

SEVENTEENTH DAY

MORNING SESSION

Senate Chamber, Olympia
Wednesday, January 29, 2020

The Senate was called to order at 10:07 a.m. by the President of the Senate, Lt. Governor Habib presiding. The Secretary called the roll and announced to the President that all Senators were present.

The United States Navy Honor Guard, comprised of HM3 Tom Tabbada , HM3 Harold Dexter, HM3 Daniel Gonzalez, and HM2 Jonathan Sahertian, presented the Colors. The Navy Band Northwest Woodwind Quintet performed the National Anthem. Lieutenant Governor Habib led the Senate in the Pledge of Allegiance. The prayer was offered by Captain Brian Haley, Chaplain, Navy Region Northwest, accompanied by the Navy Band Northwest Woodwind Quintet.

MOTION

On motion of Senator Liias, the reading of the Journal of the previous day was dispensed with and it was approved.

MOTION

There being no objection, the Senate advanced to the first order of business.

REPORTS OF STANDING COMMITTEES

January 28, 2020

SB 5679 Prime Sponsor, Senator Hasegawa: Concerning the mitigation of public facilities in certain cities. Reported by Committee on Local Government

MAJORITY recommendation: That Substitute Senate Bill No. 5679 be substituted therefor, and the substitute bill do pass. Signed by Senators Takko, Chair; Salomon, Vice Chair; Short, Ranking Member; Honeyford and Lovelett.

Referred to Committee on Rules for second reading.

January 28, 2020

SB 6053 Prime Sponsor, Senator Conway: Establishing wage liens. Reported by Committee on Labor & Commerce

MAJORITY recommendation: That Substitute Senate Bill No. 6053 be substituted therefor, and the substitute bill do pass. Signed by Senators Keiser, Chair; Conway, Vice Chair; Saldaña; Stanford and Wellman.

MINORITY recommendation: Do not pass. Signed by Senators King, Ranking Member and Schoesler.

MINORITY recommendation: That it be referred without recommendation. Signed by Senators Braun and Walsh.

Referred to Committee on Ways & Means.

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SB 6057 Prime Sponsor, Senator Stanford: Concerning price differentials in the sale of marijuana. Reported by

Committee on Labor & Commerce

MAJORITY recommendation: Do pass. Signed by Senators Keiser, Chair; Conway, Vice Chair; King, Ranking Member; Braun; Saldaña; Schoesler; Stanford; Walsh and Wellman.

Referred to Committee on Rules for second reading.

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SB 6349 Prime Sponsor, Senator Keiser: Concerning paid family and medical leave. Reported by Committee on Labor & Commerce

MAJORITY recommendation: That Substitute Senate Bill No. 6349 be substituted therefor, and the substitute bill do pass. Signed by Senators Keiser, Chair; Conway, Vice Chair; Saldaña; Stanford; Walsh and Wellman.

MINORITY recommendation: That it be referred without recommendation. Signed by Senator Braun.

MINORITY recommendation: Do not pass. Signed by Senators King, Ranking Member and Schoesler.

Referred to Committee on Rules for second reading.

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SB 6464 Prime Sponsor, Senator Wilson, L.: Concerning state building code council membership. Reported by Committee on Local Government

MAJORITY recommendation: That Substitute Senate Bill No. 6464 be substituted therefor, and the substitute bill do pass. Signed by Senators Takko, Chair; Salomon, Vice Chair; Short, Ranking Member; Honeyford and Lovelett.

Referred to Committee on Rules for second reading.

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SB 6481 Prime Sponsor, Senator Cleveland: Simplifying the process for donating low-value surplus property owned by a city-owned utility. Reported by Committee on Local Government

MAJORITY recommendation: Do pass. Signed by Senators Takko, Chair; Salomon, Vice Chair; Short, Ranking Member; Honeyford and Lovelett.

Referred to Committee on Rules for second reading.

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SB 6582 Prime Sponsor, Senator Hobbs: Concerning the number of fire protection district commissioners. Reported by Committee on Local Government

MAJORITY recommendation: Do pass. Signed by Senators Takko, Chair; Salomon, Vice Chair; Short, Ranking Member; Honeyford and Lovelett.

Referred to Committee on Rules for second reading.

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SB 6592 Prime Sponsor, Senator Holy: Concerning tourism authorities. Reported by Committee on Financial Institutions, Economic Development & Trade

MAJORITY recommendation: That it be referred without recommendation. Signed by Senators Mullet, Chair; Hasegawa, Vice Chair; Wilson, L., Ranking Member; Braun; Das; Ericksen and Hobbs.

Referred to Committee on Local Government.

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SJM 8016 Prime Sponsor, Senator Hasegawa: Concerning the federal harbor maintenance tax. Reported by Committee on Financial Institutions, Economic Development & Trade

MAJORITY recommendation: Do pass. Signed by Senators Mullet, Chair; Hasegawa, Vice Chair; Wilson, L., Ranking Member; Braun; Das; Ericksen and Hobbs.

Referred to Committee on Rules for second reading.

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HB 1829 Prime Sponsor, Representative Chapman: Concerning veterans' assistance levies. Reported by Committee on Local Government

MAJORITY recommendation: Do pass. Signed by Senators Takko, Chair; Salomon, Vice Chair; Short, Ranking Member; Honeyford and Lovelett.

Referred to Committee on Ways & Means.

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SGA 9382 RICH NAFZIGER, appointed on January 16, 2020, for the term ending June 30, 2023, as Member of the Housing Finance Commission. Reported by Committee on Financial Institutions, Economic Development & Trade

MAJORITY recommendation: That it be referred without recommendation. Signed by Senators Mullet, Chair; Hasegawa, Vice Chair; Wilson, L., Ranking Member; Braun; Das; Ericksen and Hobbs.

