State Government Relations Updates Regional Staff Committee **Updated** as of April 17, 2025 4/16/2025



We are leaders in the region to realize equity for all. Diversity, racial equity and inclusion are integrated into how we carry out all our work.

Puget Sound Regional Council

Federal Updates



- Budget Reconciliation
- BRIC grants termination
- Surface Transportation
 Reauthorization
- PSRC reporting form



Surface Transportation Reauthorization



- •Stakeholders encouraged to <u>submit</u> <u>proposals</u> for federal transportation programs (SS4A, BUILD, etc.), including specific project examples in need of funding
- •Submittals should include a letter highlighting all proposals
- •Proposals due April 30 at 3:00pm PT
- Learn more <u>here</u>



Safe Streets and Roads for All NOFO Open

- NOFO released
- Applications due June 26, 2025
- \$1 billion available
- Upcoming Webinars:
 - 4/15 SS4A Implementation Grants
 - 4/17 SS4A Action Plans
 - 4/23 SS4A Supplemental Planning





2025 State Legislative Session

- Over 2,300 bills introduced
- Chambers considering budget related bills and reconciling differences
- ✓ April 16 Opposite House Cut-off
- Budget Negotiations



Operating Budget Proposals





	Senate	House
Total Budget 2 years	\$78.5b budget \$17b in new taxes	\$77.8b budget 2 yrs \$15b in new taxes
Education	\$2.2b special education \$422m MSOC	\$1b less in new money for special education and public schools
State Workers	Reduces state worker salary by 5%	Does not rely on state worker furlough
Uses Rainy Day Fund	Yes	No
Public Safety	No	Invests \$50m for new police officers and \$50m for crime prevention
Early Learning and Childcare	Delay	Delay

New Revenue Proposals

- Revenue Growth Limit & School Funding SB 5812 / HB 2049
- Capital Gains and Estate Taxes <u>HB 2082</u>
 <u>SB 5813</u>
- B&O tax surcharge <u>HB 2081</u>/<u>SB 5815</u>
- Taxes on Services & Nicotine Products & Prepayment of Sales Tax HB 2083/SB 5814
- Tax on surplus generated by Zero Emission Fuel Program HB 2077 SB 5811





Governor Ferguson

April 4, Letter from OFM to Legislature

- Restrain new spending
- Identify efficiencies and savings
- Maintain reserves
- Concerns about federal funding

<u>As Ferguson details budget concerns,</u>
<u>Washington legislators see mixed</u>
<u>signals</u> (WA State Standard)



MRSC Funding

 House cuts budget to \$6.1m

 Senate level funds at \$6.8m with no allowance for inflation Empowering local governments

House Operating Budget
Would Cut MRSC Funding
Effective July 1 (MRSC)



Transportation Budget

Senate

- Current Law and New law budget, revenue bill
- Furloughs workers
- \$500m reserve
- Move Ahead Completion Funding

Both

invest

in:

- Electric vehicles
- Hydrogen infrastructure

House

- \$1b in reserves
- No reduction in preservation projects
- Delays \$1.3b in transportation projects but none currently under contract
- Drayage trucks
- Sustainable aviation



Transportation Budget: Revenue

- Both rely on increase in gas tax
 - House 9 cents
 - Senate 6 cents
- House Highway Use Fee
- <u>SSB 5802</u> Transfers .1 % sales tax to transportation budget

Comparison of Transportation Proposals



Washington State Ferries

- Preserve resources for new vessels
- Delay hybrid electric ferry conversions, House delays terminal electrification
- House increases preservation by \$100m and \$40m for capital vessel investments
- Senate directs to WSF to develop a renewable diesel demonstration project
- Kitsap & King County POF \$847m in Senate and \$2.76m in House



Executive Board Resolution

- Supporting sustainable revenue to ensure continued critical investment in the state transportation system
- Board members recognized need for resources for maintenance and preservation, addressing safety on our roadways, restoring full ferry service & completing projects of regional significance



RESOLUTION NO. PSRC-EB-2025-01

A RESOLUTION of the Puget Sound Regional Council Supporting a Balanced

WHEREAS, the Puget Sound Regional Council is designated by local governments and WHEREAS, the Puget Sound Regional Council is designated by local governments and under federal and state laws as the Metropolitan Planning Organization and Regional Council for the Council Dispute Council C under rederal and state laws as the Metropolitan Planning Organization and Regional Transportation Planning Organization for the central Puget Sound region encompassing

WHEREAS, the Puget Sound Regional Council develops policies and coordinates decisions and economic development planning within the central WHEREAS, the Puget Sound Regional Council develops policies and coordinates decisions about regional growth, transportation and economic development planning within the central

WHEREAS, a primary responsibility of the Puget Sound Regional Council is to develop and maintain a long-range Regional Transportation Plan describing how the region will create a WHEREAS, a primary responsibility of the Puget Sound Regional Council is to develop and maintain a long-range Regional Transportation Plan describing how the region will create a soft and afficient multimodal transportation evertage.

maintain a iong-range кедіопаі і ransportation man describing now the region will crea sustainable, equitable, affordable, safe and efficient multimodal transportation system; WHEREAS, the Regional Transportation Plan places specific emphasis on an integrated regional transit network that supports the region's growth strategy and promotes vitality of

