

BUSINESS OF THE CITY COUNCIL CITY OF MERCER ISLAND

AB 6635 March 18, 2025 Regular Business

AGENDA BILL INFORMATION

TITLE:	AB 6635: 2025 Legislative Session Update	☑ Discussion Only☐ Action Needed:
RECOMMENDED ACTION:	Receive report. No action necessary.	☐ Motion ☐ Ordinance ☐ Resolution
	1	
DEPARTMENT:	City Manager	
STAFF:	Jessi Bon, City Manager Robbie Cunningham Adams, Sr. Management Analyst Amelia Tjaden, Management Analyst	
COUNCIL LIAISON:	n/a	
EXHIBITS:	City of Mercer Island 2025 Legislative Priorities	
CITY COUNCIL PRIORITY:	n/a	
	ANACHNIT OF EVDENDITUDE C n/o	

AMOUNT OF EXPENDITURE	\$ n/a
AMOUNT BUDGETED	\$ n/a
APPROPRIATION REQUIRED	\$ n/a

EXECUTIVE SUMMARY

The purpose of this agenda bill is to provide an update of the 2025 State Legislative Session and preview potential impacts to the City's work plan.

- The 2025 Washington State legislative session began on Monday, January 13, 2025, and is expected to end on Sunday, April 27, 2025.
- On November 19, 2024, the City Council adopted the City's legislative priorities (Exhibit 1) for the 2025 Legislative Session (AB 6557).
- The 2025 State Legislative Session is continuing a recent trend of an intense volume of bills introduced and considered, especially on issues of public safety, and housing and land use.

BACKGROUND

On November 19, 2024, the City Council adopted the City's legislative priorities (Exhibit 1) for the 2025 Legislative Session (AB 6557). The City identified six legislative priorities:

- Capital Funding for Emergency Replacement of City's Sole Water Source
- Support for Public Safety
- Increase Resources for Behavioral Health and Substance Use Disorder Treatment and Prevention

- Support for Affordable Housing
- Sustainable Funding Preservation and Maintenance of Critical Transportation Infrastructure
- Preserving and Protecting the Environment

The City retained the lobbying services of Nick Federici and Luke Esser this year. The lobbying team assists with tracking and strategizing bills of interest to the City, signing in on behalf of the City when needed, and scheduling meetings for City Council leadership and staff with legislative representatives.

ISSUE/DISCUSSION

The 2025 State Legislative Session is continuing a recent trend of an intense volume of bills introduced and considered, especially on issues of public safety, and housing and land use. City staff, lobbyists, and City Council leadership are dedicating a significant amount of time to tracking bills, connecting with representatives and elected officials in neighboring communities, and advocating for legislation that aligns with Mercer Island's priorities.

Advocacy

Mayor Nice, Deputy Mayor Rosenbaum, City staff, and the City's lobbying team were actively engaged for several months leading up to the start of the legislative session and throughout the session, tracking bills with potential impact to Mercer Island and the region. City Council leadership and staff teams collaborated extensively to testify and engage directly with Representatives Zahn and Thai, Senator Wellman, and with staff with the Association of Washington Cities (AWC) on a host of bills but primarily related to public safety, and housing and land use.

The significant extent of the City's advocacy in Olympia included but was not limited to:

- Weekly meetings since January with the Mayor, Deputy Mayor, staff, and lobbyists.
- Regular calls with legislators on bills and emerging issues.
- Weekly meetings with AWC lobbyists, including providing individual technical and legal analysis and suggested amendments on housing bills to AWC and legislators.
- As bills are introduced, amended, stricken, and replaced, this triggers significant research and review effort by Council and staff, especially from CPD, MIPD, and the City Manager's Office.
- Staff met virtually with newly appointed Representatives Zahn and her staff soon after her appointment to discuss issues affecting Mercer Island and our priorities for the session. Deputy Mayor Rosenbaum met separately with Repsentative Zahn.
- Mayor Nice, Deputy Mayor Rosenbaum and staff met with a staffer from Representative Thai's office to discuss priority bills in the legislative session. Representative Thai was unable to attend due to a scheduling conflict.
- Public testimony was given by Mayor Nice in opposition to HB 1096 (Lot-Splitting), HB 1195 (STEP Housing Siting), HB 1235 (Housing Compliance), and HB 1380 (Regulation of Use of Public Property) to the House Housing committee.
- Public testimony was given by Mayor Nice requesting changes to HB 1491 (Transit-Oriented Development) to the House Housing committee and to the Capital Budget committee.
- Public testimony was given by Mayor Nice in opposition to HB 1183 (Development Regulations) and HB 1299 (Parking Regulations) to the House Local Government committee.

