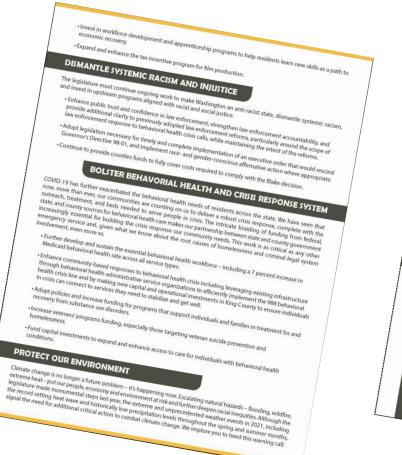
Legislative Agenda Update

 $COW - APRIL 6^{TH} 2022$

Session overview

- 60-day session
- Started January 10, ended March 10
- Mostly virtual format—committee meetings were all virtual, during floor debates a limited number of legislators were allowed on the chamber floors.
- 309 bills/resolutions passed
- Areas of focus included police reform, behavioral health, housing and homelessness, economic recovery.
- Supplemental budget year, but not just any supplemental budget year: between revenue forecast, Coronavirus relief funds, and federal infrastructure funds, Legislature had \$5B+ to spend.
- Move Ahead WA 16 year, \$16.9B transportation package.







Legislative Agenda 2022

Invest in housing 😱

- Provide planning resources to help local governments plan for a more diverse housing supply and to prevent displacement.
 - ✓ \$10M for grants to local governments to update and implement comprehensive plans.
 - ✓ \$7.5M for grants to local governments amending their comp plans in the 2024 cycle who take certain actions to allow middle housing zoning on at least 30% of lots currently zoned for single family residences.
 - HB 1782: Requires cities planning under GMA to authorize middle housing types or average minimum densities near transit areas and on lots zoned for single family residential use.
- Authorize a local-option, time-limited funding source to allow local governments to acquire and operate supportive and affordable housing units through local programs like Health Through Housing Initiative.

- Use federal ARPA funds to build and preserve affordable homes and emergency and supportive housing for lowincome households and for populations experiencing chronic homelessness.
 - ✓ \$45M grant funding to transition individuals living on public rights of way to permanent housing
 - ✓ \$45M for eviction prevention rental assistance program
 - ✓ \$300M for Rapid Capital Housing Assistance Program
 - ✓ \$114.5 for Housing Trust Fund
 - ✓ \$14.9 for homeless youth facilities
 - ✓ \$9M grant funding to assist in cost of utility improvements or connections.

Rebuild the economy 📀

Leverage federal funds to create jobs through large-scale investments in infrastructure across a broad range of sectors – affordable housing, broadband, transit, green energy, and other public infrastructure.

- Coronavirus State Fiscal Recovery federal funds (\$1.12B in operating budget)
 - \checkmark \$30M for Rapid Capital Housing Acquisition
 - \checkmark \$100M for business assistance for hospitality
 - ✓ \$20M for business assistance for arts
 - ✓ \$20M for convention center COVID support
 - ✓ \$45M for eviction prevention rental assistance
 - ✓ \$55M for homeless service provider stipends
 - ✓ \$45M for homeless right of way response and outreach
 - ✓ \$20M for small business disaster recovery
 - ✓ \$34.5M for small business innovation fund
 - ✓ \$100M for behavioral health provider relief
 - ✓ \$100M for utility assistance
 - ✓ \$144M for COVID vaccinations/response
 - ✓ \$58M for farmers to families food box
 - ✓ \$280M for public schools enrollment stabilization

- Infrastructure Investment and Jobs Act (\$328.6M in supplemental capital budget)
 - ✓ \$79M for safe drinking water projects
 - ✓ \$33M for clean water projects
 - ✓ \$15M for Salmon Recovery Funding Board (salmon recovery projects)
 - ✓ \$100M for broadband planning and infrastructure deployment
 - ✓ \$69M for weatherization program to upgrade low-income homes with energy-efficient improvements
 - \$20M for assistance to small and disadvantaged communities for safe drinking water projects
 - ✓ \$7.5M for battery and energy research, development and demonstration projects

Rebuild the economy 📀

- Invest in workforce development and apprenticeship programs to help residents learn new skills as a path to economic recovery.
 - ✓ SB 5600: Requires Washington State Apprenticeship and Training Council to establish industry-based platforms that promote collaboration for existing and newly registered apprenticeship programs; requires establishment of a committee to develop apprenticeship programs for state agencies; requires studies on apprenticeship retention and utilization.
 - ✓ HB 5764: Aligns the Washington College Grant award for apprentices to the maximum award amount received by students attending community and technical colleges; requires Ruckelshaus Center study on opportunities for apprentices to receive credit towards degree programs.

