

## **General Session Update**

The 2018 legislative session began with a whirl on 1/8, as the full legislature returned to Olympia for a 60-day regular session. With the November 2017 election shifting the Senate majority to the Democrats (with a new margin of 25 Democrats to 24 Republicans), there has also been a clear shift in priorities.

Here is a summary of some of the legislative priorities we are expecting to be debated this session:

- Passing the Capital budget;
- Hirst water rights
- The Voting Rights Act;
- Campaign disclosure;
- Gun regulations, including banning the use of bump stocks;
- Sexual harassment in the workplace;
- Equal pay.

Governor Inslee began the week with his State of the State address. During his address he called for the legislature to fund the final step of *McCleary* as identified by the recent Supreme Court decision. The Governor chose to fund the roughly \$1 billion obligation through use of state's rainy day fund, which would require a 2/3 vote to use. Additionally, the Governor asked the legislature to prioritize expanding youth apprenticeship programs and career and connected learning, pass a capital budget and put a price on carbon. It was noted he did not mention resolving the Hirst water decision which impacts rural Washington and was a political hotbed last year.

## **Budget and Tax Developments**

### ***Capital budget & Hirst***

The Hirst decision—relating to rural well permitting—became a significant obstacle last year, and was ultimately tied as leverage to the Capital budget. Because there was an impasse on the Hirst fix, the 2017-19 Capital budget did not pass. There have been indications this week that there has been movement on the Hirst fix, which would free up the Capital budget for passage as well. SB 6091 had a public hearing on 1/8 in the Senate Agriculture, Water, Natural Resources & Parks Committee, and passed out of the committee unanimously on 1/11.

The House introduced a new bill (HB 2740) this week as well. That proposal will receive a public hearing in the House Agriculture & Natural Resources committee on 1/16.

The chair of the House Capital Budget committee has indicated his desire to pass the Capital budget out of the House next week.

### ***Bill to create tax expenditure budget will have hearing next week***

A proposal to require tax expenditures to be accounted for in a separate tax expenditure budget as part of the biennial budget adoption process (SB 5513) was scheduled for a committee hearing in the Senate Ways & Means Committee on 1/18.

### ***State Revenue Collections are up***

The Economic and Revenue Forecast Council recently reported that General Fund-State revenue collections are cumulatively up \$121.4 million higher than the November Revenue Forecast. These

collections are in addition to the November revenue forecast that projected \$1 billion more in revenue over the 4 years biennia (2017-19 and 2019-2021) than was expected in June when the budget was passed. The next Revenue Forecast is February 15. The Supplemental Budgets are expected to be released shortly after the forecast.

**Policy Developments**

***UCIOA***

The proposal being considered (SB 6175) to adopt the uniform common interest ownership act (UCIOA) is scheduled for a hearing on 1/18 in the Senate Financial Institutions & Insurance Committee. The proposal currently provides a super lien priority for condo and homeowners’ associations dues and attorney’s fees. We continue to work with advocates and the sponsor of the bill to get the bill into a position that we do not oppose. We will provide testimony and an amendment to the bill.

***Nationstar discussions***

We continue to be active in negotiations to address the *Nationstar* decision. We are currently working alongside the cities to develop language that would allow lenders to have broad access to abandoned properties if a city identifies the property is abandoned and a nuisance.

***Bill Tracker***

Bill	Title	Status	Date	Original Sponsor	Companion Bills	Latest Cmte Mtg Info
<a href="#">2SHB 1298</a>	Job applicants/arr ests, etc.	H 2nd Reading	01/12/2018	<a href="#">Ortiz-Self</a>		Jan 9 Executive action taken in the House Committee on Labor & Workplace Standards at 1:30 PM.
<a href="#">SHB 1057</a>	Education loan information	H Approps	02/16/2017	<a href="#">Orwall</a>	<a href="#">SB 5022</a> (Ssubst for)	Feb 14 Executive action taken in the House Committee on Higher Education at 8:00 AM.
<a href="#">2SHB 1169</a>	Student loan assistance	H Approps	01/08/2018	<a href="#">Orwall</a>		<b>Jan 18</b> Scheduled for public hearing in the House Committee on Appropriations at <b>3:30 PM</b> . (Subject to change)
<a href="#">SHB 1425</a>	Ed. savings account pilot	H Approps	02/17/2017	<a href="#">Kilduff</a>		Feb 15 Executive action taken in the House Committee on Higher Education at 1:30 PM.

