

It's the legislative homestretch – What should cities know?

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Candice Bock: I know that they use cold opens and I still think, “I wonder if that's supposed to be there?”

Emma Shepard: In theory it's short enough that, like the music starts and then you realize that it is the beginning of the podcast...

Sharon Swanson: Oh my gosh.

Emma Shepard: Welcome to the AWC CityVoice Podcast where we explore the issues that impact Washington cities. I'm Emma Shepard. Today we're welcoming our AWC government relations advocates working hard virtually in Olympia to help ensure good outcomes for cities at the state level. We're in the homestretch of the legislative session there are just two weeks left until legislators are slated to complete their work, pass a budget, and wrap up by April 25. Here, to cover it all today and how it impacts cities, we have our four AWC lobbyists Candice Bock Government Relations Director, our two government relations advocates Carl Schroeder and Sharon Swanson and our session contract lobbyist Marian Dacca.

First off, how's the legislative session been going? It's your first time participating in all virtual session, give us a feel for what it's like. What are legislators' feelings about the process? And how's it been going this far in the lobbying world?

Candice Bock: I think that question depends on the day how we might answer it. I would definitely say that the technology has been better than I expected. The zoom meetings for public hearings have actually run pretty smoothly. There's been a lot of participation, which often means your testimony is pretty limited in time because there's a lot of people wanting to testify, now that they're able to do it remotely. I think the legislators are more tired if that's possible. Normal session's really exhausting, but so is staring at a Zoom meeting on your screen all day long, so I feel like they're a little more tired, maybe than normal.

Carl Schroeder: A lot of extroverts in the Legislature too, so sitting around alone at your computer without an ability to recharge has to be tough for them. I agree Candice the participation of the public has been nice in terms of having virtual testimony and in our city officials, you know, being able to pop in and share their thoughts on a bill,

without having to spend half a day or a whole day driving to Olympia that's been pretty nice. It's been a little hard as you know lobbyist to be able to access members and get the sort of iterative process done since everything has to be scheduled and you don't really get to catch people on the fly so that's been a totally new experience.

Emma Shepard: Let's get into the specifics of some of the bills we're tracking the session with city impacts. Let's start with Candice.

Candice Bock: Well, this session has been interesting and one of the things I've been working on is tax increment financing and many of our city officials—this has been something we've been working on and talking about for years, wanting/wishing we could get tax increment financing in Washington. And fingers crossed, knock on wood, but it looks pretty good our bill **House Bill 1189** has passed the House and the Senate. It's got to go back to the House for concurrence, the Senate made some amendments that were that were good and strengthen the bill, so it looks like we could really have a tax increment financing option at the end of this session so that's pretty exciting.

Also been working on some Open Public Meetings Act changes in a couple of bills, so **House Bill 1056** is open public meetings backfill changing how we can do meetings during emergencies to add virtual meetings as an option. So that's a that's a good kind of housekeeping bill that we learned we needed during the pandemic. And we're still working on our fiscal flexibility bill **House Bill 1069**, trying to push that forward, knowing that there's still a lot of economic uncertainty out there and cities do need some temporary fiscal flexibility to manage through this time. Hopefully, those bills are looking good waiting for them to come out of the Senate before the next cutoff deadline of April 11.

Carl Schroeder: Carl here. One of the things that we've had as a priority this year is addressing housing stability in the face of the COVID pandemic. You know, some really concerning data points that came out over the summer in terms of how many of the renters in our state have been unable or just on the edge of being able to pay their rents, and that applies as well to the landlords who in many cases are dealing with thousands of dollars of unpaid rent over the course of the last year. So,

we're feeling pretty confident about how that's going really significant investments in both budgets, still some dedicated revenue options that are alive. Good work on foreclosure as well, so on the housing space, things are looking pretty good.

Surprisingly, Multifamily Tax Exemption is maybe my version of Candice's TIF experience, where this was an incredibly controversial bill, we've been fighting tooth and nail to try to improve the program without going so far that it's not workable in many communities. And actually, have had a bit of a breakthrough this year, hopeful that that bill will pass and provide some good new expansions to that authority for cities to encourage densification and affordable housing multifamily apartment construction.