Referred to Committee on Housing Stability & Affordability.

MOTION

On motion of Senator Liias, all measures listed on the Standing Committee report were referred to the committees as designated.

MOTION

On motion of Senator Liias, the Senate advanced to the fifth order of business.

INTRODUCTION AND FIRST READING

SB 6635 by Senator Fortunato

AN ACT Relating to allowing for alternative public notice of applications for coverage under the construction stormwater general permit; and amending RCW 90.48.170.

Referred to Committee on Environment, Energy & Technology.

SB 6636 by Senator Fortunato

AN ACT Relating to monitoring vaccine adverse events; and adding a new chapter to Title 70 RCW.

Referred to Committee on Health & Long Term Care.

SB 6637 by Senators Salomon, Kuderer, Hunt, Lovelett, Wellman, Wilson and C.

AN ACT Relating to creating a license for the operation of a wilderness therapy program; and adding a new section to chapter 43.70 RCW.

Referred to Committee on Health & Long Term Care.

SB 6638 by Senators Wilson, C., Lovelett, Randall, Nguyen, Das and Darneille

AN ACT Relating to providing reentry services to persons releasing from prison, jail, and other institutions; amending RCW 74.09.670, 10.77.150, 72.09.370, 71.24.470, and 71.24.480; reenacting and amending RCW 71.24.025 and 71.24.385; adding a new section to chapter 71.24 RCW; and creating new sections.

Referred to Committee on Human Services, Reentry & Rehabilitation.

SB 6639 by Senators O'Ban and Brown

AN ACT Relating to reestablishing a business and occupation tax deduction for government-funded behavioral health care; adding a new section to chapter 82.04 RCW; and creating a new section.

Referred to Committee on Health & Long Term Care.

SB 6640 by Senator O'Ban

AN ACT Relating to the placement and treatment of conditionally released sexually violent predators; amending RCW 71.09.080, 71.09.090, 71.09.092, 71.09.096, 71.09.130, 71.09.140, and 71.09.250; reenacting and amending RCW 71.09.020; adding a new section to chapter 71.09 RCW; and creating a new section.

Referred to Committee on Human Services, Reentry & Rehabilitation.

SB 6641 by Senators O'Ban, Conway, Wilson and C.

AN ACT Relating to increasing the availability of certified sex offender treatment providers; amending RCW 18.155.020, 18.155.030, 18.155.075, and 18.155.080; adding a new section to chapter 18.155 RCW; and decodifying RCW 18.155.900, 18.155.901, and 18.155.902.

Referred to Committee on Human Services, Reentry & Rehabilitation.

SB 6642 by Senators Zeiger, O'Ban, Becker and Darneille

AN ACT Relating to providing a tax preference for rural and nonrural data centers; amending RCW 82.08.986; adding a new section to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; creating new sections; and providing expiration dates.

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Referred to Committee on Financial Institutions, Economic Development & Trade.

AN ACT Relating to creating a volunteer highway sweeping program for businesses; and adding a new section to chapter 47.40 RCW.

SB 6643 by Senator Takko

AN ACT Relating to combining a resolution proposing abandonment and a resolution proposing a council-manager plan of government into a single proposition; and amending RCW 35A.06.040.

Referred to Committee on Transportation.

Referred to Committee on Local Government.

SB 6651 by Senator Fortunato

AN ACT Relating to preventing the local prohibition of tenant evictions for any period of time; adding a new section to chapter 35.21 RCW; adding a new section to chapter 35A.21 RCW; and adding a new section to chapter 36.01 RCW.

Referred to Committee on Financial Institutions, Economic Development & Trade.

SB 6644 by Senators Hobbs, Wilson and C.

AN ACT Relating to creating a pilot project to provide grants to low-income families to receive financial support for acquiring legal services to assist with the guardianship appointment process; adding a new section to chapter 2.53 RCW; and providing an expiration date.

SB 6652 by Senators Nguyen, Saldaña, Lovelett and Das

AN ACT Relating to local transportation revenue options; amending RCW 35.21.870, 36.73.065, 82.14.0455, 82.80.010, and 82.80.080; and providing an effective date.

Referred to Committee on Law & Justice.

Referred to Committee on Transportation.

SB 6645 by Senators Das, Carlyle, Wellman, Lovelett, Nguyen, Saldaña, Kuderer, Randall, Wilson, C., Salomon and Liias

AN ACT Relating to minimum recycled content requirements; adding a new section to chapter 42.56 RCW; adding a new chapter to Title 70 RCW; creating a new section; and prescribing penalties.

EHB 1058 by Representatives Irwin, Blake, Van Werven, Bergquist, Walsh, MacEwen, Shea, Jinkins, Wylie, Goodman and Barkis

AN ACT Relating to establishing permissible methods of parking a motorcycle; and amending RCW 46.61.575.

Referred to Committee on Environment, Energy & Technology.

Referred to Committee on Transportation.

SB 6646 by Senators Zeiger, Wilson, C. and Nguyen

AN ACT Relating to creating a pilot program for gender-responsive and trauma-informed outpatient substance abuse treatment; and adding a new section to chapter 72.09 RCW.

HB 1165 by Representatives Orwall, Dent, Blake, Fitzgibbon and Doglio

AN ACT Relating to encouraging low-water landscaping practices as a drought alleviation tool; adding a new section to chapter 64.38 RCW; adding a new section to chapter 64.34 RCW; adding a new section to chapter 64.90 RCW; adding a new section to chapter 39.35D RCW; and creating a new section.

Referred to Committee on Health & Long Term Care.

Referred to Committee on Agriculture, Water, Natural Resources & Parks.

SB 6647 by Senator Zeiger

AN ACT Relating to department of commerce data on homeless clients, spending, and performance; and creating new sections.

Referred to Committee on Housing Stability & Affordability.

