63	SR 106/US 101 to W of SR 3 - Chip Seal	35	FWA	1,600
	Washington State Ferries Capital Program (W) Total			1,403,400
64	Vessel & Terminal Construction/Preservation	Multiple	FWA	1,312,000
65	Vessel Electrification	Multiple	FWA	91,400
	Rail Capital Program (Y) Total			162,500
66	PCC Rail lines rebuilt to Class 2 (25mph) standard	6, 7, 9, 12, 13	FFA	150,000
67	Clark County Chelatchie Prairie RR	18	FFA	12,500
	Local Programs (Z) Total			355,300
68	Tacoma Puyallup River Bridge	25, 27	FWA	110,000
69	Highland Park Way SW & SW Holden St Roundabout	34	FWA	2,500
70	Wollochet Dr NW Widening	26	FWA	18,000
71	Canyon Road Regional Connection Project	25	FWA	50,000
72	Moclips Highway/SR 109 to US 101 Chip Seal	24	FWA	1,200
73	Evacuation Street Relocation	24	FWA	1,300
74	Kla Ook Wa Drive Extension	24	FWA	1,700
75	US 101/N Valley Dr to N Reservation Rd Sidewalk	35	FWA	300
76	Nespelem School Loop Rd & Columbia River Rd Improvements	12	FWA	7,300
77	Gifford Ferry Rd Chip Seal	7	FWA	2,000
78	Inchelium Vicinity Road Improvements	7	FWA	2,500
79	Kartar Valley Road Improvements	12	FWA	5,000
80	Browning Street/Pioneer Way Reconstruction	25, 27	FWA	8,000
81	Puyallup to Tacoma Bike/Pedestrian Safety Link	25, 27	FWA	500
82	Sprague Avenue Phase II Improvements	3	FWA	5,000
83	Grove Street Overcrossing	38	FWA	22,000
84	Snohomish River Bridge and Trail Project	44	FWA	22,400
85	Sedro-Woolley Corridor Trail Bridge	39	FWA	30,600
86	Poplar Way Bridge	32	FWA	40,000
87	Division Street Bus Rapid Transit - Spokane Transit Authority	3	FFA	25,000

Notes to New-Law Transportation Project List

- 1 Aging and phasing of project delivery is subject to further negotiation.
- 2 \$1.47B toll, \$1.25B federal, and \$680M other (local contributions or border state contributions) revenue is included in this proposed highway improvement project list.
- 3 Fund Detail: FWA - Forward Washington Account; FFA - Forward Flex Account; Fed - federal funding assumed; Toll - unspecified toll revenue; CWA - Connecting Washington Account



MONROE CITY COUNCIL
 Legislative Affairs Committee Meeting
 Tuesday, February 11, 2020, 6 P.M.

2020 Committee
 Councilmembers
 Ed Davis
 Kirk Scarboro
 Kevin Hanford

SUBJECT:	<i>Affordable Housing Sales and Use Tax Follow Up</i>
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DATE:	DEPT:	CONTACT:	PRESENTER:	ITEM:
02/11/2020	Administration/ Finance	Deborah Knight/ Becky Hasart	Becky Hasart	New Business E

Discussion – Committee: 08/27/2019; 10/15/2019; 01/21/2020
Discussion – Council: 09/17/2019 (Study Session)
Attachments:

1. 10-15-2019 Q&A follow up memo
2. RCW 82-14-530 Affordable Housing Sales Tax
3. Exert from 10/15/2019 FHR HB1406 agenda bill

REQUESTED ACTION: None. Informational only.

POLICY CONSIDERATIONS

RCW 82-14-530 allows a jurisdiction to impose up to a 1/10 of 1 percent sales and use tax for affordable housing purposes. If approved by the voters prior to July 28, 2020, this tax would also be a qualifying local tax for purposes of House Bill 1406.

During discussion at the committee meeting on October 15, 2019, the FHR committee requested additional information regarding this potential tax source. After the committee’s discussion on January 21, 2020, Mayor and staff were asked to bring the issue back for reconsideration in October.