<a href="#">SHB 1486</a>	Wage liens/wage recovery act	H Approps	01/08/2018	<a href="#">Gregerson</a>		<b>Jan 17</b> Scheduled for public hearing in the House Committee on Appropriations at <b>3:30 PM</b> . (Subject to change)
<a href="#">ESHB 1570</a>	Homeless housing & assist.	H Approps	01/08/2018	<a href="#">Macri</a>		<b>Jan 17</b> Scheduled for public hearing in the House Committee on Appropriations at <b>3:30 PM</b> . (Subject to change)
<a href="#">SHB 1045</a>	Uniform money services act	H Bus & Fin Svcs	01/08/2018	<a href="#">Kirby</a>	<a href="#">SB 5031</a> (Ssubst for)	Jan 11 Executive action taken in the House Committee on Business & Financial Services at 1:30 PM.
<a href="#">HB 1053</a>	WA state credit union act	H Bus & Fin Svcs	01/08/2018	<a href="#">Reeves</a>	<a href="#">SB 5144</a> (C 61 L 17)	Jan 11 Executive action taken in the House Committee on Business & Financial Services at 1:30 PM.
<a href="#">HB 1061</a>	Collection agency fees	H Bus & Fin Svcs	01/09/2017	<a href="#">Stanford</a>	<a href="#">SB 5043</a> (SWays & Means)	
<a href="#">HB 1185</a>	Insurance/inducements	H Bus & Fin Svcs	01/13/2017	<a href="#">Haler</a>		Jan 25 Public hearing in the House Committee on Business & Financial Services at 1:30 PM.
<a href="#">HB 1318</a>	Credit unions' capital	H Bus & Fin Svcs	01/17/2017	<a href="#">Ryu</a>		
<a href="#">HB 1850</a>	Retirement marketplace opts	H Bus & Fin Svcs	02/01/2017	<a href="#">Stanford</a>		
<a href="#">SHB 1966</a>	Retirement marketplace reqs.	H Bus & Fin Svcs	01/08/2018	<a href="#">Stanford</a>	<a href="#">SB 5675</a> (Ssubst for)	Feb 15 Executive action taken in the House Committee on Business & Financial Services at 1:30 PM.
<a href="#">HB 1051</a>	Infrastructure financing	H Cap Budget	01/09/2017	<a href="#">DeBolt</a>		Feb 14 Public hearing in the House Committee on Capital Budget at 3:30 PM.

<a href="#">HB 1324</a>	Local infrastruct. financing	H Cap Budget	02/06/2017	<a href="#">Thariner</a>	<a href="#">SB 5088</a> (S Ways & Means)	Feb 14 Public hearing in the House Committee on Capital Budget at 3:30 PM.
<a href="#">2SHB 1980</a>	Home rehabilitation loan prg	H Cap Budget	01/08/2018	<a href="#">Blake</a>	<a href="#">ESB 5647</a> (C 285 L 17)	Mar 29 Executive session scheduled, but no action was taken in the Senate Committee on Ways & Means at 3:30 PM.
<a href="#">HB 2364</a>	Housing finance commission	H Comm Dev, Hous	01/08/2018	<a href="#">Ryu</a>	<a href="#">SB 6371</a> ()	<b>Jan 16</b> Scheduled for executive session in the House Committee on Community Development and Housing & Tribal Affairs at <b>10:00 AM</b> . (Subject to change)
<a href="#">HB 1044</a>	Homeownership projects	H Comm Dev, Housi	01/09/2017	<a href="#">MacEwen</a>		Jan 26 Public hearing in the House Committee on Community Development and Housing & Tribal Affairs at 1:30 PM.
<a href="#">HB 1536</a>	Afford. housing/local tools	H Comm Dev, Housi	01/23/2017	<a href="#">McBride</a>		
<a href="#">HB 1627</a>	Nonprofit corp. financing	H Comm Dev, Housi	01/08/2018	<a href="#">Ryu</a>		Mar 22 Executive action taken in the Senate Committee on Human Services and Mental Health & Housing at 1:30 PM.
<a href="#">SHB 1752</a>	Affordable urban housing	H Comm Dev, Housi	01/08/2018	<a href="#">Santos</a>		Feb 15 Executive action taken in the House Committee on Community Development and Housing & Tribal Affairs at 8:00 AM.
<a href="#">SHB 1893</a>	Spirits & wine/credit card	H Commerce & Gami	01/08/2018	<a href="#">Vick</a>	<a href="#">ESB 5665</a> (C 190 L 17)	Mar 9 Executive action taken in the Senate Committee on Commerce and Labor & Sports at 1:30 PM.