- Expand and enhance the tax incentive program for film production.
 - ✓ HB 1914: Increases the total statewide business and occupation tax credit limit for program contributions from \$3.5M to \$15M per calendar year, and increases the B&O tax credit limit one person may claim for contributions from \$750,000 to \$1M per calendar year.

Dismantle Systemic Racism and Injustice

- Enhance public trust and confidence in law enforcement, strengthen law enforcement accountability, and provide additional clarity to previously adopted law enforcement reforms, particularly around the scope of law enforcement response to behavioral health crisis calls, while maintaining the intent of the reforms.
 - ✓ HB 1735: Provides that the standard for physical use of force does not prevent a peace officer from responding to requests for assistance or service, nor does the standard limit or restrict a peace officer's authority or responsibility to perform life-saving or community caretaking functions.
 - ✓ HB 1719: Allows law enforcement agencies to use less than lethal equipment/munitions that exceed the .50 caliber restrictions imposed in the 2021 session.
 - ✓ HB 2037: Defines "physical force" as it pertains to the standard for use of force by peace officers. Authorizes a peace officer to use physical force, subject to the requirement to exercise reasonable care, to the extent necessary to prevent a person from fleeing or stopping a person who is actively fleeing a lawful temporary investigative detention and to take a person into custody when authorized or directed by statute.

Dismantle Systemic Racism and Injustice

- Adopt legislation necessary for timely and complete implementation of an executive order that would rescind Governor's Directive 98-01, and implement race- and gender-conscious affirmative action where appropriate.
 - ✓ Governor Inslee signs Executive Order 22-02 which rescinds Directive 98-01 and instructs state agencies on how to move forward with achieving equity.

- Continue to provide counties funds to fully cover costs required to comply with the Blake decision.
 - ✓ Budget: \$23M of new funding for county legal financial obligation reimbursement (administered by Administrative Office of the Courts).
 - ✓ Budget: \$2M for resentencing and data reporting.

Bolster Behavioral Health & Crisis Response System 🤡

- Enhance community-based responses to behavioral health crisis including leveraging existing infrastructure through behavioral healthadministrative service organizations to efficiently implement the 988 behavioral health crisis line and by making new capital and operational investments in King County to ensure individuals in crisis can connect to services they need to stabilize and get well.
 - ✓\$4M for KC mobile crisis response capacity.
 - ✓ \$3.9M for 3 KC behavioral health response teams.
 - ✓\$10M statewide to address impact of 988 call center volume.

- Further develop and sustain the essential behavioral health workforce – including a 7 percent increase in Medicaid behavioral health rate across all service types.
 - ✓ Funding provided for a 7% Medicaid provider rate increase, along with additional funding for a 7% rate increase for non-Medicaid services, involuntary treatment judicial services, and other non-covered costs.
 - ✓\$100M provided to address behavioral treatment access issues resulting from workforce shortages.

Bolster Behavioral Health & Crisis Response System 🤡

- Fund capital investments to expand and enhance access to care for individuals with behavioral health conditions.
 - ✓ \$72M to expand care for individuals in crisis by creating new capacity for 23-hour crisis triage, crisis stabilization, and youth residential crisis triage and stabilization facilities.
 - \$10M of this amount provided solely for KC walkin/stabilization center.
 - \$26.3M for Behavioral Health Community Capacity grants
 \$6M of this amount provided for Cascade Hall.
 - \checkmark \$10M to UW for behavioral health teaching facility.
 - ✓ HB 1866: Establishes the Apple Health and Homes Program to provide a permanent supportive housing benefit and a community support services benefit to persons who meet eligibility criteria related to income, medical risk factors, and barriers to finding stable housing.

- Adopt policies and increase funding for programs that support individuals and families in treatment for and recovery from substance use disorders.
 - SB 5920: Allows a court to make adjustments to parenting plans after a parent has demonstrated a substantial change in circumstances based on the parent abstaining from drug, alcohol, or other substance use.
- Increase veterans' programs funding, especially those targeting veteran suicide prevention and homelessness.
 - ✓ HB 1181: Establishes a suicide prevention community-based services grant program at Department of Veterans Affairs to fund programs for suicide prevention, peer support, and other assistance for veterans, military members and their families.
 - ✓ \$700K included in operating budget.