DESCRIPTION/BACKGROUND

RCW 82-14-530 allows cities, with voter approval, to implement up to a 1/10th of 1 percent sales and use tax for housing and related services, which can also be a qualifying local tax for purposes of House Bill 1406. Attachment 1 is the memo sent out after the October meeting with details on how this money may be used and lists estimates for how much this money can generate.

In order to be “instated” prior to the July 29, 2020 deadline for HB1406 purposes, the vote to enact this sales tax would have to occur on the April 28, 2020 special election. The City Council would have to adopt a resolution and submit it to County elections no later than February 28, 2020 to qualify for the April election. The City may request its voters to approve this tax after July 28, 2020. However, while the City would collect the new sales tax from this measure, anything after the July timeline would not qualify the City for the second half of the **State’s** sales tax associated with HB1406.



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MEMO

TO: Mayor Thomas, City Council, and City Administrator Deborah Knight

FROM: Becky Hasart, Finance Director

DATE: 11/4/2019

RE: Questions from October 15, 2019 Finance/HR Committee

The following memo lists out the questions that were asked at the 10/15/2019 Finance/HR Committee associated with the attached committee agenda item. Also attached is a sales tax breakdown graph and sales tax comparison for Monroe along with the text of RCW 82.14.530.

One item to note on the attached committee agenda item—there is a mistake regarding expected revenues associated with the QLT – Sales and Use Tax. One tenth of one percent (0.1%) should be \$477,000, not \$47,700 and one half of one tenth of one percent (0.05%) should be 238,500 not \$23,850. The information below includes the corrected projections.

As always, if you have any questions, please let me know. Thank you.

Q: How can we spend the money?

A: Per RCW 82.14.530 (attached), a sales and use tax for housing and related services, one of the qualifying local taxes that the City is eligible to assess, must use:

§(2)(a) ...a minimum of sixty percent of the moneys collected under this section...for the following purposes:

- (i) Constructing affordable housing, which may include new units of affordable housing within an existing structure, and facilities providing housing-related services; or
- (ii) Constructing mental and behavioral health-related facilities; or
- (iii) Funding the operations and maintenance costs of new units of affordable housing and facilities where housing-related programs are provided, or newly constructed evaluation and treatment centers.

§(2)(c) The remainder of the moneys collected under this section must be used for the operation, delivery, or evaluation of mental and behavioral health treatment programs and services or housing-related services.

Q: Does the sales tax vote require a simple majority or supermajority to pass?

A: The sales tax vote requires a simple majority.

Q: When would we need to run an election for the sales tax option to be a qualifying local tax for HB 1406?

A: To be a qualified local tax for the purposes of HB 1406, legislation regarding the Sales and Use Tax for Housing and Related Services only requires that the tax be “instated” by July 28, 2020, which has been determined to mean voter approved. Actual collections can occur after the July 28, 2020 date.

To be “instated” by July 28, 2020, the City would have to present the sales and use tax to the voters in either February or April 2020. Department of Revenue (DOR) requires a minimum of 75 days’ notice prior to the start of collections for the sales tax. DOR also will only start collections at the beginning of a quarter with the exception of the fourth quarter, which is not eligible for the start of a new sales tax. The following chart outlines the timelines associated with both the February 2020 and April 2020 special elections:

Table 1: Special Election Timelines

Election date	February 11, 2020	April 28, 2020
Resolution to county	By December 13, 2019	By February 28, 2020
Election certification	February 21, 2020	May 8, 2020
Start date for collection of taxes (after min 75 day notice)	July 1, 2020	October 1, 2020
Actual receipts to the City (sales taxes are on two month lag after collection)	September 1, 2020	December 1, 2020

The City can request this tax at any time in the future as long as the County has not enacted this sales tax; however the tax would not qualify as a “qualified local tax” per HB 1406 unless it is “instated” prior to July 28, 2020.

Q. What would the cost of an election be to run in either February or April?

A. Election costs vary depending on how many jurisdictions have an issue on that special election. The average cost of a standalone election can be \$50,000. If there are multiple items on a specific election date, costs are shared among the appropriate jurisdictions based on the number of each jurisdiction’s registered voters. Snohomish County elections has indicated that there has been interest from other jurisdictions to run ballot measures for both February and April, 2020. If that is the case, costs for the City of Monroe can be as low as \$20,000.