2ESHB 1332 by House Committee on Environment & Energy (originally sponsored by Wylie, DeBolt, Mead, Doglio, Fitzgibbon and Tharinger)

AN ACT Relating to updating and streamlining the energy facility site evaluation council operations; amending RCW 80.50.040, 80.50.060, 80.50.100, and 80.50.175; and reenacting and amending RCW 80.50.030 and 80.50.090.

Referred to Committee on Health & Long Term Care.

Referred to Committee on Environment, Energy & Technology.

SB 6648 by Senators Zeiger, Wagoner, Wilson and C.

AN ACT Relating to establishing a pilot program to create a safe station for persons who need substance use disorder treatment; adding a new section to chapter 43.31 RCW; adding a new section to chapter 70.385 RCW; and creating a new section.

ESHB 1520 by House Committee on State Government & Tribal Relations (originally sponsored by Morgan, Hudgins, Rude, Mead, Stonier, Frame, Riccelli, Appleton, Pellicciotti, Kilduff, Doglio and Reeves)

AN ACT Relating to calendar election dates on ballot envelopes; and amending RCW 29A.40.091.

Referred to Committee on Housing Stability & Affordability.

Referred to Committee on State Government, Tribal Relations & Elections.

SB 6650 by Senator Fortunato

SHB 1715 by House Committee on Education (originally sponsored by Entenman, Boehnke, Jinkins, Ortiz-Self, Bergquist and Pollet)

AN ACT Relating to removing the ability of school districts to withhold grades and transcripts of pupils; and amending RCW 28A.635.060 and 28A.325.050.

Referred to Committee on Early Learning & K-12 Education.

HB 2033 by Representatives Chambers, Paul, Dent, Van Werven, Thai, Eslick, Lekanoff, Corry, Shewmake and Frame

AN ACT Relating to mandatory reporting of child abuse and neglect; amending RCW 26.44.080 and 26.44.030; and prescribing penalties.

Referred to Committee on Human Services, Reentry & Rehabilitation.

MOTION

On motion of Senator Liias, all measures listed on the Introduction and First Reading report were referred to the committees as designated.

MOTION

On motion of Senator Liias, the Senate advanced to the eighth order of business.

MOTION

Senator Muzzall moved adoption of the following resolution:

SENATE RESOLUTION 8667

By Senators Muzzall, Wagoner, Braun, Hunt, Kuderer, Zeiger, Walsh, Wilson, L., Becker, Short, Carlyle, Sheldon, and Rivers

WHEREAS, The citizens of Washington State have set aside this day to honor, appreciate, and remember our Navy personnel; and

WHEREAS, The Washington State Senate has always acted to honor those who have served and are serving our country as members of the United States military; and

WHEREAS, The Navy is the military service that secures sea lanes, allowing free flow of commerce to and from our state, and the service whose power projection promotes stability for our friends and deters aggression from our foes; and

WHEREAS, Washington State is uniquely positioned, politically, economically, and geographically, to deal with the opportunities and challenges presented by Asia and the Pacific Rim countries; and

WHEREAS, Washington State Navy bases support two aircraft carriers, more than five surface ships, thirteen submarines, and one hundred sixty aircraft; and

WHEREAS, Washington State Navy installations provide 78,549 careers and infuses 10.7 billion dollars each year to Washington State's economic stability; and

WHEREAS, Washington State Navy installations are recognized for environmental stewardship successes and continue to actively assist in partnership efforts statewide; and

WHEREAS, The Navy has worked to improve salmon recovery, support southern resident orca recovery, increase orca

food supply, conserve energy and water, conduct and invest hundreds of millions of dollars in marine species research, restore and protect critical habitats from development, mitigate ocean acidification, and invest in renewable energy; and

WHEREAS, Washington State naval bases consistently receive awards for the quality of life they provide to service members and family members; and

WHEREAS, Washington State-based Navy personnel and assets regularly deploy around the world to deter aggression, relieve the distressed, and aid America's friends and allies;

NOW, THEREFORE, BE IT RESOLVED, That the Washington State Senate celebrate the Navy and bring warm greetings and many thanks to each and every person related to the Navy's work and mission in our state.

Senators Muzzall, Randall and Wagoner spoke in favor of adoption of the resolution.

The President declared the question before the Senate to be the adoption of Senate Resolution No. 8667.

The motion by Senator Muzzall carried and the resolution was adopted by voice vote.

INTRODUCTION OF SPECIAL GUESTS

The President welcomed and introduced The Honorable Lucian Niemeyer, Acting Assistant Secretary of the Navy for Energy, Installations and Environment and Rear Admiral Scott Gray, Commander, Navy Region Northwest, who were seated at the rostrum.

INTRODUCTION OF SPECIAL GUESTS

The President welcomed and introduced Officers and other Naval personnel in attendance from multiple bases across Puget Sound who were seated in the gallery.

MOTION

At 10:30 a.m., on motion of Senator Liias, the Senate was declared to be at ease subject to the call of the President.

Senator Becker announced a meeting of the Republican Caucus.

Senator McCoy announced a meeting of the Democratic Caucus.

The Senate was called to order at 10:40 a.m. by President Habib.

MOTION

On motion of Senator Liias, the Senate reverted to the seventh order of business.

THIRD READING CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Wilson, C. moved that Christina Blocker, Senate Gubernatorial Appointment No. 9059, be confirmed as a member of the Bates Technical College Board of Trustees. Senator Wilson, C. spoke in favor of the motion.

APPOINTMENT OF CHRISTINA BLOCKER

The President declared the question before the Senate to be the confirmation of Christina Blocker, Senate Gubernatorial Appointment No. 9059, as a member of the Bates Technical College Board of Trustees.

MOTION

On motion of Senator Wilson, C., Senators Billig and Rolfes were excused.