<a href="#">HB 1441</a>	State agency land purchases	H Environment	01/31/2017	<a href="#">Haler</a>		Feb 14 Public hearing in the House Committee on Environment at 1:30 PM.
<a href="#">HB 1748</a>	Affordable rural housing	H Environment	01/27/2017	<a href="#">Chandler</a>		Feb 14 Public hearing in the House Committee on Environment at 1:30 PM.
<a href="#">HB 1231</a>	Cooperative finance orgs tax	H Finance	01/13/2017	<a href="#">Lytton</a>	<a href="#">SB 5148</a> (S Ways & Means)	Jan 24 Public hearing in the House Committee on Finance at 3:30 PM.
<a href="#">SHB 1422</a>	Rural jobs	H Finance	03/14/2017	<a href="#">Blake</a>	<a href="#">SB 5208</a> (S Ways & Means)	Mar 9 Executive action taken in the House Committee on Technology & Economic Development at 1:30 PM.
<a href="#">HB 1500</a>	Tax exemptions	H Finance	01/20/2017	<a href="#">Pollet</a>	<a href="#">SB 5513</a> (S Ways & Means)	Jan 31 Public hearing in the House Committee on Finance at 3:30 PM.
<a href="#">HB 1549</a>	Tax preferences	H Finance	01/23/2017	<a href="#">Lytton</a>	<a href="#">SB 5112</a> (S Ways & Means)	
<a href="#">HB 1665</a>	Tax expenditure transparency	H Finance	01/26/2017	<a href="#">Santos</a>		
<a href="#">HB 1695</a>	Crowdfunding donation taxes	H Finance	01/26/2017	<a href="#">Stokesberry</a>		Feb 7 Public hearing in the House Committee on Finance at 3:30 PM.
<a href="#">HB 1730</a>	Capital gains excise tax	H Finance	01/27/2017	<a href="#">Jinkins</a>	<a href="#">ESB 5111</a> (S Failed 3rd)	
<a href="#">HB 1764</a>	Property tax revenue limit	H Finance	01/08/2018	<a href="#">Lytton</a>	<a href="#">SB 5772</a> (S Local Government)	Mar 30 Executive action taken in the House Committee on Finance at 8:00 AM.
<a href="#">HB 1926</a>	Capital gains excise tax	H Finance	02/02/2017	<a href="#">Pollet</a>		
<a href="#">SHB 1305</a>	Unlawful entry	H Judiciary	01/08/2018	<a href="#">Barkis</a>	<a href="#">SB 5388</a> (S subst for)	Feb 16 Executive action taken in the House Committee

