WEEK 4 REPORT ON 2022 SESSION OF THE LEGISLATURE & WEEK 5 HEARINGS/"EXECS" For WRPA President, Executive Board, Executive Director, Legislative Committee

Doug Levy – 2/7/2022

Legislators marched close to the halfway point of the 2022 Session during Week 4, reaching a deal (*at least among majority Democrats*) on a transportation revenue "mini-package" and putting dozes of fiscal bills on the docket for votes as important cutoff deadlines beckoned.

Week 4 was one during which policy legislation either cleared its committees by last Thursday (Feb. 3) or ran out of time and went into the pile of what Olympia watchers morbidly refer to as "dead" bills. For bills with fiscal impacts, Monday (Feb. 7) is D-Day, with members of committees such as Senate Ways & Means and House Appropriations bracing for double-digit hours' worth of deliberations and committee votes – what the Legislature refers to as "Executive Session action."

The deal on transportation emerged as the big news of the week for a coalition of local governments, business and labor stakeholders, transit groups, and environmental representatives. We expect a 1 p.m. Tuesday, Feb. 8 announcement of a \$16 billion package, likely over 15 years, and a hearing as early as Thursday. The announcement will come from Senate Transportation Chair Marko Liias (D-Edmonds/21st Dist.), House Transportation Chair Jake Fey (D-Tacoma/27th Dist.), and several negotiators that have worked with them. The package is expected to be financed by a one-time state General Fund transfer, \$5.2 billion+ in "Climate Commitment Act" (*carbon-reduction*) monies, federal dollars, an assortment of new transportation fees, and some level of bonding.

As far as investment categories, the big winners will be multi-modal projects, maintenance and preservation, ferries, a subset of major "Connecting Washington" projects, and culvert repairs/removals. The Chairs are billing this as a "mini-package" to take care of key *existing* needs, with a vow to come back in 2-3 years to tackle a bigger package. <u>Of particular note for WRPA is that the Senate Transportation Chair has signaled that investments in bicycle and pedestrian projects and grants could be at a record high in this package.</u>

For WRPA, Week 4 was a somewhat quiet but solid one. Our prime sponsor has a House Rules Committee Member agreeing to "pull" our priority local parks funding options bill (**SHB 1025**) to the House Floor Calendar soon. The transportation package will bring important new investments. And, a few bills we had concerns over appear to be stalling or "dying."

Below is my customary status report on WRPA's Legislative Agenda priorities, "strong support" items, and "support/oppose" bills. That is followed by a list of numerous bills that we in local parks and outdoor recreation care about. A separate Week 5 hearings list is dominated by "Executive Session" committee votes scheduled for Monday. Legislators will be on the Floor for $1\frac{1}{2}$ weeks of votes after that.

Top Priorities

*Provide Local Parks and Recreation Agencies with new Funding Options to Address Vital M&O and Preservation Needs which only became more challenging under COVID-19 – SHB 1025 (*Policy/Fiscal Bill*) As I previewed above, our SHB 1025 prime sponsor, Rep. Emily Wicks (D-Everett/38th

Dist.), has found a House Rules Committee Member who is agreeable to "pulling" our legislation to the House Floor Calendar. We are best off if that happens this coming week. Stay tuned!

*Actively partner with the Recreation & Conservation Office (RCO) to ensure a sound plan is in place for use of a one-time, \$42 million allocation from the Stadium & Exhibition Center Account

(Recreation & Conservation Office in concert with Governor/OFM) As I shared, this is an issue we are working on with our partners at the Recreation & Conservation Office (RCO) vs. in the hallways of the Legislature. Last year RCO received a one-time, \$42 million allocation of funds left over from the \$300 million in state bonds used to build the Seahawks Stadium (*now Lumen Field*). The bond funds grew out of a voter-approved referendum focused primarily on financing the stadium but also including some funds dedicated to local youth athletic facilities. <u>RCO will use a Task Force to advise the agency on use of the funds and has consulted</u> <u>WRPA on naming both a legislator and a local parks professional to the panel</u>.

