



Legislative Update

March 14, 2016

The 2016 Regular Legislative Session ended Thursday, March 10. The governor immediately called a special session to begin immediately as the supplemental operating and capital budgets had not been approved.

Earlier, the Governor had threatened to veto bills in an effort to motivate the House and Senate to reach a budget compromise. Late Thursday night, he followed through on the threat, vetoing 27 senate bills. He did sign 10 other bills. [Bills Vetoed, as of March 10, 2016](#)

Regarding the operating budget, the House and Senate remain far apart on issues such as eliminating tax exemptions, merging pensions, how much and for what to use the state's Emergency Reserve, and how much to spend on mental health.

On March 11th, the Senate Ways & Means Committee will hold a hearing on their last budget offer. At this writing, the proposal has not been released.

The Legislature did pass the supplemental transportation budget on March 9th.

HB 2524 - Supplemental Transportation Budget

The supplemental transportation budget was approved and sent to the governor on the next to the last day of session. The budget also increased the two-year transportation budget passed last year by an additional \$507 million. It increases compensation for Washington State Patrol (WSP) troopers, sergeants, lieutenants, and captains by 5 percent effective July 1, 2016.

- Express toll lanes on SR 405 – requests the Transportation Commission, under their tolling authority to evaluate rule changes to reduce travel times; reduce cost of traveling within the express toll lanes; and maintain sufficient revenue to pay for express toll lane operating costs. Budget also provides an additional funding to WSDOT to improve the express toll lanes.
- Road usage charge – provides \$500,000 the Transportation Commission to begin implementation preparation of a road usage charge pilot program.
- Training for highway project design - \$250,000 for training intended to create a knowledgeable and competent core technical staff at WSDOT regarding highway project design and construction with focus on coordinating and administering design-build projects.
- Homeless encampments along I-5 - \$1 million for safety improvements relating to homeless encampments along I-5 between milepost 162 and milepost 165.
- Rotary auger ditch cleaning - \$100,000 for pilot project that explores the use of rotary auger ditch cleaning and reshaping service technology in maintaining roadside ditches for stat highways.
- Transit operation - Allowing transit buses to operate on shoulder of I-5 between Lynnwood transit center and Mountlake terrace freeway station.
- Freight mobility plan – WSDOT must update the freight mobility plan to comply with requirements of the federal transportation act.
- Miscellaneous adjustments to various Connecting Washington Account projects.

March 7, 2016

The Legislature finished with floor action on March 4th, however, budget negotiations continue. While the supplemental transportation budget negotiation is expected to be resolved, both the capital and operating budget negotiations are having a tougher time. In the House, there are whispers that this Legislature could end the session without reaching a compromise on either. In the Senate, lobbyists are spreading rumors of a special session.

Concerning issues of interest to the Washington Chapter of the APWA:

The capital budget negotiations regarding the Model Toxic Control Act (MCTA)

funding. While both the House and the Senate have cut the public participation grants, the House did not provide specifics on how to address the MTCA revenue shortfall. It is assumed this means that the Department of Ecology would make those decisions.

The Senate supplemental capital budget makes a myriad of cuts:

- Stormwater Financial Assistance Program: Cuts \$39.1 million for stormwater projects. Cuts \$2.9 million for stormwater capacity grants.
- Remedial Action Grants (Toxic Cleanups): Small increase of \$250,000
- Coordinated Prevention Grants: Cuts \$3.8 million
- Eastern WA Clean Sites Initiative (Toxic cleanups): Cuts \$4 million
- Clean-up Toxic Sites - Puget Sound: Cuts \$13.5 million
- Centennial Clean Water Grant program: \$2.5 million increase

Some of those cuts are to reappropriation funding and thus impact projects which were already in process.

Municipal Research Service Center. The Senate operating budget proposal cuts \$2.8 million that funds the MRSC. This is just one of the cuts that separate the House and Senate budget proposals, which are about half a billion dollars apart.

The Legislators have until March 10th to sort this out.

February 29, 2016

This week will determine the fate of those bills still alive this session. The Legislature will start floor action and the deadline to pass bills originating from the other chamber is Friday. The remainder of the 2016 session will be used for budget negotiations and bill reconciliation – whether to concur or not concur with House amendments to Senate bills and vice versa. The session is scheduled to end March 10th.

Last week was dominated by the various supplemental budgets: operating, capital and transportation. Both chambers spent the week unveiling their proposals, amending the bills and passing their budgets. The House and Senate transportation budgets are similar and it should not take much time to reach a compromise. The capital budgets are different in that the House spent \$17.4 million on local projects. The operating budgets are the most dissimilar.

