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Commissioners Office

JEFFERSON COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA REQUEST

TO: **Board of County Commissioners**
Mark McCauley, County Administrator

FROM: **Kate Dean, Commissioner**

DATE: **November 6, 2023**

SUBJECT: 2024 Legislative Priorities

STATEMENT OF ISSUE: Jefferson County engages on legislative issues in myriad venues and formats, including with paid lobbyists, with the North Olympic Legislative Alliance and through the WA Association of Counties. Having the BOCC decide on legislative priorities will help lobbyists, Commissioners and staff be more strategic in lobbying and advocacy in Olympia this winter.

ANALYSIS: Attached are the DRAFT policy priorities from WSAC (since they did not adopt a legislative agenda. Additionally, NOLA's issues for consideration are attached. These outline a number of topics that the BOCC may choose to prioritize or take a position on. There may be other issues NOT included here that the BOCC may choose to pursue: DNR forest policy, the Brinnon sewer, solid waste/ recycling policy, among others.

RECOMMENDATION: The Board should discuss possible legislative issues and decide whether to identify priorities and/or strategy for the legislative session starting in January, 2024.

REVIEWED BY:

10/31/23

Mark McCauley, County Administrator Date

North Olympic Legislative Alliance potential legislative priorities, 2024

- House Bill 1398, Sharing Economic Development Information: NOLA members expressed some support for continuing to push on this bill, introduced in 2023 by Rep. Chapman, which requires state agencies to share county-wide job data, including NAICS codes, payroll, employee stats, business revenue to be shared confidentially with ADOs.
    - Colleen McAleer shared that if the bill advanced again, Commerce would like to add a provision to the bill that would require ADOs to undergo training before receiving disaggregated information due to privacy concerns.
    - Rep. Chapman shared that this legislation would have more success if it were Commerce-request legislation. He expressed a strong need for this bill to have Executive Branch support to advance. He shared that union and business opposition to this bill due to privacy concerns will be a difficult challenge to overcome.
    - Rep. Tharinger mentioned that the labor committee seemed to be the wrong avenue for this bill. He indicated that the bill needs to have more specificity before advancing – it's unclear to outside stakeholders why ADOs would benefit from having this information, and the Olympic Peninsula perspective is not well understood among counties who have access to economic information without disclosing business-specific information. He mentioned that there may be an opportunity to coordinate with the Governor's Office as they look at ensuring federal dollars don't get left on the table, since providing concrete economic data can strengthen grant applications for small communities. Colleen McAleer concurred with these comments, sharing that in small counties, ADOs must do their own surveys to collect information about the number of businesses, people, and revenue an area takes in, and that these surveys may cost 1/3 of what a potential grant would cover.

- Wildland Urban Interface Code Changes: The Department of Natural Resources released maps this year reflecting changes made by the Legislature around the Wildland Urban Interface (places where development meets wildlands) to increase fire safety for buildings. Additionally, the State Building Code Council adopted several changes that would impact buildings within WUIs, leading several stakeholders to express concerns around increasing cost to build. NOLA members have expressed concern about the impact of these changes on building costs and development of affordable housing in Olympic Peninsula communities. The Committee did not have specific legislative proposals and asked the delegation to provide feedback on what types of legislative solutions would be feasible.
    - Sen. Van De Wege indicated that he is tracking these concerns. He clarified that the changes made to WUI maps by DNR is a separate issue from the changes made by the State Building Code Council. He indicated that the Legislature adopted 4 fire safety code changes in 2019, and the map DNR released this year to reflect these changes was overbroad, pulling in too many communities into the WUI. DNR is currently in the process of revising these maps to reduce the area included in the WUI. He indicated that he did not foresee cost concerns associated with these fire safety updates once the WUI maps are updated.
    - Sen. Van De Wege indicated that the State Building Code Council changes are currently being litigated, and there is a 2-year pause on implementing the proposed changes. Due to this pause, there is unlikely to be legislation addressing this issue next year.

- Wendy Sisk clarified that the local self-help building program (likely through Habitat for Humanity) would be negatively impacted by the changes proposed by the State Building Code Council. Sen. Van De Wege recommended following up with the Building Industry Association of Washington for more information on this issue.