*Actively participate in efforts to replace and recover lost revenue for parks and recreation agencies – while protecting existing resources

(*Operating Budget*) Our local parks funding options bill will be the most direct "vehicle" we have for addressing M&O revenue losses suffered by parks agencies. A few other puzzle pieces out there on the outdoor recreation front include:

- A \$15 million Operating Budget request by Rep. Cindy Ryu (D-Shoreline/32nd Dist.), Sen. T'wina Nobles (D-University Place/28th Dist.) and others – consisting of \$5 million apiece for addressing M&O backlogs at State Parks, Department of Natural Resources, and Department of Fish & Wildlife.
- A \$52 million proposal in the Governor's budget to significantly expand outdoor education programs within the K-12 system some of which involve partnerships with our local parks agencies.
- **HB 1672** on Conservation Futures levies which remains pending in House Finance and thus may be in trouble. It would remove 1 percent property tax limits for 13 counties that have adopted Conservation Futures programs.
- **SSB 5796** by Sen. Rebecca Saldaña (D-Seattle/37th Dist.) heard last Saturday in Senate Ways & Means and up for a committee vote today (Monday). **SSB 5796** includes an increase in the biennial marijuana revenue distributions to cities and counties from \$40 million to \$55.6 million.

Strongly Support

*Protect against any diversions or reallocations of Capital Budget grant programs that significant benefit parks and recreation and the Great Outdoors

(*Capital Budget*) We see no danger signals for major diversions of Capital funds. We likely *will* see the Capital Budget receive a transfer of General Fund dollars – though as I have previously shared, we have been told that will focus heavily on affordable housing investments. One bill we are tracking is **SB 5632**, establishing a Washington Water Infrastructure Program and, among other things, appropriating a minimum of 10 percent of all bonds authorized each biennium, up to a total of \$5 billion. That level of bonding diversion is a concern. See below for more on **5632**.

*Advocate for Key "Healthy & Active Communities" Funding within the State Budget Process

(Capital, Transportation, Operating Budgets) WRPA's "healthy and sustainable communities" initiative has us supporting funding 'buckets' across all three (3) of the state's budgets. As I previously reported, the Governor's proposed Supplemental Operating Budget (**SB 5693/HB 1816**) invests \$170.56 million in public health, medical assistance, and behavioral health. We also are closely tracking discussions regarding a 2022 transportation revenue package of some \$16 billion over 15 years. Along with those, others we will track:

- Public Health District, "No Child Left Inside," outdoor education funding -- Operating Budget.
- Bicycle and Pedestrian Grant, Safe Routes to Schools, "Complete Streets" funding in the Transportation Budget.
- 'Target Zero' programs run by the Washington Traffic Safety Commission.
- Dedicated accounts and grant programs in the Capital Budget such as WWRP, YAF, ALEA, NOVA, BFP.

*Support legislation (HB 1700/SB 5598) to enhance funding for the Derelict Vessel Removal Program (DVRP) and make the program's funding more sustainable

(Policy bills/Operating Budget) As I previously reported, **HB 1700** unanimously passed the House and awaits a committee hearing in the Senate. We had been told that **SB 5598** might be the "vehicle" the Legislature would use, but it remains in Senate Ways & Means. **HB 1700/SB 5598** would add up to \$8.6 million in funding to the Derelict Vessel Removal Program (DVRP) by re-directing 25 percent of the Watercraft Excise Tax that is already paid into the General Fund. Prime sponsors are Rep. Dave Paul (D-Oak Harbor/10th Dist.) and Sen. Liz Lovelett (D-Anacortes/40th Dist.).

Support/Oppose Items

*Efforts to Address Mental Health, Homelessness, Affordable Housing

(*Policy Bills, Budgetary Items*) Our Legislative Agenda expresses support for initiatives by cities and counties, the Washington Low-Income Housing Alliance, and others, toward ongoing funding and tools for growing mental health, homelessness, and affordable housing crises in local communities. Several bills we're tracking:

- Governor's Supplemental Operating (SB 5693/HB 1816) and Capital (SB 5651/HB 1781) Budgets: The Governor is proposing \$815 million in additional investments related to affordable, work force, and permanent supportive housing. Of that, \$494 million is on the Capital Budget side – things such as "rapid rehousing" investments and increases to the Housing Trust Fund. The other \$321 million is in Operating funds. We await the legislative budget rollouts for more.
- **HB 1866, assisting persons receiving community support services through medical assistance programs to receive supportive housing:** This bill establishes the "Apple Health and Homes Program" to provide a 12-month renewable supportive housing benefit to medical assistance enrollees who meet eligibility criteria related to medical risk factors and barriers to finding stable housing. It had a Saturday hearing in House Appropriations and is up for a committee vote today.
- SB 5642/HB 1643, exempting from the Real Estate Excise Tax (REET) a sale of transfer of real property for affordable housing to a non-profit, housing authority, public corporation, county, or municipal corporation: These companion bills by Sen. Mark Mullet (D-Issaquah/5th Dist.) and Rep. David Hackney (D-Tukwila/11th Dist.) have strong support from affordable housing advocates. 1643, which cleared House Appropriations on Saturday, may be the vehicle. SSB 5642 passed unanimously out of Senate Housing & Local Government last Thursday but remains in Ways & Means.
- SSB 5662, establishing inter-governmental coordination to address transitioning persons
 encamped on state public rights-of-way to permanent housing solutions: This bill received a
 mix of support and opposition at a Saturday hearing in Senate Ways & Means. Governor-request SSB
 5662 is scheduled for a Monday committee vote. The bill would have state agencies coordinate intergovernmental efforts with local agencies, with the goal of finding people permanent supportive
 housing as a priority. Funding in the Governor's budget is key to making 5662 work. Opponents fear
 it as a way to conduct homeless "sweeps" and not give folks needed assistance.
- SHB 1880, providing a state sales tax credit for "Housing Benefit Districts": 1880 had a hearing in House Finance last Friday and remains in committee. We are told it will not be subject to Monday's cutoff deadlines due to its use of state sales tax credits that directly affect the Operating Budget. The word we have from the bill sponsor, Rep. Cindy Ryu (D-Shoreline/32nd Dist.), is that Finance Chair Noel Frame (D-Seattle/36th Dist.) is working on an amended **1880** and that the list of four (4) pilot cities in the bill (*Everett, Renton, Shoreline, Tacoma*) may grow to five (5) with the inclusion of Seattle.
- **Governor-request "missing middle" bills SSB 5670/SHB 1782: SHB 1782** had a very contentious hearing in the House Appropriations Committee on Saturday and is listed for a committee vote on Monday. Nearly two-dozen local elected officials expressed strong concerns with the legislation at Saturday's Appropriations hearing. At least 10 amendments to **SHB 1782** are being proposed on Monday but all are by Republican Members, and we are told all will be rejected. The Senate bill, **SSB 5670**, will not be heard by Senate Ways & Means, meaning **1782** would become "the vehicle" for this legislation.

- **Bills on Accessory Dwelling Units (ADUs) SHB 1660/SB 5648:** The House version of this bill is the intended "vehicle" for this Session, as **SB 5648** failed to move out of the Senate Housing & Local Government Committee last week. **SHB 1660** prohibits owner-occupancy provisions and prohibits cities from imposing any off-street parking requirements for ADUs near major transit stops.
- SHB 1908, addressing surplus public property for affordable housing. This bill passed last Thursday out of the House Housing, Human Services and Veterans Committee on an 8-1 vote. **1908** is now in House Rules. The bill amends surplus property laws to make it easier for local governments to surplus property for affordable homeownership projects.
- HB 1738, changing the total amount of outstanding indebtedness of the Washington State Housing Finance Commission: This legislation had a Friday hearing in House Capital Budget and is expected to clear the committee on Monday. It raises the overall debt limit for the Housing Finance Commission from \$8 billion to \$14 billion.

*"Big Tent" Outdoor Recreation Coalition

(Budgetary, Policy Items) WRPA supports the "Big Tent" Outdoor Recreation Coalition, which is holding Friday morning information-sharing calls during Session. Also meeting at 7 a.m. on most Thursday mornings during Session (*this coming Thursday is an exception*) is the Legislator/Stakeholder "Outdoor Recreation Caucus" co-chaired by Sen. T'wina Nobles (D-University Place/28th Dist.), Sen. Ron Muzzall (R-North Whidbey/10th Dist.), Rep. Cindy Ryu (D-Shoreline/32nd Dist.), and Rep. Andrew Barkis (R-Olympia/2nd Dist.).

Other Bills WRPA is Tracking

(NOTE: I'll supplement this as Session progresses. New bills are highlighted. If you have one to add, e-mail me at <u>Doug@outcomesbylevy.onmicrosoft.com</u>)

Two bills we fielded significant feedback on:

- SHB 1918, reducing emissions from outdoor power equipment: After a very narrow vote out of the House State Government & Tribal Relations Committee, this bill went to House Finance and has not yet been heard. The policy committee removed one of the most controversial parts of SHB 1918 a doubling of tax rates on those who purchase non-zero-emission equipment. The revised bill directs the Department of Enterprise Services (DES) to work on structuring state-and-local contracts to expedite future equipment purchases of zero-emission equipment where technology is available. Lastly, the bill still calls for a Jan. 1, 2025, date by which new purchases of equipment would be zero-emission, though it does allow for exemptions.
- SSB 5673/HB 1595, installing signs on or near bridges to provide information to deter jumping and to warn individuals of the dangers of cold-water shock drowning: Several days after the Senate Transportation Committee unanimously approved an amended version of this bill, the House Transportation Committee did the same last Tuesday. The companion bills were brought forward by Sen. John Braun (R-Centralia/20th Dist.) and Rep. Peter Abbarno (R-Chehalis/20th Dist.) in response to a tragic bridge-jumping and cold-water shock drowning in Lewis County. The bill indicates that local agencies *may* post signage on or near bridges, and the amendments includes more explicit language to ensure the encouragement carries no "legal duty" for local agencies.

