

Legislative Update
Follow Up on Council Work Session

Since GTHGA provided Council with an end of session report, the Legislature adjourned without taking action on a 17-19 Capital Budget, or legislation responding to the *Hirst* Supreme Court decision. The Governor has indicated that he will call a 4th Special Session if/when legislators reach agreement on these final two items.

Meanwhile, below is follow up to a number of the questions that council asked at the end of session report:

ST3 MVET Proposals

Council asked for more details on legislation that was introduced regarding the Motor Vehicle Excise Tax increase that was approved by voters as part of Sound Transit 3. While there were many bills introduced, none of them passed into law. Below is a listing of the bills introduced; the two bills with bold font are the two bills that got the most traction – one passed the House; and the other passed the Senate.

House Bill 2147, sponsored by Representatives Pellicciotti and Irwin would require that a regional transit authority impose a motor vehicle excise tax in order to repay any bond debt incurred before January 1st, 2017. The bill never received a hearing in the House Transportation Committee, and died at the end of Regular Session.

House Bill 2148, sponsored by [Representative Kristine Reeves](#) (D – Federal Way), would allow counties with a population of more than 1.5 million to establish a rebate program for up to forty percent of motor vehicle excise taxes for low income individuals residing in the boundaries of the county. This section defines a “low income individual” as a single person, family, or persons living together with a total income that is at or below eighty percent of the median income. This bill would fund the rebate program through funds from the motor vehicle excise tax. HB 2148 is the companion to Senator Rebecca Saldana’s bill, [Senate Bill 5906](#), which passed out of the Senate Transportation Committee with bipartisan support. The bill died at the end of Regular Session.

House Bill 2149, sponsored by Representatives Lovick and Harmsworth, would require that an RTA that includes a county with a population of at least 1.5 million would require the inclusion of a taxpayer accountability statement. This bill sets similar provisions to the intents of House Bill 2150 in informing the taxpayer about the taxes imposed based on the funds levied under ST3. The bill never received a hearing in the House Transportation Committee, and died at the end of Regular Session.

House Bill 2150, sponsored by Representatives Kloba and Harmsworth, would require the county treasurer to develop a taxpayer accountability statement regarding all taxes imposed on the taxpayer that are located within the regional transit authority regarding the amount of tax levied under ST3. This bill sets requirements for all of the resources that must be encompassed in the “taxpayer accountability statement.” The bill never received a hearing in the House Transportation Committee, and died at the end of Regular Session.

[House Bill 2151](#), sponsored by Representatives Kilduff and Muri, would require that effective in the year 2020, transit agencies located in counties with a population of at least seven hundred thousand or more that border the Puget Sound must demonstrate their willingness to work together to align fare structures, marketing efforts, and integration of service planning within the shared regional transit authority in the same county. The bill never received a hearing in the House Transportation Committee, and died at the end of Regular Session.

[House Bill 2196](#), sponsored by Representative Mark Harmsworth (R – Mill Creek), would allow for the nullification of any and all taxes imposed by a regional transit authority under any of the following circumstances:

- (1) A majority vote in the city or county’s legislative authority;
- (2) A proposition approved and passed by a majority of voters;

This bill never received a hearing in the House Transportation Committee and died at the end of Regular Session.

[House Bill 2197](#), sponsored by Representative Mark Harmsworth (R – Mill Creek) would require that the RTA tax payments received be used to retire any debts incurred by the RTA. In the case of Sound Transit, this would mean that the taxes paid by constituents must go towards bond payment from ST3 projects. The bill would also require that if a county has a population greater than 1.5m, the RTA must give notice to the Secretary of State once all of the debt is retired. This bill also includes an emergency clause. This bill never received a hearing in the House Transportation Committee, and died at the end of Regular Session.

[House Bill 2198](#), sponsored by Representative Mark Harmsworth (R – Mill Creek), would allow for RTAs to utilize the MVET proceeds only if the tax is based on the Kelley blue book value. In addition, the RTA must take responsibility for the fiscal impact that this tax has on the department including customer service, IT, and tax collection processing related costs. Under this umbrella of responsibility for additional administrative costs, the RTA would also be responsible for compensating for any future unforeseen costs. This bill never received a hearing in the House Transportation Committee, and died at the end of Regular Session.

[House Bill 2199](#), sponsored by Representative Mark Harmsworth (R – Mill Creek), is similar to a bill we saw from Representative Fey; it would restructure an RTA governing board to include the secretary of the DOT (or a designee) and eleven directly elected nonpartisan members, one from each of the eleven districts in primary and general elections beginning with those held in 2018. Those on the governing board may not hold another public office at the same time. The board must also include five members appointed by the governor to define the eleven districts mentioned above. This governing board structure is noted as a way for the Legislature to “ensure that the single agency is accountable to the people” and also includes an emergency clause. This bill never received a hearing in the House Transportation Committee, and died at the end of Regular Session.