The Secretary called the roll on the confirmation of Christina Blocker, Senate Gubernatorial Appointment No. 9059, as a member of the Bates Technical College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 47; Nays, 0; Absent, 0; Excused, 2.

Voting yea: Senators Becker, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, McCoy, Mullet, Muzzall, Nguyen, O'Ban, Padden, Pedersen, Randall, Rivers, Saldaña, Salomon, Schoesler, Sheldon, Short, Stanford, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Excused: Senators Billig and Rolfes

Christina Blocker, Senate Gubernatorial Appointment No. 9059, having received the constitutional majority was declared confirmed as a member of the Bates Technical College Board of Trustees.

THIRD READING

CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Braun moved that Heather L. Mansy, Senate Gubernatorial Appointment No. 9060, be confirmed as a member of the Lower Columbia College Board of Trustees.

Senator Braun spoke in favor of the motion.

APPOINTMENT OF HEATHER L. MANSY

The President declared the question before the Senate to be the confirmation of Heather L. Mansy, Senate Gubernatorial Appointment No. 9060, as a member of the Lower Columbia College Board of Trustees.

MOTION

On motion of Senator Short, Senator O'Ban was excused.

The Secretary called the roll on the confirmation of Heather L. Mansy, Senate Gubernatorial Appointment No. 9060, as a member of the Lower Columbia College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 46; Nays, 0; Absent, 0; Excused, 3.

Voting yea: Senators Becker, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, McCoy, Mullet, Muzzall, Nguyen, Padden, Pedersen, Randall, Rivers, Saldaña, Salomon, Schoesler, Sheldon, Short, Stanford, Takko, Van De

Wege, Wagoner, Walsh, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Excused: Senators Billig, O'Ban and Rolfes

Heather L. Mansy, Senate Gubernatorial Appointment No. 9060, having received the constitutional majority was declared confirmed as a member of the Lower Columbia College Board of Trustees.

THIRD READING

CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Hunt moved that Marilyn Glenn Sayan, Senate Gubernatorial Appointment No. 9064, be confirmed as a member of the Public Employment Relations Commission.

Senator Hunt spoke in favor of the motion.

APPOINTMENT OF MARILYN GLENN SAYAN

The President declared the question before the Senate to be the confirmation of Marilyn Glenn Sayan, Senate Gubernatorial Appointment No. 9064, as a member of the Public Employment Relations Commission.

The Secretary called the roll on the confirmation of Marilyn Glenn Sayan, Senate Gubernatorial Appointment No. 9064, as a member of the Public Employment Relations Commission and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Becker, Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, McCoy, Mullet, Muzzall, Nguyen, Padden, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Schoesler, Sheldon, Short, Stanford, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Excused: Senator O'Ban

Marilyn Glenn Sayan, Senate Gubernatorial Appointment No. 9064, having received the constitutional majority was declared confirmed as a member of the Public Employment Relations Commission.

THIRD READING

CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Keiser moved that Ollie A. Garrett, Senate Gubernatorial Appointment No. 9070, be confirmed as a member of the Liquor and Cannabis Board.

Senator Keiser spoke in favor of the motion.

APPOINTMENT OF OLLIE A. GARRETT

The President declared the question before the Senate to be the confirmation of Ollie A. Garrett, Senate Gubernatorial Appointment No. 9070, as a member of the Liquor and Cannabis Board.

The Secretary called the roll on the confirmation of Ollie A. Garrett, Senate Gubernatorial Appointment No. 9070, as a

member of the Liquor and Cannabis Board and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Becker, Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, McCoy, Mullet, Muzzall, Nguyen, Padden, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Schoesler, Sheldon, Short, Stanford, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Excused: Senator O'Ban

Ollie A. Garrett, Senate Gubernatorial Appointment No. 9070, having received the constitutional majority was declared confirmed as a member of the Liquor and Cannabis Board.

THIRD READING CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Lovelett moved that Steven P. Adelstein, Senate Gubernatorial Appointment No. 9084, be confirmed as a member of the Whatcom Community College Board of Trustees.

Senator Lovelett spoke in favor of the motion.

APPOINTMENT OF STEVEN P. ADELSTEIN

The President declared the question before the Senate to be the confirmation of Steven P. Adelstein, Senate Gubernatorial Appointment No. 9084, as a member of the Whatcom Community College Board of Trustees.

The Secretary called the roll on the confirmation of Steven P. Adelstein, Senate Gubernatorial Appointment No. 9084, as a member of the Whatcom Community College Board of Trustees and the appointment was confirmed by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Becker, Billig, Braun, Brown, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Ericksen, Fortunato, Frockt, Hasegawa, Hawkins, Hobbs, Holy, Honeyford, Hunt, Keiser, King, Kuderer, Liias, Lovelett, McCoy, Mullet, Muzzall, Nguyen, Padden, Pedersen, Randall, Rivers, Rolfes, Saldaña, Salomon, Schoesler, Sheldon, Short, Stanford, Takko, Van De Wege, Wagoner, Walsh, Warnick, Wellman, Wilson, C., Wilson, L. and Zeiger

Excused: Senator O'Ban

Steven P. Adelstein, Senate Gubernatorial Appointment No. 9084, having received the constitutional majority was declared confirmed as a member of the Whatcom Community College Board of Trustees.

MOTION

At 12:04 p.m., on motion of Senator Liias, the Senate was declared to be at ease subject to the call of the President.

Senator Short announced a meeting of the Republican Caucus.

Senator McCoy announced a meeting of the Democratic Caucus.

The Senate was called to order at 12:24 p.m. by President Habib.

MOTION

On motion of Senator Liias, the Senate reverted to the sixth order of business.

SECOND READING

SENATE BILL NO. 6492, by Senators Pedersen, Rolfes, Wilson and C.