The House spent \$414 million on policy level increases and \$219 on maintenance level costs. The House partially offset these increases with \$167 million in policy savings and \$318 from the budget stabilization account (the rainy day fund). The House net spending increase over last year's budget is \$248 million.

The Senate had \$237 million in policy level increases and \$168 in maintenance level costs. The Senate offset that total increase with \$356 million in policy level decreases (cuts). Some of those cuts are of particular interest to APWA members:

- Model Toxic Control (MTCA) programs: \$15.7 million. The reductions include public participation grants, stormwater capacity grants, and grants to local government for shoreline management plan updates.
- Municipal Research Service Center - \$2.8 million. The state funding for the MRSC is eliminated.

The net spending increase for the Senate proposal is \$49 million – less than the maintenance level of last year's budget.

February 16, 2016

The Legislature Approaches its Next Cutoff Date

The House and Senate have until February 17th to pass bills to the other chamber. Starting Wednesday, the various policy committees start up again – holding hearings on the bills from the other chamber. They have only 9 days to do this before the next bill cutoff.

During this time, the state's fiscal forecast will be released, and the supplemental budget proposals, both operating and capital, will be unveiled. There are several issues that must be addressed by these budget proposals: first, in the capital budget, what cuts must be made to cover the shortfall in the model toxic control act account, and second, in the operating budget, how to address the higher-than-anticipated Medicaid costs projected at hundreds of millions of dollars over the next four years.

A few bills of interest:

SB 6287: Concerning the definition of hydraulic project in relation to the hydraulic project approval permits. **This bill is awaiting a Senate floor vote, which must happen prior to the February 17th cutoff.**

HB 2046: A definition of streams under SMA is established to mean naturally occurring bodies of periodic or continuously flowing water contained within a channel. Streams do not include the following:

- artificially constructed waterbodies, including irrigation, return flow, and stock watering channels;
- hydroelectric canals;
- drainage ditches; or
- natural channels or swales that would normally be dry, but for the presence of irrigation and irrigation return water.

This bill is awaiting a Senate floor vote, which must happen prior to the February 17th cutoff.

HB 2933 and **SB 6393**, concerning small works rosters, raise the limit for small works from 300 to 500 thousand dollars. **Both bills await floor votes in their respective chambers.**

February 8, 2016

The 2016 session will reach its halfway mark on Tuesday. That is also the bill deadline for the fiscal committees, February 9th. The policy committee deadline was last Friday, February 5th. Thus, there are two kinds of bills now: those that are still viable and the dead ones. As the session progresses the former will shrink and the latter will grow.

Still alive:

SHB 2486 - Updating specified environmental statutes of the department of ecology to improve efficiency and provide for increased flexibility for local governments.

SHB 2590/6314 - Concerning county road administration and maintenance.

HB 2816 - Increasing the rate of sales and use tax that may be imposed by a transportation benefit district.

HB 2933 - Concerning small works rosters, addresses utilization of minority and women's owned contractors on contracts with state agencies and educational institutions. The bill also raises the limit for small works from 300 to 500 thousand dollars, and raises the limited public works process from 35 to 150 thousand dollars.

SB 6287 - Concerning the definition of hydraulic project in relation to the hydraulic project approval permits.

SB 6316 - Concerning designated disaster area financing.

SB 6363 - Concerning the design and construction of certain transportation facilities adjacent to or across a river or waterway.

SB 6393 - Concerns small works rosters. Like HB 2933, the bill also raises the limit for small works from 300 to 500 thousand dollars, and raises the limited public works process from 35 to 150 thousand dollars.

Dead bills:

HB 2818 – Covered load bill.

HB 2454 – Private road maintenance bill.

Last Friday, the Senate voted to not confirm WSDOT Secretary Lynn Peterson. At this time, it is unknown who the acting secretary will be.

February 1, 2016

This the final week for the substantive committees to vote on their own bills. Bill tracking lists will start shrinking from this point forward as bills start to die. Most committees will stop holding hearings on bills by mid-week and focus solely on voting bills out of committee. Here are those bills of interest to APWA that do have hearings as we approach the February 5 bill cutoff.