[House Bill 2201](#), sponsored by [Representative Mike Pellicciotti](#) (D – Federal Way), would **require further transparency between taxpayers and regional transit authorities regarding the amount of taxes owed. This communication must include a clear notification to taxpayers regarding the expected amount owed under current law, when the expected tax is due, and the net impact after a new tax is imposed. The bill requires a market value adjustment program to be implemented in determining the fair valuation of vehicles in order to calculate**

the motor vehicle excise tax. In addition, transit agencies under this proposed bill would be required to detail cost-saving methods by creating efficiencies through coordination with other transit agencies, by revising project contingency budgets and further transparency on project design. This bills passed out of the House.

[Senate Bill 5905](#), sponsored by Senator Hobbs, would require that the motor vehicle excise tax (MVET) imposed by a regional transit authority repay the bond debt and comply with the RCW that requires MVETs to remain consistent with the approved schedule for bond repayment. The bill died in Rules Committee at the end of Regular Session.

[Senate Bill 5906](#), sponsored by Senator Saldana, would provide an MVET rebate program for low income individuals. The senator commented that this issue would mitigate the disproportionate impact that this tax might have on low income individuals, particularly because the MVET is based on the original value of all vehicles. The fiscal component of this bill would be assumed by the Department of Licensing's private/public motor vehicle fund. The bill died on the Rules Committee at the end of Regular Session.

[Senate Bill 5893](#), sponsored by Senator O'Ban, is an attempt to mitigate the motor vehicle excise taxes that have been imposed on areas impacted by ST3 by requiring the establishment of a Market Value Adjustment Program for those counties that meet a certain population threshold and have an MVET fee. The bill would also require that Sound Transit delegate the MVET collection to the Department of Licensing and to pay for any administrative costs relating to MVET collection. This bill passed out of the Senate.

Eyman Initiative - Tim Eyman recently announced the launch of an initiative to the Legislature to remove Sound Transit's car-tab taxes and tax every vehicle in Washington at a flat \$30 rate. The initiative would also bar local transportation benefit district fees, which are used to fund local transportation projects.

<http://www.seattletimes.com/seattle-news/transportation/tim-eyman-initiative-would-toss-sound-transit-car-tab-tax-set-state-cap-of-30/>

Full Interchange at 188th

Council asked questions about the funding for a full interchange at 188th. In the adopted transportation budget, language directs additional funding to go towards full interchanges at 188th and Meridian. The proviso states, "If the department receives additional funds from an outside source for this project, the funds must be applied toward the completion of these two full single-point urban interchanges."

WSDOT believes that as written, this language may impact the use of federal FASTLane grant funds. The Chairs of the Transportation budget have indicated that their intent was not to take potential federal grant funding away from the project. They committed to sending a letter to WSDOT to clarify that point.

Page 44: http://leap.leg.wa.gov/leap/Budget/Detail/2017/ctbillspassed_0421.pdf

Local Match

Council asked for additional information regarding the local match. The 2015 Legislature assumed a total local match of \$130 million for the Puget Sound Gateway Program. This session, the local match was pushed back in time as well as split over three biennia instead of two. Additionally, the Secretary of Transportation is tasked with developing a memorandum of understanding (MOU) with local project

stakeholders that identifies a local match schedule, due July 1, 2018. During the course of developing the MOU, WSDOT must also evaluate if there are benefits to moving up the overall project schedule.

2015 Legislature

2019-2021: \$70 million in local match due

2021-2023: \$60 million in local match due

2017 Legislature – Made positive revisions to the local match schedule

2023-2025: \$60 million in local match due

2025-2027: \$30 million in local match due

2027-2029: \$40 million in local match due

Mobile/Manufactured Homes

Council asked which of the mobile/manufactured homes bills passed the chamber of origin cutoff deadline. One bill passed the House of Origin cutoff, but died immediately thereafter. [House Bill 1514](#) passed the House 54-42 and was referred to Senate Financial Institutions & Insurance but it did not receive a hearing. This bill required a minimum of three years' notice on closures or conversions of mobile home parks and manufactured housing communities. The bill was later amended to 18 months' notice which placed the bill outside the scope of the bill title and thus subject to constitutional challenge.