Addressing workforce education investment funding through business and occupation tax reform.

MOTION

On motion of Senator Pedersen, Substitute Senate Bill No. 6492 was substituted for Senate Bill No. 6492 and the substitute bill was placed on the second reading and read the second time.

MOTION

Senator Pedersen moved that the following striking floor amendment no. 919 by Senator Pedersen be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 28C.18.200 and 2019 c 406 s 3 are each amended to read as follows:

(1) The workforce education investment accountability and oversight board is established. The board consists of seventeen members, as provided in this subsection:

(a) Four members of the legislature consisting of the chairs and ranking minority members of the respective higher education and workforce development committees of the senate and house of representatives, ex officio; and

(b) The following members appointed by the governor with the consent of the senate:

(i) Five members representing the businesses described in RCW 82.04.299 or subject to the tax rate under RCW 82.04.290(2)(a)(i);

(ii) Two members representing labor organizations, one of which must have expertise in registered apprenticeships and training a high-demand workforce and one of which must represent faculty at the four-year institutions of higher education;

(iii) Two members representing the institutions of higher education, as defined in RCW 28B.10.016, one of which must be from the four-year sector and one of which must be from the community and technical college sector;

(iv) Two members representing students, one of which must be a community and technical college student;

(v) One member representing the independent, not-for-profit higher education institutions; and

(vi) One member representing the student achievement council, established under chapter 28B.77 RCW.

(2) Except for ex officio and student members, board members shall hold their offices for a term of three years until their successors are appointed. Student board members shall hold one-year terms.

(3) The board shall have two cochairs. One cochair shall be one of the chairs of the respective higher education and workforce development committees of the legislature and the other cochair shall be one of the board members representing the businesses described in RCW 82.04.299 or subject to the tax rate under RCW 82.04.290(2)(a)(i). The cochairs shall hold the position for a one-year term. The board members shall elect the cochairs annually.

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(4) Nine voting members of the board constitute a quorum for the transaction of business. The board shall meet four times a year.

(5) Staff support for the board shall be provided by the workforce training and education coordinating board established in this chapter (~~28C.18 RCW~~).

(6) The purposes of the board are to:

(a) Provide guidance and recommendations to the legislature on what workforce education priorities should be funded with the workforce education investment account; and

(b) Ensure accountability that the workforce education investments funded with the workforce education investment account are producing the intended results and are effectively increasing student success and career readiness, such as by increasing retention, completion, and job placement rates.

(7) The board shall consult data from the education data center established under RCW 43.41.400 and the workforce training and education coordinating board established under this chapter (~~28C.18 RCW~~) when reviewing and determining whether workforce education investments funded from the workforce education investment account are effectively increasing student success and career readiness.

(8) The board shall report its recommendations to the appropriate committees of the legislature by August 1st of each year.

(9) For the purposes of this section, "board" means the workforce education investment accountability and oversight board established in this section.

Sec. 2. RCW 43.79.195 and 2019 c 406 s 2 are each amended to read as follows:

(1) The workforce education investment account is created in the state treasury. All revenues from the workforce investment surcharge(~~(*)~~) created in RCW 82.04.299 and those revenues as specified under RCW 82.04.290(2)(c) must be deposited directly into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for higher education programs, higher education operations, higher education compensation, and state-funded student aid programs. For the 2019-2021 biennium, expenditures from the account may be used for kindergarten through twelfth grade if used for career connected learning as provided for in chapter 406, Laws of 2019.

(2) Expenditures from the workforce education investment account must be used to supplement, not supplant, other federal, state, and local funding for higher education.

Sec. 3. RCW 82.04.290 and 2019 c 426 s 2 are each amended to read as follows:

(1) Upon every person engaging within this state in the business of providing qualifying international investment management services, as to such persons, the amount of tax with respect to such business is equal to the gross income or gross proceeds of sales of the business multiplied by a rate of 0.275 percent.

(2)(a) Upon every person engaging within this state in any business activity other than or in addition to an activity taxed explicitly under another section in this chapter or subsection (1) or (3) of this section; as to such persons the amount of tax on account of such activities is equal to the gross income of the business multiplied by the rate of:

(i) 1.75 percent; or

(ii) 1.5 percent for:

(A) Any person subject to the surcharge imposed under RCW 82.04.299;

(B) Any person whose gross income of the business subject to the tax imposed under this subsection (2), for the immediately

preceding calendar year, was less than one million dollars, unless (I) the person is affiliated with one or more other persons, and (II) the aggregate gross income of the business subject to the tax imposed under this subsection (2) for all affiliated persons was greater than or equal to one million dollars for the immediately preceding calendar year; and

(C) Hospitals as defined in RCW 70.41.020, including any hospital that comes within the scope of chapter 71.12 RCW if the hospital is also licensed under chapter 70.41 RCW. This subsection (2)(a)(ii)(C) must not be construed as modifying RCW 82.04.260(10).

(b) This subsection (2) includes, among others, and without limiting the scope hereof (whether or not title to materials used in the performance of such business passes to another by accession, confusion or other than by outright sale), persons engaged in the business of rendering any type of service which does not constitute a "sale at retail" or a "sale at wholesale." The value of advertising, demonstration, and promotional supplies and materials furnished to an agent by his or her principal or supplier to be used for informational, educational, and promotional purposes is not considered a part of the agent's remuneration or commission and is not subject to taxation under this section.

(c) 14.3 percent of the revenues collected under (a)(i) of this subsection (2) must be deposited into the workforce education investment account created in RCW 43.79.195.

(d)(i) To aid in the effective administration of this subsection (2), the department may require a person claiming to be subject to the 1.5 percent tax rate under (a)(ii)(B) of this subsection (2) to identify all of the person's affiliates, including their department tax registration number or unified business identifier number, as may be applicable, or to certify that the person is not affiliated with any other person. Requests under this subsection (2)(d)(i) must be in writing and may be made electronically.