Protect our Environment 🔮

Empower large-scale change by creating new state tools, such as a climate bond for big and transformative projects including bus electrification and decarbonization of public building.

No climate bond.

- SB 5277: Building decarbonization bill that requires Commerce to adopt energy management and benchmarking requirements for certain commercial and multifamily residential buildings, and provides for incentive payments based on compliance with requirements.
- HB 1770: Requires each city, town, and county to enforce WA State energy code for residential buildings or adopt statewide residential reach code.

- Maximize local distribution of federal infrastructure funds, helping counties address climate change at the local level, through investments in transit, green energy, clean water and healthy habitat programs.
 - Joint Transportation Committee process over interim to make recommendation to Legislature regarding state/local split of IIJA funds.
 - No funds for local fish passage barrier removal, did include language allowing state funds to be used for match requirements in applying for federal grants.

Protect our Environment 🔮

- Create a capital investment grant program for long term care and other similar facilities to upgrade HVAC systems that reduce harm from wildfire smoke.
 - HB 1620: Directs WA Military Department to develop and implement an extreme weather response grant program to assist with costs of responding to community needs during periods of extremely hot or cold weather and poor air quality due to wildfire smoke.
- Support updates to land use planning that take into consideration climate change and resiliency.
 - HB 1099: Adds a goal of climate change mitigation to GMA, and adds a climate change and resiliency element to list of elements that must be included in comprehensive plans.

- Continue to enhance and grow product stewardship programs to make products safer for people and the planet, from design to disposal.
 - SB 5697: Establishes a program for the management of consumer packaging and paper products to be funded and implemented by producers of those products.
 - HB 1799: Establishes state goals related to organic materials management. Requires county solid waste plans to identify priority areas and a volumetric capacity for managing organic materials; to provide source-separated organic materials collection services. Requires businesses to arrange for organic materials management services.

Fix our Tax Structure

- TAX
- Replace the arbitrary property tax cap with a cap designed to keep pace with inflation and population growth.
 - HB 1362 changes the 1% cap to a 3% cap. No action in 2022 session.
- Provide local governments with maximum flexibility within their limited revenue streams.
 - ➢No 2022 legislation.
- Continue work to identify and implement progressive revenue sources rather than relying on traditional regressive sources.
 - HB 2026 implements a road usage charge program beginning July 1, 2025.

- Streamline local government ability to use the cultural access program.
 - HB 1058 authorizes jurisdictions to impose the local sales and use tax for cultural access programs by councilmanic authority.
- Refine the Long Term Care Trust Act provisions to ensure fair treatment of individuals paying the tax, and streamline implementation for all employers.
 - ✓ HB 1732 delays implementation for the program by 18 months and makes provisions for workers born before 1968 and who won't meet 10-year vesting requirement.
 - ✓ HB 1733 creates new exemptions to the program for certain veterans, military spouses, temporary workers, and workers who live outside the state.

General Priorities 🧭

- Maximize opportunities for local governments to access federal transportation infrastructure funds, and use infrastructure funds in a way that increases the overall share of public transit funding, that emphasizes maintenance and preservation of unincorporated roads and bridges, and that continues investing in capital improvements to state route corridors in King County.
 - ✓ Move Ahead WA Transportation Package (SB 5689, SB 5975, SB 5974): \$16.9B over 16 years
 - Climate Commitment Act: \$5.4B
 - IIJA funds: \$3.65B
 - Operating budget transfer: \$2B
 - Public Works Trust Fund/additional general fund transfers: \$1.7B
 - License plate fee: \$1.4B
- Provide a permanent option for local governments to conduct virtual meetings.
 - ✓ HB 1329: Allows a public agency to hold meetings of its governing body remotely, or with limited in-person attendance, after a declared emergency; requires remote meeting access for individuals who will find physical attendance at a meeting difficult.
- Increase state resources and coordination for inter-county search and rescue efforts.
 - > No additional resources.