Q. If approved by the voters, does this tax have an expiration date?

A: This tax is an ongoing tax (does not have a sunset date).

Q: What other sales taxes are currently being collected in Monroe/included in the 9.3% sales tax rate in Monroe?

A: The City of Monroe’s current sales tax rate is 9.3%. The rate breaks down per the table below (also see attached Sales Tax graph and comparison):

Table 2: Monroe sales tax rate breakdown

Jurisdiction	Rate	Notes
State of Washington general tax	6.5%	Ongoing (no sunset)
State criminal justice tax	0.1%	Ongoing
City regular and optional tax	1.0%	Ongoing
Monroe TBD tax	0.2%	Ends December 2024
Monroe public safety tax	0.1%	Ongoing
Local transit tax	1.2%	Ongoing
County mental health	0.1%	Ongoing
Snohomish County 911	0.1%	Ongoing
Total	9.3%	

The Monroe Transportation Benefit District (TBD) tax expires in December 2024. The Monroe TBD board can request one additional 10 year collection period for the TBD portion of sales tax with voter approval (simple majority).

Q: How does Monroe’s sales tax rate compare to other local jurisdictions?

A: The following table compare’s Monroe’s current sales taxes to other Snohomish County cities:

Table 3: Sales tax rate comparison

Rate Comparison	City
<i>Monroe*</i>	9.3%
Bothell in SnoCo	10.4%
Everett	9.8%
Gold Bar	9.0%
Granite Falls	9.0%
Lake Stevens	9.0%
Lynnwood	10.5%
<i>Marysville*</i>	9.3%
Mill Creek	10.5%
<i>Snohomish*</i>	9.2%
Sultan	9.0%
<i>*Italics includes TBD</i>	

As indicated in the Table 3, the sales tax rate for those cities in italics include sales taxes for their local transportation benefit district.

**Q: If approved, how much revenue do we anticipate receiving in the first year?
Over the next ten years?**

A: The sales tax rate for the Sales and Use Tax authorized in RCW 82.14.530 can be up to one tenth of one percent (0.1%), similar to Monroe’s public safety sales tax. The minimum the City could request from its voters is one half this amount. The follow table represents a conservative estimate for revenue over a ten year period for the full 0.1% authorization:

Table 4: Potential sales tax collection (10 Years)

	Ongoing	Construction	Total
2020	\$ 432,000	\$ 45,000	\$ 477,000
2021	\$ 437,443	\$ 40,000	\$ 477,443
2022	\$ 442,955	\$ 40,000	\$ 482,955
2023	\$ 448,536	\$ 40,000	\$ 488,536
2024	\$ 454,188	\$ 40,000	\$ 494,188
2025	\$ 459,911	\$ 40,000	\$ 499,911
2026	\$ 465,705	\$ 40,000	\$ 505,705
2027	\$ 471,573	\$ 40,000	\$ 511,573
2028	\$ 477,515	\$ 40,000	\$ 517,515
2029	\$ 483,532	\$ 40,000	\$ 523,532
2030	\$ 489,624	\$ 40,000	\$ 529,624
2031	\$ 495,794	\$ 40,000	\$ 535,794
		10 year total	\$ 6,043,776

The sales tax revenue in Table 4 is similar to our expectations for the public safety portion of sales taxes. This amount was escalated 1.26% per year for the ongoing amount, similar to the agreed upon escalator used for our Six Year General Fund Forecasts. The construction portion of sales taxes remains stagnate to remain conservative. Actuals on the construction portion of sales taxes would be cyclical based on the economy. All numbers would be halved if the City requests one half of the full tax authority (the minimum tax request).

RCW 82.14.530

Sales and use tax for housing and related services.

