



City of Spokane

Legislative Update



February 26, 2008

The legislative cutoff for house of origin bills was last Tuesday, The House is now finished considering its own bills, and the Senate has done the same. Any bill that did not clear its house of origin is considered dead for the session. The exception to this rule is any bill necessary to implement the budget.

The House Appropriation Committee approved its supplemental budget by adding \$297 million to the \$3.3 billion biennial state budget, maintaining a \$740 million reserve.

The House also released its supplemental capital budget. Area projects that received additional funding include: Mobius, \$1.1 million; YWCA/YMCA, \$1 million; Mt. Spokane lodge upgrades, \$300,000; Armed Forces & Aerospace Museum, \$100,000.

The Senate today proposed its supplemental budget, adding \$295 million to the \$3.3 billion biennial state budget, maintaining a \$755 million reserve, \$309 million as an ending fund balance and \$446 million to the Budget Stabilization Account. The Senate included capital funding as follows: Mobius, \$1.2 million; YWCA/YMCA, \$1 million, and Mt. Spokane upgrades, \$300,000.

Budgets were impacted by last week's revenue forecast. Dr. Chang Mook Sohn released the forecast that projects revenue to the state has fallen by \$423 million for the current 2007-09 biennium. Slumping home sales and the lower projected revenue from the real estate excise tax causes the largest part of the decrease. The good news is that Washington's economy is bolstered by software, aerospace and agriculture, and one of the strongest state economies in the nation. The caution here, of course, is to lower expectations for funding for projects.

Our funding requests for the Riverside Avenue Extension (\$2.4 million) and the North Spokane Corridor Redevelopment Plan Study (\$500,000) are in play, thanks to Sen. Lisa Brown and Sen. Chris Marr.

Issues of Local Interest

Community Empowerment Zones. We have worked with the City of Tacoma, the state Economic Development Board, Avista, GSI and others to ensure that SSB 6626, the "corporate headquarters" bill passes to provide CEZ incentives upon minimum investment of \$30 million and 300 full-time employees earning at least the average

annual state wage. It was included in the Senate budget this week. Also included was an employment reduction requirement for companies availing themselves of CEZ incentives from 15% to 10%.

Annexation Reform. We have supported HB 2483 that provides equity for the direct petition form of annexation by providing 60% assessed valuation approval for code and non-code cities, and HB 2482 which eliminate a requirement to provide by-laws. Both bills were moved from Senate Government Operations yesterday to Rules. We worked directly with Senate staff for the Senate Government Operations Committee and AWC to oppose and/or significantly improve language related to annexing fire districts found in ESHB 2938, which was pulled yesterday from the Committee's agenda and appears to be dead.

Climate Change. We have supported SB 6580, Local Solutions to Climate Change at hearings and by Mayoral letter, but is meeting with quite a bit of opposition, and we support E2SHB 2844, a bill promoted by the Audubon Society that encourages cities to voluntarily develop and implement urban forestry plans to become a designated Evergreen City and provides some grant funding. In addition, E2SHB 2978 is the Local Farms Healthy Kids legislation that appears to be sailing smoothly through the legislature and enjoying broad support.

Public Safety. Gang Task Force recommendations (E2SHB 2712) passed the House last week and will be heard in the Senate Judiciary Committee on Wednesday. This includes a small fund for graffiti abatement.

The taping of executive sessions bill (HB 3292) died last week when it did not move out of the House.

We will keep you informed as the legislative process continues. The legislature officially concludes in just over two weeks on March 14th.

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