						on Judiciary at 1:00 PM.
<a href="#">HB 1633</a>	Housing/source of income	H Judiciary	01/08/2018	<a href="#">Riccelli</a>	<a href="#">SB 5407</a> (SFin Inst/Ins)	Feb 16 Executive action taken in the House Committee on Judiciary at 1:00 PM.
<a href="#">HB 1635</a>	Tenant property, disposition	H Judiciary	01/25/2017	<a href="#">Barkis</a>	<a href="#">SB 5013</a> (SRules 3)	Feb 16 Executive session scheduled, but no action was taken in the House Committee on Judiciary at 1:00 PM.
<a href="#">HB 2098</a>	Marijuana/financial services	H Judiciary	02/14/2017	<a href="#">Sawyer</a>	<a href="#">SB 5928</a> (SFin Inst/Ins)	<b>Jan 18</b> Scheduled for executive session in the House Committee on Judiciary at <b>1:30 PM</b> . (Subject to change)
<a href="#">HB 2265</a>	Lienholders' interests	H Judiciary	01/08/2018	<a href="#">Kirby</a>	<a href="#">SB 6005</a> (SFin Inst/Ins)	<b>Jan 17</b> Scheduled for public hearing in the House Committee on Judiciary at <b>8:00 AM</b> . (Subject to change)
<a href="#">SHB 1116</a>	Family & medical leave insurance	H Labor & Workpla	01/08/2018	<a href="#">Robinson</a>	<a href="#">SB 5032</a> (SLabor & Commerce)	Feb 22 Executive action taken in the House Committee on Appropriations at 1:30 PM.
<a href="#">HB 1991</a>	Delinquent properties/admin.	H Local Govt	01/08/2018	<a href="#">Volz</a>		Mar 23 Executive action taken in the Senate Committee on Local Government at 1:30 PM.
<a href="#">HB 1992</a>	County treasurer admin costs	H Local Govt	02/06/2017	<a href="#">Volz</a>		Feb 14 Public hearing in the House Committee on Local Government at 10:00 AM.
<a href="#">HB 1993</a>	County treasurer contracting	H Local Govt	02/06/2017	<a href="#">Volz</a>		Mar 1 Public hearing in the House Committee on Local Government at 8:00 AM.

<a href="#">SHB 1209</a>	Municipal financial services	H Passed 3rd	01/11/2018	<a href="#">Bergquist</a>	<a href="#">SB 5396</a> (SFin Inst/Ins)	Feb 1 Executive action taken in the House Committee on Business & Financial Services at 1:30 PM.
<a href="#">HB 1499</a>	Student loan disbursement	H Passed 3rd	01/11/2018	<a href="#">Pollet</a>		Apr 3 Executive session scheduled, but no action was taken in the Senate Committee on Ways & Means at 1:30 PM.
<a href="#">HB 1806</a>	Crimes by corporations	H Public Safety	01/08/2018	<a href="#">Pelliciotti</a>		Feb 16 Executive action taken in the House Committee on Public Safety at 8:00 AM.
<a href="#">SHB 1070</a>	Dispute resolution fees	H Rules 3C	04/23/2017	<a href="#">Jenkins</a>		Mar 29 Executive action taken in the Senate Committee on Law & Justice at 8:00 AM.
<a href="#">E2SHB 1439</a>	Higher ed student protection	H Rules 3C	01/12/2018	<a href="#">Pollet</a>		Apr 4 Executive session scheduled, but no action was taken in the Senate Committee on Ways & Means at 1:30 PM.
<a href="#">ESHB 2057</a>	Residential real property	H Rules 3C	04/23/2017	<a href="#">Orwall</a>	<a href="#">SB 5797</a> (Ssubst for)	Mar 14 Public hearing and executive action taken in the Senate Committee on Financial Institutions & Insurance at 8:00 AM.
<a href="#">HB 1052</a>	Credentials/student loans	H Rules C	03/13/2017	<a href="#">Sawyer</a>		Jan 18 Executive action taken in the House Committee on Business & Financial Services at 1:30 PM.
<a href="#">SHB 1797</a>	Affordable housing/taxes	H Rules R	07/20/2017	<a href="#">McBride</a>		Mar 3 Executive action taken in the House Committee on Finance at 8:00 AM.
<a href="#">2SHB 1904</a>	Personal info. sale & tax	H Tech & Econ De	01/08/2018	<a href="#">Smith</a>		<b>Jan 16</b> Scheduled for public hearing in the House Committee on Technology & Economic