And, similarly, the growth management suite of issues has really gotten a lot of prominence this year, perhaps unexpected have had a good commitment from the House members and the sponsors that, if anything, moves forward that city planning costs will be paid for at an adequate level and we've seen that reflected in the House budget. Both of those are I guess there's three major ones: climate change, salmon recovery, and some additional work around housing. They're all very far along in the process and hitting a little bit of a turbulent stretch so we're going to see if the Senate wants to move those bills, at the end of the day. But there's been an awful lot of work on that, and if they do move forward, I think they're in a form that cities can live with and that will provide significant planning resources to help. It's a bit of a unique time, right, coming out of the pandemic and potential changes in the economy and the way people live and work and play and enjoy our cities. So, it's really a good time to see more investment in planning and you know tackle some of these bigger challenges. So, all-in-all feel on fairly good about the policy portfolio that I work on.

Sharon Swanson: This is Sharon I'll jump in next. So primarily and focused a lot of my time and attention on the agenda of the priorities we set for police reform and I'm happy to say that all of our priority bills are still alive and moving forward.

So, I'll start off with **House Bill 1054** that build it deals with tactics—which tactics law enforcement officers can use or not using the field and that falls in line with our priority to have the state-established standards for the use of force for law enforcement officers, but also preserving the rights of our local jurisdictions to have more restrictive standards if

they choose to. And that bill had a lot of negotiations you kind of end up immediately in the weeds. For instance, we had a lot of conversations about the standards from when a law enforcement officer could engage in a vehicle pursuit. And what should the standard be reasonable suspicion versus probable cause? I think we've got that bill to a place where we have a really good compromise, law enforcement feels pretty comfortable that they know what's expected of them. Which is really important because we want to make sure that we're setting everyone to succeed.

And then we have **House Bill 1310** that's a bill that also talks about use of force but it's also about lethal use the force and physical use of force and again a lot of negotiations there. Learned a lot about what terms are defined in case law and what terms can be “trained to,” so just you know words really matter and we had a lot of conversations about are we asking law enforcement officers to use the minimal degree of force? Or the least amount of force? That may sound like it's a synonym but actually one is defined in case law and one is one is not. So just a lot of really thoughtful conversations about making sure that we're putting standards in the law that can be trained to you and can be upheld.

And then another one of our priority bills **Senate Bill 5051** that has multiple of our priorities in it. First of all, it allows for an officer to be decertified for use of force violations. It requires that once an investigation begins, it must be completed and, additionally, it puts forward a database so that you can track law enforcement officers who have maybe left the profession in good standing by retiring or if they've been dismissed or fired. So those are priorities that AWC identified and I'm really happy that we've had a lot of work and compromise and they're all continuing to move forward.

Marian Dacca: Great I'll jump in next so there's definitely a lot going on, still in my portfolio which is transportation utilities and broadband. And we'll start with utilities: So, we've now just passed the year mark of the governor's shutoff moratorium for all utilities around the state, public and private. While we know that several of our customers are hurting at the same time city and utility arrearages are also growing. So, we've been working with the Legislature in the governor's office to try and find a path forward with funding to support those in need, as well as get cities on a more sustainable path to

buying down those arrearages and moving towards recovery after the pandemic.

Next, I will cover broadband, I would say more now than ever the Legislature and the state knows the importance of being able to be connected to Internet. There's several ongoing conversations: How to provide expanded service to underserved and unserved areas of the state. There are two main proposals moving forward **House Bill 1336** which provides pretty expansive new authority to folks who already do not have that like PUDs, ports, counties. Fortunately, first class and code cities already do have this authority, but it also provides expanded authority to our second-class cities and towns.

There's also one that's a little bit more limited **Senate Bill 5383** by Senator Wellman we believe there's ongoing conversations on how to merge the two concepts together to meet the goals of the Legislature.

And lastly, there's several conversations still ongoing on a transportation revenue proposal. I know we'll touch on budgets later, but prior to the pandemic, cities have growing needs that were not being met and now with the pandemic, even more so folks know the need for maintenance, preservation, and more stable revenue sources to meet city transportation needs. There are two main proposals moving forward, right now, one in the House, and one in the Senate. With not much time left and legislative session, it remains unclear if they are going to be able to make a deal this year, however there's definitely some good traction and some movement this week.

Emma Shepard: Sharon, I want to punt it back over to you. Do you want to give us an update on what's going on with the what's known as the Blake fix bill?