And the Others

- Transportation new-revenue packages being proposed in the House and Senate No bill numbers yet: This one is a placeholder as we await Tuesday's release of a 2022 package.
- **2SSB 5332, off-road and wheeled All-Terrain Vehicles (ATVs):** This bill by Sen. Mike Padden (R-Spokane Valley/4th Dist.) passed unanimously out of the Senate Transportation Committee last Thursday with technical changes and is now in Senate Rules. It would clarify equipment requirements for wheeled ATVs.

- SB 5504, extending current Discover Pass free days from State Parks to all state recreation sites and lands: This bill by Sen. Judy Warnick (R-Moses Lake/13th Dist.) unanimously passed out of the Senate and now awaits a hearing in the House Community & Economic Development Committee.
- SB 5505, HB 1967, property tax exemptions for Farmers Markets: These bills are similar in their approaches to assisting local Farmers Markets. SB 5505 allows a church or non-profit organization operating a public assembly hall or meeting place to retain its property tax exemption if used as a Farmers Market for not more than 53 days a year. It moved to the Senate Floor Calendar last Thursday. HB 1967 enables churches and public meeting halls that host Farmers Markets to retain underlying property tax exemptions. It passed out of House Finance last Tuesday, had a follow-up hearing on Saturday in House Appropriations, and is expected to pass Appropriations today.
- **SB 5530/HB 1647, concerning the Building for the Arts program:** We *support* these companion bills, which would increase funding for the BFA program from \$12 million a biennium to \$18 million a biennium and increase the state match from 20 percent to one-third. **HB 1647** passed off the House Floor last Wednesday by a vote of 93-3 and heads to the Senate. The Senate measure advanced last Thursday to the Floor Calendar.
- SB 5608, concerning free access to state parks and public lands: This bill is almost assuredly "dead" for the 2022 Session. It would have repealed the Discover Pass program and replaced it with a \$30.553 million transfer from the General Fund. 5332 went no further after a Week 1 hearing in the Senate Agriculture, Natural Resources, Water, and Parks Committee.
- SB 5632, relating to investments in critical water infrastructure projects: This legislation never came up for a vote in the Senate Agriculture, Water, Natural Resources and Parks Committee last week. Thus, it may well be "dead" for the 2022 Session. 5632 established a "Washington Water Infrastructure Program" to provide competitive grants for projects that increase the availability of water for out-of-stream uses, reduce flood risk, improve fish passage, or reduce stormwater pollution. All that is well and good, but the bill also had a provision expressing legislative intent for appropriating a minimum of 10 percent of *all* Capital Budget bonds authorized each biennium -- up to a total of \$5 billion. That didn't go over well and may have contributed to the bill's demise.
- SB 5633/HB 1895, DNR-Request Keep Washington Evergreen: Both these bills, which WRPA opted to *support*, are hitting rough spots. SB 5633 never came up for a vote in the Senate Agriculture, Water, Natural Resources & Parks Committee. Similarly, HB 1895 never received a vote in the House Rural Development, Agriculture, and Natural Resources Committee. The bills call for identifying and mapping the state's most threatened working forests, developing a strategic plan, and identifying existing voluntary tools and incentives that can be utilized to help preserve them.
- SB 5865, adding recreational target shooting in designated areas to the Recreational Immunity statute: This bill by Sen. Tim Sheldon (D-Potlatch/35th Dist.) had a hearing but never came up for a committee vote in Senate Agriculture, Water, Natural Resources, & Parks. It has likely "died" for the 2022 Session. The legislation would have added recreational target shooting areas to the portion of state law that grants recreational immunity to private landowners who allow the public to utilize their lands free of charge for recreational pursuits.
- SB 5925/HB 2078, establishing the outdoor school for all program: These bills would utilize the \$52 million allocation proposed in the Governor's Operating Budget. It looks like the anointed one is HB 2078, which had a House Appropriations hearing last Saturday and is scheduled for a committee vote today.
- E2SHB 1099, improving the state's climate response through comprehensive planning: This House-passed bill had a hearing last Tuesday in the Senate Housing & Local Government Committee. 1099 calls for cities and counties to integrate climate change planning into their GMA comprehensive plans. Cities and counties worked to ensure this bill contains what is called a "null and void" clause so it cannot take effect without required funding. 1099 also has a Sec. 11(33) definition of "Active Transportation," including trails, that we worked with the bill sponsor to include: "(33) 'Active transportation facilities' means facilities provided for the safety and mobility of active transportation users including, but not limited to, trails, as defined in RCW 47.30.005, sidewalks, bike lanes, shared-use paths, and other facilities in the public right-of-way."
- **E2SHB 1117, integrating salmon recovery into GMA comprehensive planning:** After passing the House and "dying" in the Senate in 2021, this bill is back for another run. It passed on a party-line 57-40 vote out of the House and has been referred to the Senate Housing & Local Government