Move Ahead WA— Climate Commitment Act Funds

- Active Transportation: \$1.29B
- Transit Programs & Projects: \$3B
- Alternative Fuel & Electrification: \$517M
- Ferries: \$435M
- Rail: \$162M

- Specific Pedestrian and Bike safety projects include:
 - Eastrail multi-use corridor through Bellevue (\$18M)
 - Eastrail corridor south (\$6M)
 - Mountains to Sound Greenway Trail "Bellevue Gap" (\$6.9M)
 - North Aurora safety improvements (\$50M)
 - Maple Valley pedestrian bridge over SR 169 (\$5M)
 - Meet Me on Meeker multimodal improvements (\$10M)
 - 61st Ave NE sidewalk replacement (\$3.5M)
 - SR 520 & 148th Ave NE bicycle/pedestrian crossing (\$8M)
 - Ocean Pavilion public pedestrian parkway (\$2M)
 - Barnes Creek Trail South Segment—Des Moines (\$3.5M)
- Specific transit projects include:
 - KC Metro RapidRide I Line (\$8M)
 - KC Metro South Base Campus/Annex electrification (\$15M)
 - KC Metro Ambaum Blvd & H Line improvements (\$7M)
 - Seattle Center Monorail station improvements (\$5M)
- \$1.45B in transit support grant funding available for transit agencies, but only if they have adopted a policy allowing 18 and younger to ride free. To be eligible for any 2023-2025 grant funding, the fare free policy needs to be in place by October 1, 2022.



Move Ahead WA—non CCA funds

- Ferries: \$1.136B
- New projects: \$2.759B
- Existing projects: \$1.429B
- Fish barrier removal: \$2.435B
- Preservation & Maintenance: \$3B

- New projects list includes:
 - I-5 Columbia River Bridge (\$1B)
 - US 2 Trestle (\$210M)
 - SR 18 widening (Issaquah Hobart Road to Raging River Road) (\$640M)
 - SR 522 widening (\$10M)
 - Woodinville SR 202/trestle widening (\$5M)
- Existing project funding:
 - ✤ I-405/SR 167 corridor improvements (\$380M)
 - SR 520 Seattle corridor improvements—west end (\$406M)
 - SR 167/SR 509 Puget Sound Gateway (\$433M)
 - I-90 Snoqualmie Pass—widen to Easton (\$179M)
 - ✤ I-5/NB Marine View Drive to SR 529 (\$31M)
- Local projects include:
 - City center access project—Federal Way (\$30M)
 - ✤ 42nd Ave bridge replacement—Tukwila (\$17M)
 - Snoqualmie Parkway rehabilitation project (\$5M)
 - Ballard-Interbay Regional Transportation (BIRT) system corridor (\$25M)
- Preservation & Maintenance: \$160M to local roads via County Road Administration Board (CRAB) and Transportation Improvement Board (TIB)

Other bills to flag

- RTA enhanced revenue.
 - SB 5528: Allows a Regional Transit Authority to establish one or more enhanced service zones within its boundaries to finance high capacity transportation system improvements directly benefiting the service zone, and subject to voter approval allows the RTA to impose a special MVET and/or commercial parking tax within the zone.
- Derelict vessels.
 - HB 1700: Deposits 25 percent of the Watercraft Excise Tax into the Derelict Vessel Removal Account.
- LEOFF 2 benefit increase.
 - HB 1701: Increases the retirement benefit multiplier for certain members of the Law Enforcement Officers' and Fire Fighters' Retirement System Plan 2 (LEOFF 2) from 2 percent to 2.5 percent for years of service from 15 and up to 25. Provides certain LEOFF 2 retirees with a one-time lump sum equal to \$100 per month of service for retirees and a minimum of \$20,000 for catastrophic and duty disability retirees and duty death beneficiaries.

Building for the arts program.

 HB 1647: Increases the maximum state match and the maximum amount of recommended state funding for the prioritized list of projects for the Building for the Arts program.

Homelessness/youth discharge.

 HB 1905: Requires the Department of Children, Youth, and Families, in coordination with the Office of Homeless Youth Prevention and Protection Programs (OHY), to develop and implement a rapid response team to support youth and young adults exiting a publicly funded system of care.

Legal financial obligations.

 HB 1412: Allows a court to waive or not impose full or partial restitution and accrued interest owed to an insurer or state agency if the offender does not have the current or likely future ability to pay. Allows a court to not impose interest on restitution after inquiring into and considering specified factors, and revises standards for the waiver of accrued interest on restitution.

Weapons restrictions.

HB 1630: Prohibits the open carry of weapons while knowingly being in a local government building used in connection with meetings of the governing body of the local government, or any location of a public meeting of the governing body during the meeting or hearing. Prohibits the carrying and possession of weapons in areas of facilities while being used for official meetings of a school district board of directors and in certain election-related offices and facilities.

Untraceable firearms.

 HB 1705: Prohibits the manufacture, assembly, sale, transfer, purchase, possession, transport, and receipt of untraceable firearms, subject to limited exceptions.