Sharon Swanson: So, the *Blake* fix bill is in response to a recent Supreme Court decision in Washington state. Late in February, the Court—Supreme Court decided that the possession of a controlled substance statute is unconstitutional and what that means is that, right now, or well for the past 50 years in Washington state it's been a felony for someone to possess a controlled substance. And that can be everything from heroin to methamphetamines to a whole variety of substances, and the Supreme Court tossed out that statute. And so, now the Legislature is trying to come to terms with what do we do? Do we

recriminalize as a felony possession of a controlled substance? Do we not criminalize it? Or do we criminalize it at a lower standard, such as a gross misdemeanor or misdemeanor? And there's not really any consensus at this point for what is the best approach moving forward. However, the Senate Democrats have introduced **Senate Bill 5476**, and that is a bill that would say that people who are 21 years of age or older can have personal use amounts of certain substances. So that kind of turns the way that we've addressed addiction, or at least possession of controlled substances on its head. So, for the past 50 years it's been punishable as a felony and now the Legislature is taking an approach to say "we need to treat this more as a public health crisis, we need to get people treatment not criminalize possession or addiction," and so that bill was introduced. And AWC: We've taken a position of "other," so we're not saying we're for this policy change or against this policy change because we've got cities that feel differently about this. What we're trying to do is point out that we need a lot of resources, if this is the policy decision of the Legislature to offer treatment to people, then we need to make sure that we have treatment options in every one of our communities. And that's not a current status, we have a lot of communities that have no inpatient options, limited outpatient options. So, we need to really advocate that the funding sources be there, that this is a state responsibility and then every one of our communities has to be set up to succeed and offer treatment individuals if those individuals want to seek that. So that's kind of the approach that we're taking. We were not looking for controversial topics during this legislative session, but the Supreme Court decided we weren't having enough fun, and so it think was day 70 the decision came down, and so the next couple weeks a lot of conversations about how we're going to grapple with this.

Emma Shepard: Thanks for that. Some of you touched on the budget already but what's the status of the three proposed budgets and how do they impact cities?

Candice Bock: That's a good question the budgets always take a lot of kind of the time and energy, towards the end of session, as they are working on getting them introduced and passed and then negotiating the final versions. You know, I think, overall, the budget process ended up being a lot better for cities than we might have feared at the beginning of session. The combination of more federal funds being available through the American Rescue Plan, coupled with a really positive revenue

forecast in March, that really put the state right back where it was in terms of revenue projections as of last February before the pandemic hit. So, the Legislature had you know a lot more resources to work with in crafting this budget, and as a result I think cities fared pretty well overall. There's certainly some fine tuning that needs to be done in terms of some programs, but overall, I think, I certainly was really pleasantly surprised at how well the Legislature treated local government as a partner in this budget. You know, some of the basic things we look at the Legislature fully funded state-shared revenues with cities, those are things like liquor taxes, and criminal justice assistance account dollars, city county assistance account dollars, those are fully funded data expected levels. We also saw in the House budget something a bit unique with a City Assistance Fund that is basically \$58 million in monies to distribute to cities to cover what might otherwise be considered unfunded mandates from some of the legislation they're working on. So, it's a really nice thing to see, that recognition of local government costs and the Legislature actually covering those costs, so I think overall it's a pretty good budget for cities. But again, there's some fine tuning that we're still working on and asking cities to speak up about and talk to legislators about and I know others watch other parts of the budget so sure there's other input on capital and transportation.

Marian Dacca: Yeah, I'll go ahead and chime in on transportation. So, unfortunately, unlike the positive revenue forecast for the operating budget, the state transportation revenues continue to be collected at a pretty historically low rate. And as of right now they're not projecting pre-pandemic levels until 2031. We all know traffic and I imagine it will come back before 2031, however, a lot of our state's revenue sources for transportation budget does rely on fuel tax. As Candice mentioned, fortunately both the House and Senate current law transportation budgets used a billion dollars of federal ARP funds to backfill lost revenues. So, we are not in as bad of a shape as we thought we would be putting this budget together, however it's unclear the future of transportation and moving forward if we don't receive additional federal funds next year.

Carl Schroeder: Yeah, it's a little interesting, you mentioned that the way that they use the federal funds to support the lack of revenue on the transportation side. On the capital budget side, we've seen some pretty significant increases in you know, like almost doubling the last several biennium of investment in public works assistance

for instance with federal dollars on the House budget side. Partially helping support using those revenues to support the city assistant fund that Candice talked about. Seeing big numbers on the you know the basic infrastructure programs federal grant programs, and that sort of thing. Really high numbers on cleanups, toxic cleanups, stormwater, you know that suite of issues, so the capital budget is usually a pretty good budget for cities, you know a lot of investments that improve our communities or make specific community needs whole and that sort of thing.