- **HB 2816** Increasing the rate of sales and use tax that may be imposed by a transportation benefit district. 2/4 hrg. House Trans
- **SB 6316** Concerning designated disaster area financing. 2/2 hrg. Senate Gov Ops
- **SB 6525** Concerning the state building code council. 2/2 hrg. Senate Gov Ops

- **SB 6570** Prioritizing the expenditure of funds associated with the model toxics control act for the cleanup of toxic pollution. 2/2 hrg. Senate Energy, Enviro

Here are the remaining bill deadlines:

February 5, 2016	Last day to read in committee reports (pass bills out of committee and read them into the record on the floor) in house of origin, except House fiscal committees and Senate Ways & Means and Transportation committees.
February 9, 2016	Last day to read in committee reports (pass bills out of committee and read them into the record on the floor) in fiscal committees and Senate Ways & Means and Transportation committees in house of origin.
February 17, 2016	Last day to consider (pass) bills in house of origin (5 p.m.).
February 26, 2016	Last day to read in committee reports (pass bills out of committee and read them into the record on the floor) in opposite house, except House fiscal committees and Senate Ways & Means and Transportation committees.
February 29, 2016	Last day to read in opposite house committee reports (pass bills out of committee and read them into the record on the floor) from House fiscal committees and Senate Ways & Means and Transportation committees.
March 4, 2016*	Last day to consider (pass) opposite house bills (5 p.m.) (except initiatives and alternatives to initiatives, budget matters necessary to implement budgets, differences between the houses, and matters incident to the interim session of the session).
March 10, 2016	Last day allowed for regular session under state constitution.
* After the 54th day, only initiatives, alternatives to initiatives, budgets and matters necessary to implement budgets, matters of state revenue, messages pertaining to amendments, differences between the houses, and matters incident to the interim session may be considered.	

January 25, 2016

The biggest updates of week two of the session did not involve any legislation. The Senate Rules Committee approved issuing subpoenas on records related to the Department of Corrections premature prisoner release error. Tim Eyman's Initiative 1366 was ruled unconstitutional by a King County court yesterday. And the Secretary of State certified for the November election Carbon WA's Initiative 732; the legislature may, though likely will not, provide an alternative measure for the voters' consideration.

Bills of interest that will heard in week three include:

- HB 2590 – Concerning county road administration and maintenance. 1/27 H. Local Gov

- HB 2611 – Concerning vehicle weight limits for the movement of agricultural commodities. 1/28 H Trans
- HB 2720 – Water pollutions act scope. 1/28 H. Enviro
- SB 6175 – Concerning watershed management actions by watershed improvement districts
- SB 6287 – Concerning the design and construction of certain transportation facilities adjacent to or across a river or waterway. 1/26 S Trans
- SB 6393 - Modifying and updating small works roster construction and limited public works requirements. 1/27 – S Comm & Labor

The first bill deadline, February 5th, is coming soon – substantive policy bills must be heard and passed from their committee of origin by that date. After that, the pace of session will pick up considerably.

January 19, 2016

Week one of the 2016 legislative session is complete, and both the House and the Senate finished the week with hearings on the Governor's proposed supplemental capital budget. During the 2014 session, the Legislature did not pass a supplemental capital budget. Yet, with the damage from the wildfires and the need to address federal pressure to create more mental health facilities, most expect a capital budget bill to pass.

Capital Budget:

HB 2380/SB 6201: In section 1005 of the Governor's proposal the Department of Commerce is appropriated funds (\$5 million) for short-term loans and grants to local governments in presidentially declared disaster areas. APWA supports this proposal.

Climate change bills:

SB 6173 would prohibit rules and policies that limit greenhouse gas emissions. SB 6306 would create a fossil fuel carbon pollution tax. 25% of the money raised be spent on public works projects that reduce storm water impacts from existing infrastructure and development, and another 25% of the funds would be spent on WSDOT fish barrier correction projects. Both SB 6173 and SB 6306 are scheduled for a hearing on January 21st in the Senate Energy and Environment Committee.

Another hearing of interest during week two includes a hearing on SB 6168, which would remove drainage ditches from the definition of fish and wildlife habitat conservation areas as set forth in the definition of "critical areas"

January 11, 2016

The first week of a legislative session is usually light, and committee hearings are mostly works sessions on the Governor's budget proposals or hearings on the various interim task force reports submitted during the Fall. Yet, there are few hearings of interest to APWA.

- On Monday, the House Transportation Committee will hold a work session on the Governor's proposed supplemental transportation budget and a committee primer on the federal transportation funding bill, the Fixing America's Surface Transportation (FAST) Act.
- On Wednesday, the House Local Government Committee will hold a hearing on HB 1802, which allows counties to use permit fees to fund long-range planning costs.
- On Thursday, the Senate Government Operations & Security Committee will hear SB 6147, a bill that addresses water-sewer districts, and The House Transportation Committee will hold work session on this interim's Road Usage Charge Report.

There are a few bills of interest that have been prefiled, but have not yet been scheduled for hearings: SB 6168, which concerns drainage ditches and other man-made waterways and the applicability of the "critical areas" GMA definition, and SB 6175, which concerns watershed management actions by watershed improvement districts. An avalanche of bills will be introduced during this week and the committees will have much more substantive hearings during the second week.