Large capacity magazines.

 SB 5078: Prohibits the manufacture, importation, distribution, sale, and offer for sale of large capacity magazines, subject to limited exemptions.

Free park days.

 SB 5504: Requires the Parks and Recreation Commission to designate up to 12 days per year where access to recreation sites or lands is free.

Methane emissions.

 HB 1663: Establishes requirements related to methane emissions from municipal solid waste landfills. Establishes surface methane emissions standards for covered landfills. Requires the owner or operator of a covered landfill with gas generation equivalent to 3.0 million British thermal units per hour to install and operate a gas collection and control system unless certain exceptions apply. Exempts municipal solid waste landfills that are subject to, and in compliance with, methane emissions requirements from coverage under the Climate Commitment Act.

Effective date of GMA actions.

SB 5042: Modifies the effective dates of certain actions under the GMA, including: expansion of an Urban Growth Area; removal of the designation of agricultural, forest, or mineral resource lands; creation or expansion of a limited area of more intensive rural development; establishment of a new fully contained community; and creation or expansion of a master planned resort. Provides that the effective date of these actions are on the later of 60 days after publication of notice of the action; or if a petition for review is timely filed, the date on which the final order is issued.

Tribal consultation.

 HB 1717: Requires local governments to enter into negotiations on a memorandum of agreement for collaboration and coordination for tribal participation in the planning process under the GMA.

GMA comp plan update cycle.

 HB 1241: Increases the review and revision cycle for comprehensive plans under the Growth Management Act from eight to 10 years. Extends the deadline for the next comprehensive plan update for King, Kitsap, Pierce, and Snohomish counties, and for the cities within those counties, from June 30, 2024, to December 31, 2024.

Wastewater permits.

 SB 5585: Removes the annual cap on fees for wastewater facility permits charged to municipalities by the Department of Ecology (Ecology). Creates an advisory committee to provide recommendations to Ecology by December 31, 2022 for adjusting wastewater facility permit fees, and requires Ecology to present the recommendations to the Legislature before the end of the 2023 legislative session.

Ballot measure impact disclosure.

HB 1876: Requires a public investment impact disclosure to appear on the ballot alongside the ballot title for state ballot measures that affect taxes or fees and cause a net change in state revenue. Requires the disclosure to describe the state investments that will be affected if the measure is adopted.

Pickleball.

• SB 5615: Designates pickleball as the official state sport.

Sales tax deferral highway construction.

- HB 1990: Establishes a sales and use tax deferral for qualified Interstate 405/State Route 167 Corridor construction projects.
- HB 2024: Extends the deferral period from five years to 24 years, for sales and use taxes associated with the State Route 520 bridge replacement and high-occupancy vehicle project.

Transportation network companies.

 HB 2076: Creates uniform statewide regulations of TNCs. Establishes minimum per mile and per minute rates for drivers of transportation network companies (TNCs) and provides drivers with paid sick time and workers' compensation coverage. Creates a fund for a Driver Resource Center to, among other things, support drivers in resolving disputes related to deactivations.

Summary of Legislation

https://leg.wa.gov/House/Committees/Documents/SineDie2022.pdf

Looking ahead...

- 20-day window for Governor to sign/veto legislation has closed.
- Effective date for bills signed by Governor—90 days from end of session unless otherwise specified in the legislation.
- All House members and half the Senate up for reelection.
- Legislators not running for re-election:
 - Senators David Frockt (46th), Reuven Carlyle (36th), Mona Das (47th), Tim Sheldon (35th), and Sharon Brown (8th)
 - Representatives Jessee Johnson (30th), Eileen Cody (34th), Pat Sullivan (47th), Kirsten Harris-Talley (37th), Mike Sells (38th), Laurie Dolan (22nd), Larry Hoff (18th), Jeremie DuFault (15th), Bob McCaslin (4th), Emily Wicks (38th), Steve Kirby (29th)
- Legislators running for new positions:
 - Noel Frame (running for Carlyle's seat), Javier Valdez (running for Frockt's seat), Matt Boehnke (running for Brown's seat), Drew MacEwen (running for Sheldon's seat), Jesse Young (running for Senate against incumbent in 26th LD), Sharon Shewmake (running for Senate against incumbent in 42nd LD), and Vicki Kraft (17th) and Brad Klippert (8th) who are both running for Congress (Kraft in 3rd CD, Klippert in 4th CD).
- First day of 2023 session: January 9, 2023.