On the housing side it's another one that is pushing the envelope in terms of you know, historic levels of investment. And things like the Housing Trust Fund so generally pretty good news I would say, on the on the capital side you know there's always a little bit of quibbling about what revenue source to use for some of these accounts and that sort of thing but, in general, a very solid set of investments.

Sharon Swanson: In regard to police reform again I'll go back to that. The investments have been mostly good news story, and so a lot of the legislation that we're enacting is changing how law enforcement will interact with the community so that requires training. You know if we're changing things such as when an officer can pursue and what the standard for pursuit needs to be, then we need to make sure that all of our law enforcement officers have that information and have been trained to these new standards, and there are 11,000 law enforcement officers in the state. 7,000 of those or roughly 7,000 of those are city employees, so it takes a long time to get people trained up and to offer them the information and make sure that the scheduling is such that we have enough officers on the street and also have enough officers you know, in the classroom or interacting with their trainers. And so, to that end we're looking at how much money has been set aside to roll out the training to create the curriculum, and so we look at the Criminal Justice Training Commission numbers and the Legislature has made good investments there, but we need a little bit more from them. There's a about a \$2 million gap between what is asked for and what is needed for training on the new decertification process and **Senate Bill 5051**.

And in addition, we really are advocating for funds for what's called the C2 training APP and it's less than a million dollars. It's a training application to be on either a law enforcement officer's phone or their desktop. So that allows them to have access to the information and do not all of the training, but a lot of

the training from their home or from their desk. And that would save a lot of money for our local governments, because we wouldn't have officers having to travel over to Burien or take you know, an entire in-service day to sit in front of their computer and have Zoom interaction, they can do this when they have time. And that's something that's not in either budget and so we're pushing really hard on that. But for the most part the Legislature has made significant investments for the training.

Marian Dacca: One other thing I'll touch on. Both the House and Senate made significant investments in rental and utility assistance as a larger pot of money. And, as I mentioned before, we are hoping to have some sort of a dedicated allocation just towards utility assistance, but we do think it's a great step in the right direction to put money towards both rental and utility assistance.

Emma Shepard: What are the next two weeks going to look like and what should our city officials be doing, between now and the end of session to make an impact for cities?

Candice Bock: I think it's really important for cities to stay engaged. It's been a really long session, it always is when it's 105 days and it can be easy to tune out at any point, but particularly here at the end, I know I think we are all getting a little spring fever and wishing we could tune out a little bit, but. Please stay engaged, please keep talking with your local legislators talk about what still needed in the budget. Highlight those things that are priorities to make sure that they happen. A lot of things get left on the cutting room floor in the final couple of weeks of session, as they get crunched and rushed and tempers might flare a little and patience are short and so it's easy for things to get dropped. So, don't assume that just because it was looking good that it's going to make it across that finish line, keep that pressure on, keep communicating about it, otherwise things do get lost in the shuffle at the very end.

Carl Schroeder: Yeah I couldn't agree more Candice and one of the things that I talked to my colleagues about a lot is that you know, towards the end of the session The legislators tend to turn inward a little bit and they feel like they've heard

from the lobbyists and others about you know what they want, and they need to go behind closed doors and figure out what's going to ultimately come out at the end of the day. And that's a place where, or a time in session, where community leaders who have those sorts of long-term relationships with these legislators are really effective and can be more effective than those of us who are daily on the ground. You know I think there's an opportunity for you to still be texting and emailing and putting these things to the top of the mental list or whatever, and the ability to do that and to make sure that they know about what's important to us either good, bad, or otherwise, you know, this is the place where your relationships can be really helpful and effective and so as Candice said don't take the foot off the gas at the last minute.

Candice Bock: I just jump back in with that, too, for a moment. It's been a long session for them, I mentioned early on, like it can be really exhausting I think we all know to stare at a Zoom meeting for 12 hours in a day and they don't get weekends off for the most part, and they don't get holidays off. So, you know just reaching out and letting them know that you appreciate them and thank them for their time and their service and give them a little bit of a pat on the back right now. Just give them a little boost, because even you know kind of regardless of whether or not you know you agree or disagree on some policy issue, they're working hard right now, and everybody needs a little thank you and a little pat on the back.

Emma Shepard: That's it for the CityVoice Podcast reach out to us if you have any questions or need anything from us and stay tuned to our *Legislative Bulletin* on Mondays to help track some of these items. Also, make sure to register for our May 13 legislative wrap-up webinar to learn how all of this turned out. This has been a production of the Association of Washington cities and we'll see you next time.