- Public testimony was given by Mayor Nice in opposition to HB 1183 (Development Regulations), HB 1443 (Mobile Dwelling Units) and HB 1380 (Regulation of Use of Public Property) to the House Appropriations committee.
- Public testimony was given by Mayor Nice in opposition to SB 5184 (Parking Regulations) and SB 5497 (STEP Housing Siting) to the Senate Housing committee.
- Public testimony was given by Mayor Nice in opposition to SB 5148 (Housing Compliance), SB 5332 (Mobile Dwelling units), and SB 5066 (State oversight of Police) to the Senate Ways & Means Committee.
- Public testimony was given by Mayor Nice in support of SB 5071 (Endangerment with a Controlled Substance), SB 5105 (criminal offenses related to fabricated depictions of children) and SB 5060 (Police Funding) to the Senate Law and Justice committee.
- Public testimony was given by Mayor Nice in support of SB 5559 (Streamlining Subdivision Process) to the Senate Local Government committee.
- Public testimony was given by Mayor Nice in support of an amendment to HB 1473 to provide disaster response financial assistance to cities such as Mercer Island affected by the recent bomb cyclone.
- The City of Mercer Island signed as 'Pro' for HB 1428 (Police Funding) to the House Appropriations committee.
- Providing public testimony requires significant effort by the City team. Between Council and staff
 analysis, drafting and reviewing testimony, and waiting in line to testify during committee hearings, it
 typically required 5 to 10 hours of staff and Council time to prepare public testimony.

WA State Budget

The City signed on in support of an Association of Washington Cities letter opposing a sweep of the Public Works Assistance Account (PWAA). The PWAA is at risk of losing over \$100 million to the state's general fund. Diverting funds from the PWAA erodes a city's ability to fund basic local infrastructure and goes back on agreements made with city leaders. This action aligns with the City's adopted priorities, which support state investments and low-interest loans to strengthen local infrastructure.

Capital Funding for Emergency Replacement of City's Sole Water Source

The City's sole funding ask is for state support for funding the emergency replacement of City's sole water source. Council Leadership and staff, with the assistance of Representative Zahn's office, applied to the state capital budget for \$3 million in state funding to cover 15% of the cost to construct the water supply pipeline.

The state budget is under considerable strain, although the capital budget is in better condition than the operations or transportation budget. So while funding from the state is not guaranteed, the City remains hopeful for state support of this critical project. The state budget is likely to be adopted at the very end of the session in late April.

Support for Public Safety

Public safety funding has been at the center of this year's legislative session and is a top priority for the City. The City is tracking several bills related to public safety.

Bill Number	3/12 Status	Description
HB 2015	Alive	Bill creates councilmanic 0.10% sales tax authority for funding criminal justice. Cities that impose the new tax are eligible for a grant program to recruit, retain, and train officers.
SB 5060	Dead	Bill creates \$100 million in grants for hiring law enforcement officers. Competitive grants would cover 75% of the costs up to \$125,000 for up to three years. The City signed in as 'Pro' for this bill.
<u>SB 5775</u>	Alive	Bill makes the existing public safety sales tax authority councilmanic for the next two years.
HB 1791	Alive	Bill allows the use of local REET for use for affordable housing, public safety, and operations and maintenance purposes.
SB 5066	Dead	Bill creates new broad authority for the Attorney General (AG) to investigate police departments. The AG's office already has authority to bring lawsuits when they believe there is a pattern or wrongdoing in a department. The City testified against this bill due to the liability it placed on cities.
HB 1428	Dead	Bill increases the funding to the Municipal Criminal Justice Assistance Account by \$25 million annually for public safety to fund criminal justice needs. The City signed in as 'Pro' for this bill.