(1)(a) A county legislative authority may submit an authorizing proposition to the county voters at a special or general election and, if the proposition is approved by a majority of persons voting, impose a sales and use tax in accordance with the terms of this chapter. The title of each ballot measure must clearly state the purposes for which the proposed sales and use tax will be used. The rate of tax under this section may not exceed one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

(b)(i) If a county with a population of one million five hundred thousand or less has not imposed the full tax rate authorized under (a) of this subsection within two years of October 9, 2015, any city legislative authority located in that county may submit an authorizing proposition to the city voters at a special or general election and, if the proposition is approved by a majority of persons voting, impose the whole or remainder of the sales and use tax rate in accordance with the terms of this chapter. The title of each ballot measure must clearly state the purposes for which the proposed sales and use tax will be used. The rate of tax under this section may not exceed one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

(ii) If a county with a population of greater than one million five hundred thousand has not imposed the full tax authorized under (a) of this subsection within three years of October 9, 2015, any city legislative authority located in that county may submit an authorizing proposition to the city voters at a special or general election and, if the proposition is approved by a majority of persons voting, impose the whole or remainder of the sales and use tax rate in accordance with the terms of this chapter. The title

of each ballot measure must clearly state the purposes for which the proposed sales and use tax will be used. The rate of tax under this section may not exceed one-tenth of one percent of the selling price in the case of a sales tax, or value of the article used, in the case of a use tax.

(c) If a county imposes a tax authorized under (a) of this subsection after a city located in that county has imposed the tax authorized under (b) of this subsection, the county must provide a credit against its tax for the full amount of tax imposed by a city.

(d) The taxes authorized in this subsection are in addition to any other taxes authorized by law and must be collected from persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the county for a county's tax and within a city for a city's tax.

(2)(a) Notwithstanding subsection (4) of this section, a minimum of sixty percent of the moneys collected under this section must be used for the following purposes:

(i) Constructing affordable housing, which may include new units of affordable housing within an existing structure, and facilities providing housing-related services; or

(ii) Constructing mental and behavioral health-related facilities; or

(iii) Funding the operations and maintenance costs of new units of affordable housing and facilities where housing-related programs are provided, or newly constructed evaluation and treatment centers.

(b) The affordable housing and facilities providing housing-related programs in (a)(i) of this subsection may only be provided to persons within any of the following population groups whose income is at or below sixty percent of the median income of the county imposing the tax:

(i) Persons with mental illness;

(ii) Veterans;

(iii) Senior citizens;

(iv) Homeless, or at-risk of being homeless, families with children;

(v) Unaccompanied homeless youth or young adults;

(vi) Persons with disabilities; or

(vii) Domestic violence survivors.

(c) The remainder of the moneys collected under this section must be used for the operation, delivery, or evaluation of mental and behavioral health treatment programs and services or housing-related services.

(3) A county that imposes the tax under this section must consult with a city before the county may construct any of the facilities authorized under subsection (2)(a) of this section within the city limits.

(4) A county that has not imposed the tax authorized under RCW 82.14.460 prior to October 9, 2015, but imposes the tax authorized under this section after a city in that county has imposed the tax authorized under RCW 82.14.460 prior to October 9, 2015, must enter into an interlocal agreement with that city to determine how the services and provisions described in subsection (2) of this section will be allocated and funded in the city.

(5) To carry out the purposes of subsection (2)(a) and (b) of this section, the legislative authority of the county or city imposing the tax has the authority to issue general obligation or revenue bonds within the limitations now or hereafter prescribed by the laws of this state, and may use, and is authorized to pledge, up to fifty percent of the moneys collected under this section for repayment of such bonds, in order to finance the provision or construction of affordable housing, facilities where housing-related programs are provided, or evaluation and treatment centers described in subsection (2)(a)(iii) of this section.

(6)(a) Moneys collected under this section may be used to offset reductions in state or federal funds for the purposes described in subsection (2) of this section.

(b) No more than ten percent of the moneys collected under this section may be used to supplant existing local funds.

[2015 3rd sp.s. c 24 § 701.]

NOTES:

Construction—2015 3rd sp.s. c 24: See note following RCW 36.160.030.

10/15/2019 FHR Agenda Bill exert

POLICY CONSIDERATIONS

House Bill 1406 was introduced to the City Council at the September 17, 2019, Study Session (see Attachment 1) and was first introduced to the Legislative Affairs Committee on August 27, 2019.