- Sustainability of Rural Hospitals: Rural hospitals like the Olympic Medical Center are facing severe funding shortfalls and staffing shortages that may jeopardize the ability of these facilities to remain open. The group suggested several proposals: supporting efforts to increase Medicaid reimbursement rates, supporting a proposal led by Jefferson Healthcare that eases certification requirements for nurses working in rural healthcare settings, and/or making a request for one-time funding for OMC.
    - Rep. Tharinger mentioned that this has been a huge challenge within the district. He indicated that the Legislature has been putting dollars into the budget for OMC – about $2m a biennium – which is matched with federal Medicaid money. There was consensus among the delegation and John Nutter from OMC, who attended the meeting, that there are broader issues with Medicaid reimbursement rates that must be addressed at the federal level, as the state has increased reimbursement rates for these facilities. He mentioned that he was not aware of Jefferson Healthcare's nursing compact proposal but indicated there is willingness within the caucus to make changes within these areas.
    - Colleen McAleer mentioned a potential proposal for nurses to earn credits through on the job experience to reduce barriers to certification. Sen. Van De Wege shared that he worked on a similar issue for paramedics, and that they received significant pushback from universities who want medical professionals to go to school. There is a sustainability of school funding issue in pursuing these alternative pathways, and a similar proposal would be unlikely to advance in the short session.

- Allowing Small School Districts to Access Common School Trust Revenue – HB 1444/SB 5126: There was a proposal to support House Bill 1444/Senate Bill 5126, which requires the Legislature to fund projects on a competitive capital projects list, the Small School District Modernization Grant Program, out of the Common School Construction Fund before funding other projects.
    - Rep. Tharinger expressed that this is a long-term priority for him, but there is unlikely to be action during the short session on this item. He indicated that ideally, the Legislature would adopt a standardized scoring system for schools seeking financial assistance for upgrades that ranks items such as the age of school, whether the school is proposing a standardized construction model, tsunami/natural disaster risk, and other factors. Schools would be assigned a need "value" and would receive funding in accordance with priority.
    - Josh Weiss asked whether there is a role NOLA can play in developing a solution to this issue. Rep. Tharinger mentioned that there are members on both sides of the aisle that are difficult to move on school funding formulas, but hearing from school districts about their need and support for a standardized program could help them move. NOLA could consider having a statement on the Legislative Agenda that supports having a school funding formula that is standardized and requires local match contributing to school construction to receive funding.

- Limited Areas of More Intensive Rural Development (LAMIRD) Flexibility for Housing: Jefferson County is proposing a bill that would allow counties to plan for increased density, infrastructure (like sewer), and businesses within LAMIRDs. The LAMIRDs would need to meet certain requirements, such as access to transit, basic services available to residents, infrastructure that is non-environmentally damaging, and demonstrated need for affordable, workforce housing. If this approach is not viable, another option would be a request for a state-funded study to identify potential "rural-by-design" concepts for infrastructure within LAMIRDs that would fit within the framework of the Growth Management Act.

  - The delegation was unified that this would be a significant challenge due to the current makeup of the Legislature and the Executive Branch. Urban legislators continue to be uncomfortable with expanding development uses in rural communities. The delegation recommended limiting the bill scope to focus on one primary use – for example, more dense housing – and placing restrictions on what types of communities could qualify before density bonuses are given. There was some internal discomfort among NOLA members expressed about encouraging additional growth within unincorporated areas rather than incorporated areas.

- <u>Offer Alternative Housing Metrics to Area Median Income (AMI):</u> NOLA members are concerned that the AMI does not reflect true cost of living in the Olympic Peninsula, disadvantaging Peninsula communities when competing for programs such as the Housing Trust Fund. One suggestion is to replace the AMI with an affordability index for competitive grant funding.
  - Rep. Tharinger indicated that this issue could be challenging as it would impact scoring for grants statewide, and every community is different. He suggested exploring the idea with the Department of Commerce, who award the funds. NOLA members indicated that they have explored this idea with Commerce and the agency said the Legislature would need to make the change statutorily. There was consensus that this was not a suitable issue for a short session and any proposal would need to be narrowed down to limit statewide impacts, as changes would affect several stakeholders.

- <u>Increase Funding for the School Seismic Safety Retrofit Project:</u> The Legislature provided $40 million in the '21-'23 biennial capital budget for school seismic retrofits across the state, to implement the DNR's 2021 School Seismic Safety Project report. The need is much greater. NOLA would join other entities in supporting additional funding for additional projects.
  - Rep. Tharinger clarified that the program has been funded robustly for the past 2 biennia; the issue is getting the funding out of the door to districts. DNR is completing assessments of seismic risk for each district, prioritizing where they believe seismic activity is most likely. Once these studies are complete, it will be easier for school districts to receive funding through this program. The program is still in early stages and there needs to be more time for implementation before adjustments are made.