(ii) If the department establishes, by clear, cogent, and convincing evidence, that a person, with intent to evade the additional taxes due under the 1.75 percent tax rate in (a)(i) of this subsection (2), failed to provide the department with complete and accurate information in response to a written request under (d)(i) of this subsection (2) within thirty days of such request, the person is ineligible for the 1.5 percent tax rate in (a)(ii) of this subsection (2) for the entire current calendar year and the following four calendar years. However, the department must waive the provisions of this subsection (2)(d)(ii) for any tax reporting period that the person is otherwise eligible for the 1.5 percent tax rate in (a)(ii) of this subsection (2) if (A) the department has not previously determined that the person failed to fully comply with (d)(i) of this subsection (2), and (B) within thirty days of the notice of additional tax due as a result of the person's failure to fully comply with (d)(i) of this subsection (2) the department determines that the person has come into full compliance with (d)(i) of this subsection (2). This subsection (2)(d) applies only with respect to persons claiming entitlement to the 1.5 percent tax rate solely by reason of (a)(ii)(B) of this subsection (2).

(e) For the purposes of (a)(ii)(B) of this subsection (2), if a taxpayer is subject to the reconciliation provisions of RCW 82.04.462(4), and calculates gross income of the business subject to the tax imposed under this subsection (2) for the immediately preceding calendar year, or aggregate gross income of the business subject to the tax imposed under this subsection (2) for the immediately preceding calendar year for all affiliated persons, based on incomplete information, the taxpayer must correct the reporting for the current calendar year when complete information for the immediately preceding calendar year is available.

(f) For purposes of this subsection (2), the definitions in this subsection (2)(f) apply:

(i) "Affiliate" means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person; and

(ii) "Control" means the possession, directly or indirectly, of more than eighty percent of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting shares, by contract, or otherwise.

(3)(a) Until July 1, 2040, upon every person engaging within this state in the business of performing aerospace product development for others, as to such persons, the amount of tax with respect to such business is equal to the gross income of the business multiplied by a rate of 0.9 percent.

(b) A person reporting under the tax rate provided in this subsection (3) must file a complete annual report with the department under RCW 82.32.534.

(c) "Aerospace product development" has the meaning as provided in RCW 82.04.4461.

Sec. 4. RCW 82.04.299 and 2019 c 406 s 74 are each amended to read as follows:

~~(The legislature intends to secure additional revenue via surcharges targeted towards certain industries including select advanced computing businesses.~~

~~The legislature intends the provisions of chapter 406, Laws of 2019 to be applied broadly in favor of application of the surcharges. To achieve this intent, any provision within chapter 406, Laws of 2019 that is deemed to be ambiguous by a court of competent jurisdiction, the board of tax appeals, or any other judicial or administrative body, should be construed in favor of application of the surcharges. The rule of statutory construction in favor of the application of the surcharge under this paragraph does not apply on or after January 1, 2022.~~

~~(1)(a) Beginning with business activities occurring on or after January 1, 2020, in addition to the taxes imposed under RCW 82.04.290(2), a workforce education investment surcharge is imposed on specified persons. The surcharge is equal to the total amount of tax payable by the person on business activities taxed under RCW 82.04.290(2), before application of any tax credits, multiplied by the rate of twenty percent.~~

~~(b) For specified persons who report under one or more tax classifications, this surcharge applies only to business activities taxed under RCW 82.04.290(2).~~

~~(c) The surcharge imposed under this subsection (1) must be reported and paid in a manner and frequency as required by the department.~~

~~(2) For the purposes of this section, "specified person" means a person who is not subject to the surcharge under subsection (4) of this section and who is primarily engaged within this state in any combination of the following activities:~~

~~(a) Computer software publishing or publishing and reproduction. Establishments in this industry carry out operations necessary for producing and distributing computer software, such as designing, providing documentation, assisting in installation, and providing support services to software purchasers. These establishments may design, develop, and publish, or publish only. These establishments may publish and distribute software remotely through subscriptions and downloads;~~

~~(b) Conducting original investigation undertaken on a systematic basis to gain new knowledge or the application of research findings or other scientific knowledge for the creation of new or significantly improved products or processes. Techniques may include modeling and simulation. The industries within this industry group are defined on the basis of the domain of research and on scientific expertise of the establishment;~~

~~(c) Putting capital at risk in the process of underwriting~~

~~securities issues or in making markets for securities and commodities and those acting as agents or brokers between buyers and sellers of securities and commodities, usually charging a commission;~~

~~(d) Providing expertise in the field of information technologies through one or more of the following activities: (i) Writing, modifying, testing, and supporting computer software to meet the needs of a particular customer; (ii) planning and designing computer systems that integrate computer hardware, computer software, and communication technologies; (iii) on site management and operation of clients' computer systems and data processing facilities; or (iv) other professional and technical computer related advice and services;~~

~~(e) Performing central banking functions, such as issuing currency, managing the nation's money supply and international reserves, holding deposits that represent the reserves of other banks and other central banks, and acting as a fiscal agent for the central government;~~

~~(f)(i) Purchasing access and network capacity from owners and operators of telecommunications networks and reselling wired and wireless telecommunications services, except satellite, to businesses and households; (ii) providing specialized telecommunications services, such as satellite tracking, communications telemetry, and radar station operation; (iii) providing satellite terminal stations and associated facilities connected with one or more terrestrial systems and capable of transmitting telecommunications to, and receiving telecommunications from, satellite systems; or (iv) providing internet access services or voice over internet protocol services via client supplied telecommunications connections. Establishments in this industry do not operate as telecommunications carriers. Mobile virtual network operators are included in this industry;~~