						Development at <b>10:00 AM</b> . (Subject to change)
<a href="#">SHB 1219</a>	Auctioned impounded vehicle	H Trans	01/08/2018	<a href="#">Orcutt</a>	<a href="#">SB 5016</a> (Ssubst for)	Feb 1 Executive action taken in the House Committee on Transportation at 3:30 PM.
<a href="#">SB 5396</a>	Municipal financial services	S Fin Inst/Ins	01/23/2017	<a href="#">Angel</a>	<a href="#">HB 1209</a> (Hsubst for)	Feb 2 Public hearing in the Senate Committee on Financial Institutions & Insurance at 8:00 AM.
<a href="#">SB 5407</a>	Housing/source of income	S Fin Inst/Ins	01/24/2017	<a href="#">Froct</a>	<a href="#">HB 1633</a> (HJudiciary)	Jan 11 Public hearing in the Senate Committee on Financial Institutions & Insurance at 8:00 AM.
<a href="#">SB 5464</a>	Washington investment trust	S Fin Inst/Ins	01/25/2017	<a href="#">Hasegawa</a>	<a href="#">HB 2059</a> (HBus & Fin Svcs)	Feb 9 Public hearing in the Senate Committee on Financial Institutions & Insurance at 8:00 AM.
<a href="#">SB 6175</a>	Common interest ownership	S Fin Inst/Ins	01/10/2018	<a href="#">Pedersen</a>		<b>Jan 18</b> Scheduled for public hearing in the Senate Committee on Financial Institutions & Insurance at <b>8:00 AM</b> . (Subject to change)
<a href="#">SJM 8002</a>	Banking/Glass-Steagall act	S Fin Inst/Ins	01/11/2017	<a href="#">Hasegawa</a>		
<a href="#">SB 5406</a>	DSHS/long-term care settings	S Health & Long T	01/08/2018	<a href="#">Becker</a>	<a href="#">HB 1354</a> (HHC/Wellness)	
<a href="#">SB 5017</a>	Student loan information	S Higher Ed & Wor	01/08/2018	<a href="#">Bailey</a>		
<a href="#">SB 5210</a>	Student loan bill of rights	S Higher Ed & Wor	01/08/2018	<a href="#">Lias</a>	<a href="#">HB 1440</a> (Hsubst for)	



<a href="#">SSB 5182</a>	Affordable housing options	S Human Svcs/Corr	01/08/2018	<a href="#">Fain</a>		<b>Jan 15</b> Scheduled for executive session in the Senate Committee on Human Services & Corrections at <b>1:30 PM</b> . (Subject to change)
<a href="#">SB 5032</a>	Family & med leave insurance	S Labor & Commerc	01/08/2018	<a href="#">Keiser</a>	<a href="#">HB 1116</a> (HLabor & Workpl)	Jun 28 Public hearing in the Senate Committee on Commerce and Labor & Sports at 12:00 PM.
<a href="#">SB 5140</a>	Equal pay and opportunities	S Labor & Commerc	01/08/2018	<a href="#">Cleveland</a>		Jan 10 Public hearing in the Senate Committee on Labor & Commerce at 1:30 PM.
<a href="#">SB 5149</a>	Paid family leave	S Labor & Commerc	01/08/2018	<a href="#">Fain</a>		Jan 30 Public hearing in the Senate Committee on Commerce and Labor & Sports at 1:30 PM.
<a href="#">SB 5264</a>	Virtual currency/marijuana	S Labor & Commerc	01/08/2018	<a href="#">Rivers</a>		Jan 25 Public hearing in the Senate Committee on Commerce and Labor & Sports at 1:30 PM.
<a href="#">SB 5507</a>	Automatic renewal/contracts	S Labor & Commerc	01/08/2018	<a href="#">Zeiger</a>		Feb 8 Public hearing in the Senate Committee on Commerce and Labor & Sports at 1:30 PM.
<a href="#">SB 5009</a>	Economic disruption crimes	S Law & Justice	01/09/2017	<a href="#">Ericksen</a>		
<a href="#">SB 5428</a>	Condo assoc litigation costs	S Law & Justice	01/24/2017	<a href="#">Padden</a>		Feb 15 Public hearing in the Senate Committee on Law & Justice at 8:00 AM.
<a href="#">SB 5015</a>	At-will tenancy/unl detainee	S Rules 2	01/08/2018	<a href="#">Warnick</a>		Jan 19 Executive action taken in the Senate Committee on Financial Institutions & Insurance at 8:00 AM.