2024 LEGISLATIVE SESSION

Policies Counties Support

Counties are regional governments providing many services residents cannot access from any other entity. The following policies will assist counties in delivering critical services, protecting public health and the environment, and supporting vibrant local communities.

Equal Access to Justice

"Given the existing low level of state funding and the increased costs identified to date, the State should increase the funding levels to cities and counties for public defense."

– HOUSE JUDICIARY WORKGROUP ON MISDEMEANOR PUBLIC DEFENSE COSTS IN WASHINGTON STATE, 2014

The absence of state revenue, for such an obvious state mandate delegated to counties, leaves counties with no other option than to cut from other public health and safety services provided to our shared communities. **Please support state funding for trial court public defense.**

Current Funding Structure:

- Washington counties pay over 96% of the cost of trial court public defense ($174.7M /year)
- This is an unbalanced approach to funding our justice system
- Washington State is one of the lowest contributors nationally to public defense (40 out of 50)
- Nationally, 23 states fully fund public defense, and another 8 states fund more than 50%

Growing Requirements:

- The Legislature and the Supreme Court have required counties to adopt new caseload standards for public defenders
- Costs to maintain staffing level consistent with the new standards have skyrocketed
- Caseload standards are likely to be reduced even further, resulting in even greater costs

Taking on the Behavioral Health Crisis

Counties are on the front lines of Washington's behavioral health crisis. Our state has a shortage of mental health providers and a high demand for treatment. Counties need help to deliver what is needed most by some of our most vulnerable residents.

Action needed to turn the corner:

- Investments in facilities, including capital projects and operational funding
- Workforce investments and support
- State authorization to implement the CMS-approved 90-day Medicaid re-entry waiver for individuals leaving prison, jail, or juvenile detention facility
- Affordable housing and support for those being released from detention facilities
- Timely mental health evaluations, restorations, and treatment

WSAC POLICY CONTACTS

Paul Jewell
Senior Policy Director
(360) 489-3024
pjewell@wsac.org

Juliana Roe
Senior Policy Director
(360) 489-3012
jroe@wsac.org

Mike Hoover
Policy Consultant
Mike Hoover Public Affairs
(360) 561-6853
mike@hooverpa.com

Jaime Bodden
Managing Director, WSALPHO
(360) 489-3011
jbodden@wsac.org

Axel Swanson
Managing Director, WSACE
(360) 489-3014
aswanson@wsac.org

Policies Counties Support

County Revenue Enhancement & Flexibility

Counties are the least financially diverse government system in the state, heavily dependent on property tax that is limited in annual growth to 1%, well below recent inflation. Other revenue sources, like penalty assessments, interest, and sales taxes, have been reduced through legislative action without replacements.

Counties support policies to increase and diversify county revenues and local flexibility in resource utilization. Statewide policies to eliminate or exempt fees and taxes should not impact local revenues.

Investments in Fish Passage Barrier Removal

Adequate resources are needed to remove over 8,000 locally-owned fish barriers across the state.

Counties need financial assistance to advance the state's goals for salmon recovery by replacing fish barriers.

Housing

Nearly every community needs more housing units now.

Counties support state investment in infrastructure that supports housing development and resources to assist local government in streamlining permitting systems and processes.

Broadband

Digital equity remains an issue for many county residents and an impediment to growth for many communities.

Counties need funding to support local project planning, business development services, and stakeholder and partner engagement for broadband.

Study to Assess Septage Treatment Capacity

Understanding existing treatment capacity and future needs is critical for infrastructure planning that supports housing and prevents environmental and resource contamination.

Counties support one-time funding to study septage treatment capacity.

Public Records Act Reforms

Counties are advocates for open government and transparency. Still, too many tax-payer resources are wasted responding to public records requests intended to harass, intimidate, and extract financial penalties from local governments.

Counties support working with stakeholders to reduce abusive public records requests and litigation.

Additional Corrections Officer Training Classes

More training is needed for county jail corrections officers than the current class offerings can support, and wait times can be up to a year, creating recruitment and retention challenges.

Counties support adding two additional Corrections Officer Academy classes in FY 24 and four additional classes in FY 25, ongoing.

Fully Fund All New County Responsibilities

The Legislature often passes policy that shifts, increases, or creates new costs for counties without providing new revenue. Unfunded and underfunded policy isn't effective or sustainable.

Counties support state action assuring adequate resources for all new requirements resulting from legislation.