Public Records

Council requested more details regarding the bills that passed regarding the public records act. Below are links to the bill pages and more detailed information than was provided in the PowerPoint at the council meeting:

[House Bill 1594](#), sponsored by Rep. McBride

- *Grant Program*
 - “Establish and administer a competitive grant program for local agencies to improve technology information systems for public record retention, management, and disclosure, and any related training.”
- *Funding for grant and consultation program*
 - “Surcharge of one dollar per instrument for every document recorded...Revenue generated through this surcharge shall be transmitted to the state treasurer...to be used exclusively for the competitive grant program... and for the attorney general's consultation program and state archivist's training services authorized in RCW 42.56.570.”
- *Consultation Program*
 - “Attorney General must establish a consultation program to provide information for developing best practices for local agencies requesting assistance in compliance with this chapter including, but not limited to: Responding to records requests, seeking additional public and private resources for developing and updating technology information services, and mitigating liability and costs of compliance.”
- *Reporting performance requirements*
 - “Each agency with actual staff and legal costs associated with fulfilling public records requests of at least \$100,000 during the prior fiscal year must, and each agency with such estimated costs of less than \$100,000 during the prior fiscal year may, report to the

joint legislative audit and review committee by July 1st of each subsequent year the following metrics”

- (a) An identification of leading practices and processes for records management and retention, including technological upgrades, and what percentage of those leading practices and processes were implemented by the agency;
- (b) The average length of time taken to acknowledge receipt of a public records request;
- (c) The proportion of requests where the agency provided the requested records within five days of receipt of the request compared to the proportion of requests where the agency provided an estimate of an anticipated response time beyond five days of receipt of the request;
- (d) A comparison of the agency's average initial estimate provided for full disclosure of responsive records with the actual time when all responsive records were fully disclosed, including whether the agency sent subsequent estimates of an anticipated response time;
- (e) The number of requests where the agency formally sought additional clarification from the requestor;
- (f) The number of requests denied and the most common reasons for denying requests;
- (g) The number of requests abandoned by requestors;
- (h) To the extent the information is known by the agency, requests by type of requestor, including individuals, law firms, organizations, insurers, governments, incarcerated persons, the media, anonymous requestors, current or former employees, and others;
- (i) Which portion of requests were fulfilled electronically compared to requests fulfilled by physical records;
- (j) The number of requests where the agency was required to scan physical records electronically to fulfill disclosure;
- (k) The estimated agency staff time spent on each individual request;
- (l) The estimated costs incurred by the agency in fulfilling records requests, including costs for staff compensation and legal review, and a measure of the average cost per request;
- (m) The number of claims filed alleging a violation of chapter 42.56 RCW or other public records statutes in the past year involving the agency, categorized by type and exemption at issue, if applicable;
- (n) The costs incurred by the agency litigating claims alleging a violation of chapter 42.56 RCW or other public records statutes in the past year, including any penalties imposed on the agency;
- (o) The costs incurred by the agency with managing and retaining records, including staff compensation and purchases of equipment, hardware, software, and services to manage and retain public records or otherwise assist in the fulfillment of public records requests;
- (p) Expenses recovered by the agency from requestors for fulfilling public records requests, including any customized service charges; and
- (q) Measures of requestor satisfaction with agency responses, communication, and processes relating to the fulfillment of public records requests.

- *No “any and all request*
 - “A public records request must be for identifiable records. A request for all or substantially all records prepared, owned, used, or retained by an agency is not a valid request for identifiable records under this chapter, provided that a request for all records regarding a particular topic or containing a particular keyword or name shall not be considered a request for all of the agency’s records.”
- *No “bot” requests*
 - “An agency may deny a bot request that is one of multiple requests from the requestor to the agency within a twenty-four hour period, if the agency establishes that responding to the multiple requests would cause excessive interference with other essential 38 functions of the agency.”
- *Charges for electronic records*
 - “Ten cents per page for public records scanned into an electronic format or for the use of agency equipment to scan the records;”
 - “Ten cents per gigabyte for the transmission of public records in an electronic format or for the use of agency equipment to send the records electronically.”
 - “An agency may charge a flat fee of up to two dollars for any request as an alternative to fees authorized under (a) or (b) of this subsection when the agency reasonably estimates and documents that the costs allowed under this subsection are clearly equal to or more than two dollars.”

Port District Commissioner Election Bill

Council asked for information regarding House Bill 1999. Representative Mia Gregerson introduced [House Bill 1999](#), which would require that the Port of Seattle be divided into commissioner districts that mirrored county legislative authority districts beginning in 2019. Thus, it would require the transition from five at-large positions to nine district positions. It would also require that commissioners receive the same salary as state legislators.