<a href="#">SB 5127</a>	Carbon pollution tax	S Rules 2	01/08/2018	<a href="#">Braun</a>	<a href="#">HB 1555</a> (HFinance)	Feb 24 Executive action taken in the Senate Committee on Ways & Means at 11:00 AM.
<a href="#">SSB 5016</a>	Auctioned impounded vehicle	S Rules 3	04/23/2017	<a href="#">Hobbs</a>	<a href="#">HB 1219</a> (HTrans)	Jan 31 Executive action taken in the Senate Committee on Transportation at 3:30 PM.
<a href="#">ESSB 5033</a>	Infrastructure financing	S Rules 3	04/23/2017	<a href="#">Keiser</a>		Apr 7 Executive action taken in the House Committee on Capital Budget at 9:00 AM.
<a href="#">ESSB 5456</a>	Unpaid accounts	S Rules 3	04/23/2017	<a href="#">Braun</a>	<a href="#">HB 1145</a> (HJudiciary)	Mar 23 Executive session scheduled, but no action was taken in the House Committee on Judiciary at 1:30 PM.
<a href="#">2SSB 5577</a>	Incapacitated persons/rights	S Rules 3	04/23/2017	<a href="#">Conway</a>		Apr 4 Executive action taken in the House Committee on Appropriations at 11:00 AM.
<a href="#">ESSB 5312</a>	Criminal record/employment	S Rules X	01/08/2018	<a href="#">Baumgartner</a>		Apr 4 Executive action taken in the House Committee on Appropriations at 11:00 AM.
<a href="#">SB 5445</a>	Eminent domain/economic dev.	S Rules X	01/08/2018	<a href="#">Padden</a>		Mar 23 Executive action taken in the House Committee on Judiciary at 1:30 PM.
<a href="#">ESSB 5620</a>	Transp. network companies	S Rules X	01/08/2018	<a href="#">King</a>		Mar 14 Public hearing in the House Committee on Labor & Workplace Standards at 1:30 PM.
<a href="#">ESB 5629</a>	Title insurance rating orgs.	S Rules X	01/08/2018	<a href="#">Angel</a>	<a href="#">EHB 1450</a> (C 103 L 17)	Mar 15 Public hearing and executive action taken in the House Committee on Business & Financial Services at 1:30 PM.

<a href="#">SB 5680</a>	Small securities offerings	S Rules X	03/17/2017	<a href="#">Fain</a>	<a href="#">HB 1593</a> (C 113 L 17)	Feb 14 Executive action taken in the Senate Committee on Financial Institutions & Insurance at 8:00 AM.
<a href="#">ESSB 5797</a>	Residential real property	S Rules X	01/08/2018	<a href="#">Mullet</a>	<a href="#">HB 2057</a> (Hsubst for)	Mar 23 Executive action taken in the House Committee on Judiciary at 1:30 PM.
<a href="#">SSB 5043</a>	Payment of debts	S Ways & Means	02/16/2017	<a href="#">Angel</a>	<a href="#">HB 1061</a> (HBus & Fin Svcs)	Feb 14 Executive action taken in the Senate Committee on Financial Institutions & Insurance at 8:00 AM.
<a href="#">SB 5148</a>	Cooperative finance orgs tax	S Ways & Means	01/13/2017	<a href="#">Baumgartner</a>	<a href="#">HB 1231</a> (HFinance)	Feb 14 Public hearing in the Senate Committee on Ways & Means at 3:30 PM.
<a href="#">SB 5416</a>	Property tx exemp/intangible	S Ways & Means	01/24/2017	<a href="#">Chase</a>		
<a href="#">SB 5496</a>	Local infrastructure funding	S Ways & Means	01/26/2017	<a href="#">Rivers</a>	<a href="#">HB 1677</a> (Hsubst for)	
<a href="#">SB 5587</a>	Linked deposit program	S Ways & Means	02/06/2017	<a href="#">Hasegawa</a>		Feb 2 Public hearing and executive action taken in the Senate Committee on Financial Institutions & Insurance at 8:00 AM.