Committee. **1117** adds salmon recovery as a GMA goal and requires local jurisdictions to incorporate a net-ecological gain strategy into the land use element during plan updates. Like **HB 1099**, it has a "null and void" clause to ensure it will not go into effect without financial support from the state.

- **HB 1607, concerning the Safe Routes to Schools program:** This legislation directs that the State General Fund (*rather than the Transportation Budget*) fund this popular program beginning Jan. 1, 2025. **1607** remains in Appropriations and is likely not going to move.
- **HB 1672, concerning local property tax levies for Conservation Futures programs:** As noted above, this bill has not been scheduled for a committee vote in House Finance. Thus, it may well be "dead" for the 2022 Session. I'll follow up if that's not the case.
- **HB 1707, requiring Personal Flotation Devices (PFDs) on human-powered vessels:** This bill by House Community & Economic Development Chair Cindy Ryu (D-Shoreline/32nd Dist.) has been on the Floor Calendar since Jan. 25 but may be in trouble. **HB 1707** is narrowly crafted to require that those operating stand-up paddleboards, canoes, or kayaks wear a Personal Flotation Device (PFD) at all times once they are underway.
- HB 1823, environmental leadership through outdoor recreation and climate change investments: This legislation would rename the Carbon Emission Reduction Account within the Climate Commitment Act, calling it the "Outdoor Recreation & Climate Adaptation Account." It also would re-direct \$125 million a biennium into the new account and includes provisions beneficial to trail users, recreational boaters, and others. The bill is in House Appropriations and highly unlikely to move or receive a hearing.
- **HB 1824, concerning outdoor recreation affordability:** This bill is similar to **SB 5608** (*but without the proposed General Fund transfer*). It would repeal the Discover Pass program. **1824** remains in House Community & Economic Development and is almost surely "dead" for the 2022 Session.
- **HB 1870, concerning certain wheeled ATVs:** This bill had been scheduled for a House Transportation Committee vote last Friday. However, no vote was taken. **1870** would define the equipment needed for an ATV to be a "qualifying Washington All-Terrain Vehicle" (WATV).
- HB 1882, concerning better Washington outdoor recreation leadership and development: This bill by Rep. Matt Boehnke (R-Kennewick/8th Dist.) would have established a Joint Select Committee on Better Washington Outdoor Recreation Leadership. It never received a hearing and is almost surely "dead" for the 2022 Session.
- HB 1915, HB 1969, expanding the use of speed-zone traffic safety cameras: The House Transportation Committee did not take votes last Friday on either of these bills, one expanding speed-zone cameras to hospital zones and city parks, and one allowing greater use of them outside of school zones. It appears they may not advance but I'll stay tuned and report back.
- HB 1918, regarding the use of zero-emission power equipment: See listing above.
- **HB 1925, county park infractions:** We came out in *support* of this bill authorizing the issuance of civil infractions for violations of rules or regulations within county parks facilities. However, while **HB 1925** had been *scheduled* for a House Local Government Committee vote twice last week, no vote was ever taken. The legislation thus is likely "dead" for the 2022 Session.
- HB 2058, concerning the preservation and protection of facilities owned by the state parks and recreation commission that are listed on the Washington heritage register or the national register of historic places: This bill prime-sponsored by Rep. Steve Tharinger (D-Dungeness/24th Dist.) had a Thursday morning hearing in House Finance and is scheduled for a committee vote today. It would exempt State Parks facilities on the National Historic Register from leasehold excise taxes. Because this bill is consistent with our desire to support State Parks where we can, and because it is sponsored by the House Capital Budget Chair (!), we signed in *support*.
- HB 2074, concerning fees collected from out-of-state residents who register off-road vehicles in Washington: This bill, scheduled for a committee vote today in House Transportation, is primesponsored by Vancouver Rep. Sharon Wylie (D-49th Dist.). It would require a resident of a state that borders Washington that does not impose sales and use tax on transactions involving off-road vehicles (Hint: Oregon) to pay a filing fee and a service fee if registering an ORV in Washington.