House Bill 1406 requires the City Council to adopt a “resolution of intent” between July 28, 2019, and January 31, 2020, in order to receive a portion of the state’s sales tax for affordable housing and rental assistance programs for twenty years.

There were two policy questions:

- 1. Does the City Council want to implement HB 1406 before January 31, 2020?*
- 2. Does the City Council want to implement a qualifying local tax before July 31, 2020?*

The first policy question was answered at the September 17, 2019, Study Session. The City Council provided direction to move forward with a letter of intent to access the first half of the state’s sales tax credit.

The City Council requested additional information regarding a qualifying local tax. After tonight’s discussion, should the Finance/HR Committee recommend that the City Council pursue implementing a qualifying local tax before July 31, 2020?

DESCRIPTION/BACKGROUND

Attachment One details the state sales tax credit the City can utilize to help provide affordable and/or supportive housing. Again, the City is eligible to receive 0.0073 percent of the state sales tax credit with the adoption of the resolution of intent and then the appropriate ordinance. The City can access an additional 0.0073 percent if it also implements a “qualifying local tax” (QLT) prior to July 31, 2020.

The three QLT options available to a city our size and in our geographic region are:

- A sales and use tax for affordable housing (RCW 82.14.530);
- Affordable housing tax levy (RCW 84.52.105); or
- A levy lid lift (RCW 84.55.050) that is restricted solely to affordable housing.

All three options would require voter approval with a simple majority vote and would have to be approved prior to July 31, 2020.

QLT – Sales and Use Tax

House Bill 1406 allows cities, with voter approval, to implement up to one tenth of one percent (0.1 percent) of a sales tax to be used for affordable housing. The minimum sales tax that could be requested is half this amount or one half of one tenth of one percent (0.05 percent). Again, this amount would have to be voter approved but can be presented at any special, primary, or general election. Current estimates on the amount that would be raised is:

- One tenth of one percent (0.1%) \$47,700
- One half of one tenth of one percent (0.05%) \$23,850

QLT – Affordable housing levy (excess levy)

House Bill 1406 allows cities, with voter approval, to implement an affordable housing levy up to \$0.50 per \$1,000 of assessed valuation for ten years. MRSC believes this levy would require an annual vote. There is no minimum on the amount of the levy but if the County also obtains an approval for this levy, the two levies cannot exceed \$0.50 in the aggregate. If the two levies exceed the \$0.50, the levy adopted last would adjust down until the aggregate is below \$0.50.

Before the City could go to the voters for this levy, the following is required by RCW 84.52.105 (see Attachment 2):

- The governing body of the county, city, or town declares the existence of an emergency with respect to the availability of housing that is affordable to very low-income households in the taxing district; and
- The governing body of the county, city, or town adopts an affordable housing financing plan to serve as the plan for expenditure of funds raised by a levy authorized under this section, and the governing body determines that the affordable housing financing plan is consistent with either the locally adopted or state-adopted comprehensive housing affordability strategy, required under the Cranston-Gonzalez national affordable housing act (42 U.S.C. Sec. 12701, et seq.), as amended.

For tax year 2019, the following are amounts that could be realized from this tax levy:

- \$0.01 per \$1,000 AV \$ 28,850
- \$0.10 per \$1,000 AV \$ 288,500
- \$0.25 per \$1,000 AV \$ 721,250
- \$0.50 per \$1,000 AV \$ 1,442,500

QLT – Levy Lid Lift restricted solely to affordable housing

House Bill 1406 allows cities, with voter approval, to implement an affordable housing levy lid lift to our existing property tax levy. There is no minimum or maximum rate per \$1,000 of assessed value but the levy would be subject to our \$1.60 property tax jurisdictional limit. However, Municipal Research Services Center (MRSC) has confirmed with the Department of Revenue that a city cannot request a levy lid lift while it still has banked property tax capacity. The City of Monroe would have to exhaust our banked capacity before we could request a levy lid lift, regardless of the use for the voted levy. In addition, we cannot use our banked capacity as a qualifying local tax as this amount would not be subject to voter approval. The City of Monroe’s current property tax banked capacity is \$252,852