Housing & Land Use

Housing is again a featured theme of this year's legislative session. The City is tracking several bills related to housing, land use, and comprehensive planning.

Bill Number	3/12 Status	Description
HB 1380	Dead	"Safe spaces bill". Bill requires that city or county law/code that regulates the acts of sitting, lying, sleeping, or keeping warm and dry outdoors on public property, must be objectively reasonable. The bill does not provide a definition for what is considered objectively reasonable. The City testified against this bill.
HB 1096	Alive	Lot splitting bill requires cities to set up an administrative process to approve a parcel split without a public hearing when certain conditions are met. The City testified against this bill.
SB 5148	Alive	Housing Accountability Act. The bill would delay adopting a city's new, updated housing GMA elements and development regulations until they are approved by the state. The City testified against this bill.
HB 1491	Alive	Transit Oriented Development (TOD) bill. The bill seeks to increase housing capacity and reduce regulations in areas around high-capacity transit such as the Light Rail station. The bill contains a proposed grant program to support infrastructure. The City testified to request amendments to this bill, including the removal of its parking regulation provisions.
SB 5184	Alive	Bill significantly reduces local authority to set on-site parking requirements. The bill prohibits cities and counties from requiring more than 0.5 parking space per residential dwelling unit, and from requiring more than one parking space per 1000sqft of commercial space. The City testified against this bill.

HB 1183	Alive	Omnibus development regulation bill adds six new sections to the GMA, requires all cities and towns to comply with two of them, and amends an existing chapter of GMA. The City testified against this bill.
HB 1195	Dead	STEP housing bill. Bill requires that comprehensive plans, developments regulations, and permit processes must not deny or preclude supportive, transitional, or emergency housing/shelter on every residential parcel. Requires the Department of Commerce to enforce requirements by withholding city revenues including sales, motor vehicle, liquor, and other taxes. The City testified against this bill.
HB 1443	Dead	Bill requires cities authorize mobile homes and other temporary structures as permanent living spaces and allow one per residential lot. The City testified against this bill.

Increase Resources for Behavioral Health and Substance Use Disorder Treatment and Prevention

As a direct provider of behavioral health services through Youth and Family Services, the City is tracking bills related to prevention and intervention resources targeting substances of abuse and funding and other support for behavioral health services.

Bill Number	3/12 Status	Description	
<u>SB 5071</u>	Alive	Updating the endangerment with a controlled substance statute to include fentanyl or synthetic opioids. The City testified in support of this bill.	
SB 5105	Alive	Expands the definition of fabricated depictions to include obscene visual or printed matter. Clarifies certain defenses to prosecutions for offenses involving depictions of a minor engaged in sexually explicit conduct. Expands the crime of sexual exploitation of a minor. The City testified in support of this bill.	
HB 1805	Dead	Creating a local sales and use tax to fund services for children and families that enhance well-being, promote mental health, and provide early interventions.	
HB 1203	Dead	Prohibits the sale, display, and advertisement of any flavored tobacco, nicotine, or vapor product and any entertainment vapor product.	

NEXT STEPS

The final impact of the bills passed in the 2025 Legislative Session will continue to be discussed and shared with City Council as direction and implementation requirements are clarified. Staff will follow up with City Council on any impact on department work plans and will seek input and direction from the Council in late Q2 or early Q3.

Staff anticipate beginning work on the draft legislative priorities for the 2026 State Legislative Session this fall. This item will be presented to the City Council for review and approval in October or November. Finally, there is a large body of work that occurs outside of and leading up to the next legislative session including a debrief with the City's lobbyists, meetings with legislators, engagement with AWC and other partners, and more.

RECOMMENDED ACTION

Receive report. No action necessary.