~~(g)(i) Acting as principals in buying or selling financial contracts, except investment bankers, securities dealers, and commodity contracts dealers; (ii) acting as agents or brokers, except securities brokerages and commodity contracts brokerages, in buying or selling financial contracts; or (iii) providing other investment services except securities and commodity exchanges, such as portfolio management, investment advice, and trust, fiduciary, and custody services;~~

~~(h) Supplying information, such as news reports, articles, pictures, and features, to the news media. This industry comprises establishments primarily engaged in providing library or archive services. These establishments are engaged in maintaining collections of documents and facilitating the use of these documents as required to meet the informational, research, educational, or recreational needs of their user. These establishments may also acquire, research, store, preserve, and generally make accessible to the public historical documents, photographs, maps, audio material, audiovisual material, and other archival material of historical interest. All or portions of these collections may be accessible electronically. This industry comprises establishments engaged in: (i) Publishing and broadcasting content on the internet exclusively; or (ii) operating web sites that use a search engine to generate and maintain extensive databases of internet addresses and content in an easily searchable format, known as web search portals. The publishing and broadcasting establishments in this industry do not provide traditional versions of the content they publish or broadcast. They provide textual, audio, or video content of general or specific interest on the internet exclusively. Establishments known as web search portals often provide additional internet services, such as email, connections to other web sites, auctions, news, and other limited content, and serve as a home base for internet users. This industry comprises establishments primarily engaged in~~

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providing other information services, except news syndicates, libraries, archives, internet publishing and broadcasting, and web search portals;

(i) Architectural, engineering, and related services, such as drafting services, building inspection services, geophysical surveying and mapping services, surveying and mapping, except geophysical services and testing services;

(j) Retailing all types of merchandise using nonstore means, such as catalogs, toll free telephone numbers, electronic media, such as interactive television or the internet, or selling directly to consumers in a nonretail, physical environment. Included in this industry are establishments primarily engaged in retailing from catalog showrooms of mail order houses;

(k) Providing advice and assistance to businesses and other organizations on management, environmental, scientific, and technical issues;

(l) Providing infrastructure for hosting or data processing services. These establishments may provide specialized hosting activities, such as web hosting, streaming services, or application hosting, or they may provide general time share mainframe facilities to clients. Data processing establishments provide complete processing and specialized reports from data supplied by clients or provide automated data processing and data entry services;

(m) Facilitating credit intermediation by performing activities, such as arranging loans by bringing borrowers and lenders together and clearing checks and credit card transactions;

(n) Offering legal services, such as those offered by offices of lawyers, offices of notaries, and title abstract and settlement offices, and paralegal services;

(o) Operating or providing access to transmission facilities and infrastructure that they own or lease for the transmission of voice, data, text, sound, and video using wired telecommunications networks. Transmission facilities may be based on a single technology or a combination of technologies. Establishments in this industry use the wired telecommunications network facilities that they operate to provide a variety of services, such as wired telephony services, including voice over internet protocol services, wired audio and video programming distribution, and wired broadband internet services. By exception, establishments providing satellite television distribution services using facilities and infrastructure that they operate are included in this industry;

(p) Providing telecommunications services to other establishments in the telecommunications and broadcasting industries by forwarding and receiving communications signals via a system of satellites or reselling satellite telecommunications;

(q) Operating and maintaining switching and transmission facilities to provide communications via the airwaves. Establishments in this industry have spectrum licenses and provide services using that spectrum, such as cellular phone services, paging services, wireless internet access, and wireless video services;

(r) Extending credit or lending funds raised by credit market borrowing, such as issuing commercial paper or other debt instruments or by borrowing from other financial intermediaries;

(s) Underwriting annuities and insurance policies and investing premiums to build up a portfolio of financial assets to be used against future claims. Direct insurance carriers are establishments that are primarily engaged in initially underwriting and assuming the risk of annuities and insurance policies. Reinsurance carriers are establishments that are primarily engaged in assuming all or part of the risk associated with an existing insurance policy originally underwritten by another insurance carrier. Industries are defined in terms of the type of risk being insured against, such as death, loss of employment because of age or disability, or

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property damage. Contributions and premiums are set on the basis of actuarial calculations of probable payouts based on risk factors from experience tables and expected investment returns on reserves;

(t) Merchant wholesale distribution of photographic equipment and supplies and office, computer, and computer peripheral equipment and medical, dental, hospital, ophthalmic, and other commercial and professional equipment and supplies;

(u) Operating studios and facilities for the broadcasting of programs on a subscription or fee basis. The broadcast programming is typically narrowcast in nature. These establishments produce programming in their own facilities or acquire programming from external sources. The programming material is usually delivered to a third party, such as cable systems or direct to home satellite systems, for transmission to viewers;

(v) Publishing newspapers, magazines, other periodicals, books, directories and mailing lists, and other works, such as calendars, greeting cards, and maps. These works are characterized by the intellectual creativity required in their development and are usually protected by copyright. Publishers distribute or arrange for the distribution of these works. Publishing establishments may create the works in house, or contract for, purchase, or compile works that were originally created by others. These works may be published in one or more formats, such as print or electronic form, including proprietary electronic networks. Establishments in this industry may print, reproduce, or offer direct access to the works themselves or may arrange with others to carry out such functions. Establishments that both print and publish may fill excess capacity with commercial or job printing. However, the publishing activity is still considered to be the primary activity of these establishments;

(w) Generating, transmitting, or distributing electric power. Establishments in this industry group may perform one or more of the following activities: (i) Operate generation facilities that produce electric energy; (ii) operate transmission systems that convey the electricity from the generation facility to the distribution system; or (iii) operate distribution systems that convey electric power received from the generation facility or the transmission system to the final consumer;

(x) Providing specialized design services including interior design, industrial design, graphic design, and others, but not including architectural, engineering, and computer systems design;

