

AWC Budget Principles

For the state to thrive and grow, it must invest in strong cities and towns. AWC recognizes that our partners in the State Legislature are burdened with their own difficult budget decisions, but they should continue to value the economic impact that healthy cities provide to Washington State as a whole.

Over the last few biennia, the state has balanced its budget in part at the expense of cities with reductions in shared revenues, sweeps of infrastructure funding, and mandating programs with insufficient funding. All of these actions impact the ability of city officials to deliver basic city services. While we understand the fiscal challenges the Legislature faces, we cannot accept that sweeping critical funds from their intended uses is in the best interest of our state.

AWC supports the Legislature in securing sufficient revenue to fund state programs and obligations. Elimination or significant reduction of state funding benefiting cities is not acceptable.

In developing the state budget, the following should be considered:

- **Support city revenue flexibility.** Ensure an array of revenue opportunities and options that can be used in the manner that best meets local needs. Preserving and expanding revenue options for cities allows local officials to make the decisions at the local level to serve the needs of their community.
- **Revenues distributed to cities and towns must be maintained and where possible restored.** Shared revenue distributions are driven by decades of past decisions about how best to deliver vital services to our citizens. Without those past decisions, other solutions and local funding authorities may have been explored. Cities continue to rely on these funds to support safe communities and strong infrastructure and seek the state's ongoing commitment to fully fund shared revenues.
- **Unfunded and underfunded mandates weaken our cities' fiscal health.** Given state and local fiscal limitations, new mandates that add costs and responsibilities are unacceptable unless new and sufficient resources accompany such mandates.
- **Infrastructure investment is crucial to both cities and the state.** Fully restoring the Public Works Trust Fund should be a priority as well as funding for other infrastructure funding programs. Basic infrastructure around the state needs repair, replacement, and expansion. State investment in local infrastructure helps keep the costs affordable for our residents, improves our environment and supports our economy.