



2018 Legislative candidate survey

Candidate name: Sen. Patty Kuderer Legislative district: 48th LD

You are a candidate for: House of Representatives Senate

If you are a candidate for the House of Representatives, which position are your running for? Position 1 Position 2

Local government background

Have you ever been elected or appointed to a local government position, or served on a local government board, committee, or as staff? *Local governments include cities, counties, public utility districts, school districts, fire protection districts, port districts, and more.* Yes No

If yes, in what capacity? Police Commission; City Attorney; Municipal Prosecutor (all in MN)

1. State-shared local revenues

When the state encounters fiscal problems, legislators often take revenues historically shared with cities, or increase fees on services provided to cities to fill the state's budget deficit. Recently, some shared revenues have been restored. However, during the last recession, the Legislature enacted cuts and diversions, while unfunded mandates and other local government cost drivers remained unaddressed, including the following items:

- Changes in liquor tax and profit distributions resulting in losses of nearly \$200 million in funds that supported essential local services, such as public safety;
- Sweeping and diverting over \$1 billion in local utility taxes, real estate taxes, and project loan repayments from the nationally-acclaimed Public Works Trust Fund (PWTF) that helps keep local infrastructure operating; and
- Requiring cities to pay training fees for officers attending the Basic Law Enforcement Academy (BLEA).

Do you support or oppose the Legislature continuing to use locally-shared revenues or revenues intended for capital projects in order to balance the state's operating budget? Support Oppose

Briefly describe one or more actions that you would take to ensure your views on these issues are accounted for by your caucus and in a final budget.

Because the legislature views the Public Works Assistance Account as a piggy bank, I along with several other Senators worked to improve Sen. Hasegawa's public bank idea. I served on the State Infrastructure Task Force and it was my recommendation that was turned into a bill, one that passed out of committee on bipartisan support. It was eventually put in the budget and recently the state hired a professional public banking consultant to draft a business plan to create a public co-op bank, which cities, along with every other political subdivision that has a tax base and the state, can join. If enacted into law, this public depository bank will allow us to leverage tax dollars for our own benefit, ultimately creating a sustainable revenue source for infrastructure and economic development purposes. This is not to replace the Public Works Assistance Account, but it will not be a piggy bank for the legislature as members will control their own

equity. In addition, I support a more equitable distribution of proceeds from liquor and marijuana sales, as cities and counties in particular bear the brunt of law enforcement costs associated with expansion in both of those areas.

2. Basic infrastructure financing

Cities face many challenges when repairing and updating critical infrastructure such as drinking water and sewer systems. Historically, the Public Works Trust Fund (PWTF), a revolving loan fund, was a significant source for financing infrastructure. As the state wrestled first with a recession and then with the *McCleary* education funding challenges, legislators repeatedly turned to diverting these funds and leaving nothing in their place. Since 2013, nearly all of the tax revenues deposited into the PWTF were diverted to the state's education funding account instead. Those revenues were scheduled to come back to the PWTF in 2019, but the revenue diversions were extended another four years.

Would you support or oppose a budget that diverted more resources from the PWTF to address state general fund obligations? Support Oppose

In general, I oppose sweeping this account to balance the budget.

Do you believe that it is part of the state's obligation to help fund critical local infrastructure, especially when taxes and fees raised to do so in 1985 continue to be levied? Yes No

As a lawmaker, how will you work to secure the revitalization of the PWTF and protect it from future raids?

There was a recommendation out of the state infrastructure bank task force to beef up the PWAA just a bit, but did not permit it to bond or otherwise leverage deposits. While an internal lending program is good, a public co-op bank will be much more robust, growing revenue at a much faster pace. Our local governments need adequate funding for infrastructure development and improvement. We have a responsibility to keep our state moving, and that includes using the PWAA for what it was intended to be used for, as well as creating a public co-op bank.

3. Homelessness, affordable housing, and mental health

Across the state, housing costs are rising and affordability issues are impacting homebuyers and renters, as well as exacerbating the already critical homelessness problems in many communities. Mental health services are stretched thin and cities (not normally in the business of providing these particular social services) find themselves increasingly trying to help residents and keep their communities safe and secure. Cities have a strong desire to work together with the state, counties, business, nonprofit, and faith communities to help address these challenges. We continue to seek financing, regulatory, and funding tools to help.

Which of the following are priorities for you? Choose all that apply.

- Help to end homelessness
- Ensure adequate mental health services for those in need
- Provide tools to help control the spiraling cost of housing

Would you support or oppose a proposal for the state to override local zoning or density decisions to promote more affordability in housing construction? Support Oppose

locations. I believe local public health officials need to be able to respond to all health issues in their community with the support of the state. The key comes in having the reasoned judgment to know when a state solution is appropriate, and when it is not.

If you have any questions, please contact Regina Adams, AWC Government Relations Coordinator, at 360-753-4137 or ReginaA@awcnet.org. Please return your survey **by the end of the day on Wednesday, July 4** by:

- Email to ReginaA@awcnet.org;
- Fax to (360) 753-0149; or
- U.S. mail to AWC Candidate Survey, 1076 Franklin Street SE, Olympia, WA 98501-1346.

Thank you for your participation!