WHEREAS, safety on regional roadways is a critical concern and the Puget Sound Regional WHEREAS, sarety on regional roadways is a critical concern and the Puget Sound Res Council is adopting a Regional Safety Action Plan to reverse the troubling increase in Council is adopting a Regional Safety Action Plan to reverse the floubiling increase in deaths and serious injuries on our roadways and to support the Washington State Strategic

WHEREAS, the Washington State Ferries system is a marine highway system, alongside that is essential to Punet Sound communities, and investment PARSENCE OF THE WASHINGTON STATE FERRES SYSTEM IS A MARINE NIGHT WASHINGTON STATE OF THE WASHINGTON ST passenger-only letry service, that is essential to Fuger Sound communities, and investment in new vessels, boat maintenance and workforce is needed to restore reliable cross-sound

WHEREAS, the region's communities face a significant backlog of maintenance and

WHEREAS, the region's communities race a significant backlog of maintenance and preservation needs for roadways, bridges, sidewalks and other transportation infrastructure; WHEREAS, climate change is an urgent environmental, economic and equity threat, and the whereas, compare change is an urgent environmental, economic and equity times central Puget Sound region's leaders have committed to taking actions to reduce greenhouse gas emissions and create a sustainable urban region;

WHEREAS, costs of completing major transportation projects continue to increase and WHEREAS, costs or completing major transportation projects continue to increase and projects of regional significance must be built as quickly as possible as the region continues

Resolution EB-2025-01



Transportation Bills



- HB 1902 passed
 Streamlining Permitting for
 Transportation Projects
- SB 5773 Procurement & Delivery Models
- HB 1837 passed both houses Intercity Passenger Rail



Housing Stability

Rent Stabilization

HB 1217 (Alvarado) passed both
houses – likely conference
SB 5222 dead (Trudeau)

Senate Amended:

- Limit rent increase to 10% plus consumer price index
- Exempts single family homes not owned by corporation



Housing Supply: Transit-Oriented Development

Promoting Transit Oriented Housing Development passed both houses HB 1491 (Reed)

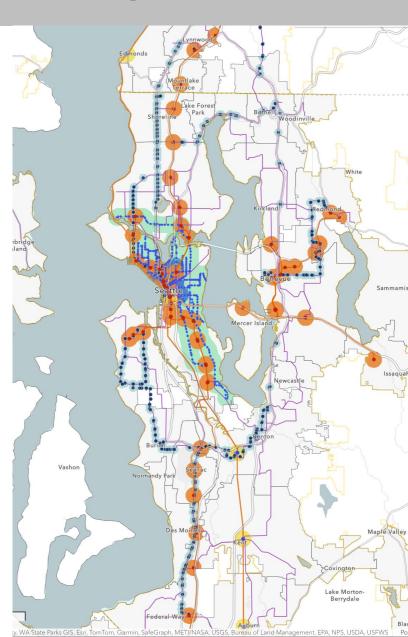
Creates density requirement in station areas

- 3.5 FAR w/in .5m of rail (.25m in cites
 <15,000 people)
- 2.5 FAR w/in .25m of BRT

Affordability

- 10% of units if rents are 60% AMI & below
- 20% of units if rents are 80% AMI & below

Requires adoption of 20yr MFTE program in station areas



Housing Supply: Parking Requirements



Minimum Parking Requirements
HB 1299 (Peterson) dead / HB 5184
(Bateman) passed both houses

Prohibits cities and counties from requiring:

- More than 0.5 parking space per multifamily residential unit and 1 per single family home
- More than 2 parking space per 1000 feet of commercial space

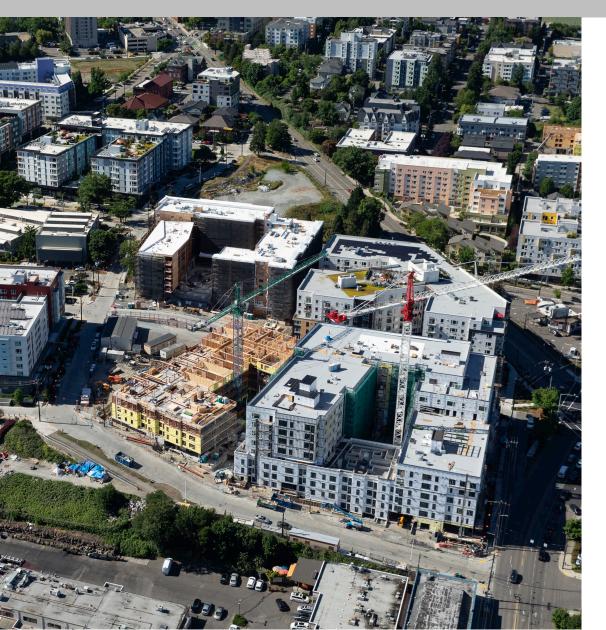
Housing Bills



- HB 1096 Lot Splitting passed both houses
- SB 5559 Streamlining Subdivision Process passed both houses
- HB 1494 MFTE Adjustments passed
- HB 1183 Modifying Building Code Delivered to Gov
- HB 1403 Simplifying Condo Construction passed both houses



GMA Bills



SB 5148 GMA Housing Element Compliance passed both houses

HB 1135 GMA Compliance Governor signed



