

MEMORANDUM

Date: January 14, 2025

Subject: Legislative Priorities Recommendations

The below policy areas are recommendations for the City Council to consider when adopting their legislative priorities for the 2025 session. It is anticipated that when the session begins on January 13 additional budget priorities will come forward from Governor-elect Ferguson. The House and Senate will begin work on their own budget proposals after the March revenue forecast and a final plan before the session adjourns in April. The legislature holds the ultimate authority for approving the state budget.

Fully Fund the Public Works Assistance Account (PWAA)

The PWAA, established in the 1980s, offers low- and no-interest loans to cities, counties, and public utility districts for essential infrastructure projects. Recognized as a national model, it helps fund critical community needs while keeping costs affordable for residents. Although past budget shortfalls led to funds being diverted, full funding was only restored last year.

In recent years, funds received from this account enabled the city to move forward with the Mainline Phase I project (completed in 2024), the N. Main Booster Pump Station, and Mainline Phase IIA. The proposed budget sweeps \$100 million for 2025-27 and \$100 million in 2027-29 in addition to other diversions.

Revise the 1% Property Tax Cap

For more than two decades, Washington State's 1% property tax cap has placed significant financial strain on cities and counties, severely limiting their ability to keep pace with rising costs and adequately fund essential services. Originally introduced as a temporary measure, this cap fails to account for the reality of inflation and population growth, which have dramatically increased the expenses required to maintain public infrastructure, safety, and other vital operations.

Historically, cities and counties were able to adjust property tax rates by up to 6%, allowing for the flexibility needed to address fluctuating economic conditions and community needs. This mechanism provided local governments with the financial tools to invest in long-term projects and adapt to unforeseen challenges. By contrast, the current 1% cap has essentially forced municipalities to make difficult trade-offs, often prioritizing basic operations at the expense of future growth and sustainability. In White Salmon, the impact is acutely felt. The 1% cap does not even cover year-over-year cost-of-living adjustments for city staff, including the Bingen-White Salmon Police Department. As a result, we face challenges in retaining and fairly compensating our workforce, maintaining infrastructure, and ensuring the community receives the quality services it deserves.

Adopting a property tax cap tied to inflation and population growth, with a maximum limit of 3%, would provide a more balanced approach. Such a framework would empower the city council to make incremental adjustments that reflect the actual economic conditions and growing needs of our community. This solution would not only improve fiscal sustainability but also enhance our ability to invest in services and programs that benefit all residents.

Funding for City Street Projects: SR14 & SRTS Skyline Drive

- The long-anticipated repaving of WSDOT owned SR14 delayed in 2020 due to the Covid-19 pandemic was revived this past year and funded to complete the planning now required to meet Complete Streets requirements. While the funded Complete Streets work is expected to be completed early in 2025, it is unclear how funding will be established to move the project into construction. Continuing to emphasize the importance of this project as it relates to the long-term aim of creating a resilient White Salmon with safe multi-modal access to our commercial core and neighboring Bingen will be necessary in order to protect needed future funding.
- The city's Safe Routes to School proposed project on Skyline Drive is currently ranked in the top ten of projects recommended to be funded as part of the WSDOT 2024 Pedestrian and Bicyclist Program and Safe Routes to School for the 2025-2027 Biennium. Reinforcing the merits of this project and indicating our support for the program should be a focus this session.

<u>Fully Fund Basic Law Enforcement Academy (BLEA) Costs and Increase Scheduled</u> Classes

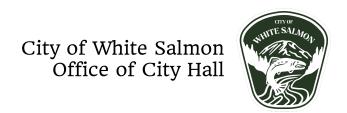
The proposed budget reduces BLEA classes from 33 to 25, including six regional academies, and reintroduces a 25% cost shift to local governments for training new recruits. The reduction in available training classes and shifting a quarter of the cost for training back to the city would impact our operational budget as well as the police department's ability to efficiently fill open positions.

Approve Funding for Tract C Land Transfer to Yakama Nation

The Yakama Nation is actively seeking the return of over 90,000 acres of land within their reservation that are currently under Washington state's control due to a historical clerical error. This error dates to the 1855 treaty, where a misfiled map led to the state acquiring lands intended for the Yakama. The state of Washington has expressed willingness to return these lands, acknowledging that such a move would restore the Yakama Nation's full ownership of their reservation and benefit the region's environmental health. However, state policies require compensation for the land's value, even though it was wrongfully taken.

The Yakama Nation's goals include reclaiming these lands to enhance their sovereignty, manage natural resources according to their traditions, and support economic development for their community. The

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tribe emphasizes that returning the land is crucial for cultural preservation and environmental stewardship.

Washington allows state trust lands to be transferred from the Department of Natural Resources (DNR) to other entities if the lands are considered financially "unproductive." The state trust lands within Tract C qualify for this program and are included in this year's proposed transfers due to their "minimal long-term revenue potential." The DNR has requested \$15 million from the legislature to transfer approximately 9,900 surface acres back to the tribe. Supporting this request would reinforce the city's resolution to strive to be honest about past mistakes and bring about a future that includes the Tribes, and their stories and voices to form a more just and equitable society.

Protect Existing Childcare and Early Learning Funding

Based on a directive to identify cuts across many agencies, the Department of Children, Youth, and Families (DCYF) has proposed significant cuts to the Early Childhood Education and Assistance Program (ECEAP), a vital service for thousands of preschool-aged children. Specifically, DCYF recommends removing 1,800 high-needs three- and four-year-olds from ECEAP, which represents more than 10% of the children served. Additionally, they propose eliminating all services provided by the Birth-to-Three ECEAP program.

Most children enrolled in ECEAP live in under-resourced communities, and these cuts could leave them without access to early learning opportunities. In Klickitat County, only 17% of eligible families with children aged 3–5 are currently supported by ECEAP. The situation is even more dire for families with younger children, with no support reaching families with infants aged 0–11 months and only 8% of eligible families with toddlers aged 1–3 receiving assistance.

While the governor-elect's proposal includes funding to help small business owners access childcare, maintaining current funding for ECEAP is essential to support the most vulnerable households and to expand access for all families, especially in rural communities across the state.