From: Debbie Tarry
To: Heidi Costello

Subject: Fwd: local government "punch list" for House Transportation leads

Date: Wednesday, March 04, 2015 10:28:09 AM

Attachments: Local Gov Feedback on Senate Transpo Package.docx

ATT00001.htm

Will you put in my update folder and include the attachment? Thanks.

Sent from my iPad

Begin forwarded message:

From: Scott MacColl <<u>smaccoll@shorelinewa.gov</u>>

Date: March 4, 2015 at 10:07:53 AM PST **To:** Debbie Tarry dtarry@shorelinewa.gov

Cc: John Norris < <u>inorris@shorelinewa.gov</u>>, Carolyn Wurdeman

<<u>cwurdema@shorelinewa.gov</u>>

Subject: Fwd: local government "punch list" for House Transportation leads

Debbie - here is a brief summary of the Senate Transportation bill passed by the Senate on Monday. I've forwarded the email below as it includes an attached list of the major issues identified that are of concern to local governments that AWC and city lobbyists are planning to share with House leadership.

The Senate passed a transportation package which included six D's that voted in favor and three R's that voted against it. The D's voting for noted that they want to have a package moving to continue the discussion and that the problems with the bill can be fixed in the House.

There were a number of 'reform' amendments added on the floor that will not be well received in the House. One of the amendments added at the last minute was to exempt state transportation projects from the state sales tax. This not only reduces state general fund revenue, but if the state is exempted, locals also don't receive the local portion of the sales tax either. Additionally, it is likely that if the state is exempted, the federal government doesn't have to pay the tax either. This item is of significant concern and AWC has already submitted a letter with this specific concern identified.

I'll keep you informed as things move forward.

Scott

Sent from my iPad

Begin forwarded message:

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From: Alison Hellberg <alisonh@awcnet.org>
Date: March 3, 2015 at 6:45:13 PM PST
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Subject: local government "punch list" for House Transportation leads

Hello all,

This is a follow-up to my email from earlier today. Representative Clibborn and other transportation leads in the House have asked for a "punch list" of suggested changes for the transportation revenue package coming out of the Senate. I spoke with Representative Clibborn today and getting this to her sooner rather than later would be better since she will begin looking at the Senate package topic by topic as soon as her staff finishes their analysis.

We've been working jointly with the counties to come up with a combined local government list. I'm attaching an initial list here and would welcome your feedback. In terms of timing, we'd like to get something to the chair and others this week. We'd also use information from the list and our priorities to develop a joint AWC/ WSAC letter — that would include what we like in the Senate package as well as changes we would like to see. The aim would be for that letter to go out next week.

Thanks, Alison

Alison Hellberg

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Issue	Brief Description of Senate proposal	Concerns	Suggested Change
Direct Distribution	\$375 million to cities and counties out of the multimodal account.	The proportion of the gas tax distributed to local governments has been declining since 2002 as fiscal constraints on local governments have been exacerbated.	Local share increased and divided more evenly between cities and counties.
	Split is 63 percent to counties and 37 percent to cities.	The distribution out of the multimodal account is not in statute and would need to be appropriated each biennium. It is also caught up in the Low Carbon Fuel Standard contingency language.	Direct distribution comes from gas tax instead of multimodal account.
Transportation Improvement Board (TIB)	Includes no new funds for TIB.	TIB is an efficient and trusted agency for local governments that has historically had a share of the gas tax. With urban areas growing, TIB's funding should keep pace.	Increase funding by \$10 million a year for projects.
	Dedicates \$54 million of 2012 fee bill money - \$3.375 million a year.	To continue same level of funding for small and mid-sized city preservation programs and expand LED streetlight pilot program, it would be \$5 million a year or \$80 million over 16 years.	Maintain funding for these programs at \$5 million a year.
County Road Administration Board (CRAB)	Includes no new funds for CRAB.	CRAB is an efficient and trusted agency for counties that has historically allocated gas tax to counties through direct allocation and grant programs. Costs for maintenance and preservation have reduced the purchasing power of gas tax by half since 2003.	Increase funding by \$10 million a year for projects.
	Dedicates \$54 million of 2012 fee bill money - \$3.375 million a year.	Costs for the County Arterial Preservation Program have more than doubled since 2003. The 2013-15 appropriation of \$5 million per year should be increased to \$10 million to keep roads in adequate condition.	Maintain funding for these programs at \$5 million a year.

Transportation Benefit Districts (TBD)	Increases councilmanic motor vehicle fee authority from \$20	Cities have been looking at \$20 to \$50 and other administrative changes this	Include provisions of Rep Fey's HB 1757 (2015).
Districts (TDD)	to \$40 after \$20 has been in place for 2 years.	session.	<u>118 1737</u> (2013).
ESSB 5991 – ELSA	Diverts 20 percent of ELSA account for WSDOT stormwater legacy projects and culvert projects.	Locals currently have equal access to ELSA funds and, like the state, have stormwater and culvert obligations.	Stormwater and culvert investments made with ELSA funds must produce multiple benefits. Desired language attached.
Baldridge assessment amendment to ESSB 5988	Cities with population over 75,000 who receive project funding under "program Z" must complete a Baldridge assessment every two years.	This process can be time-consuming and costly. [need more concrete concern here]	Remove mandate and encourage or incentivize use of Baldridge assessment.
Fish passage barriers	No funding for local fish passage barrier removal.	WDFW has identified 2,700 county- owned and 931 city-owned fish passage barriers.	[working with other stakeholders on something feasible - more to come here]
ESSB 5990 - Sales tax exemption	Exempts WSDOT projects from state AND local sales tax.	The amended bill will lead to loss of sales tax revenues for locals.	Restore language from underlying bill.