(y) Assigning rights to assets, such as patents, trademarks, brand names, or franchise agreements, for which a royalty payment or licensing fee is paid to the asset holder;

(z) Acting as agents in selling annuities and insurance policies or providing other employee benefits and insurance related services, such as claims adjustment and third party administration;

(aa) Business to business electronic markets that bring together buyers and sellers of goods using the internet or other electronic means and generally receive a commission or fee for the service. Business to business electronic markets for durable and nondurable goods are included in this industry. This industry comprises wholesale trade agents and brokers acting on behalf of buyers or sellers in the wholesale distribution of goods. Agents and brokers do not take title to the goods being sold but rather receive a commission or fee for their service. Agents and brokers for all durable and nondurable goods are included in this industry;

(bb) Accepting deposits or share deposits and in lending funds from these deposits. Within this group, industries are defined on the basis of differences in the types of deposit liabilities assumed and in the nature of the credit extended;

(cc)(i) Manufacturing complete aircraft, missiles, or space

vehicles; (ii) manufacturing aerospace engines, propulsion units, auxiliary equipment or parts; (iii) developing and making prototypes of aerospace products; (iv) aircraft conversion; or (v) complete aircraft or propulsion systems overhaul and rebuilding;

(dd) Advertising, public relations, and related services, such as media buying, independent media representation, outdoor advertising, direct mail advertising, advertising material distribution services, and other services related to advertising;

(ee) Providing services, such as auditing of accounting records, designing accounting systems, preparing financial statements, developing budgets, preparing tax returns, processing payrolls, bookkeeping, and billing;

(ff) The independent practice of general or specialized medicine or surgery by businesses comprised of one or more health practitioners having the degree of doctor of medicine or doctor of osteopathy. These practitioners operate private or group practices in their own offices or in the facilities of others, such as hospitals or health maintenance organization medical centers;

(gg) Providing a range of outpatient services, such as family planning, diagnosis and treatment of mental health disorders and alcohol and other substance abuse, and other general or specialized outpatient care by businesses with medical staff;

(hh) Pooling securities or other assets, except insurance and employee benefit funds, on behalf of shareholders, unit holders, or beneficiaries, by legal entities such as investment pools or funds;

(ii) Promoting the interests of an organization's members, except religious organizations, social advocacy organizations, and civic and social organizations. Examples of establishments in this industry are business associations, professional organizations, labor unions, and political organizations;

(jj) Holding the securities of or other equity interests in companies and enterprises for the purpose of owning a controlling interest or influencing management decisions or businesses that administer, oversee, and manage other establishments of the company or enterprise and that normally undertake the strategic or organizational planning and decision making role of the company or enterprise. Establishments that administer, oversee, and manage may hold the securities of the company or enterprise;

(kk) For medical and diagnostic laboratories, providing analytic or diagnostic services, including body fluid analysis and diagnostic imaging, generally to the medical profession or to the patient on referral from a health practitioner;

(ll) Serving as offices of chief executives and their advisory committees and commissions. This industry includes offices of the president, governors, and mayors, in addition to executive advisory commissions. This industry comprises government establishments serving as legislative bodies and their advisory committees and commissions. Included in this industry are legislative bodies, such as congress, state legislatures, and advisory and study legislative commissions. This industry comprises government establishments primarily engaged in public finance, taxation, and monetary policy. Included are financial administration activities, such as monetary policy, tax administration and collection, custody and disbursement of funds, debt and investment administration, auditing activities, and government employee retirement trust fund administration. This industry comprises government establishments serving as councils and boards of commissioners or supervisors and such bodies where the chief executive is a member of the legislative body itself. This industry comprises American Indian and Alaska Native governing bodies. Establishments in this industry perform legislative, judicial, and administrative functions for their American Indian and Alaska Native lands. Included in this industry are American Indian and Alaska Native councils, courts, and law enforcement bodies. This industry comprises government

establishments primarily engaged in providing general support for government. Such support services include personnel services, election boards, and other general government support establishments that are not classified elsewhere in public administration;

(mm) Providing a range of office administrative services, such as financial planning, billing and recordkeeping, personnel, and physical distribution and logistics, for others on a contract or fee basis. These establishments do not provide operating staff to carry out the complete operations of a business;

(nn) Providing professional, scientific, or technical services including marketing research, public opinion polling, photographic services, translation and interpretation services, and veterinary services. This category does not include legal services, accounting, tax preparation, bookkeeping, architectural, engineering, and related services, specialized design services, computer systems design, management, scientific and technical consulting services, scientific research and development services, or advertising services;

(oo) The independent practice of general or specialized dentistry or dental surgery by businesses comprised of one or more health practitioners having the degree of doctor of dental medicine, doctor of dental surgery, or doctor of dental science. These practitioners operate private or group practices in their own offices or in the facilities of others, such as hospitals or health maintenance organization medical centers. They may provide either comprehensive preventive, cosmetic, or emergency care, or specialize in a single field of dentistry;

(pp) The independent practice of general or specialized medicine or surgery, or general or specialized dentistry or dental surgery, by businesses comprised of one or more independent health practitioners, other than physicians and dentists;

(qq) Providing ambulatory health care services.

(3)(a)(i) For the purposes of this section, a person is primarily engaged within this state in any combination of the activities described in subsection (2) of this section if more than fifty percent of the person's cumulative gross amount reportable under this chapter during the entire current or immediately preceding calendar year was generated from engaging in any one or more of the activities described in subsection (2) of this section. For purposes of this subsection, "gross amount reportable" means the total value of products, gross proceeds of sales, and gross income of the business, reportable to the department before application of any tax deductions.

(ii) If a person was not primarily engaged within this state in any combination of the activities described in subsection (2) of this section during the immediately preceding year, and the person is unsure whether the person will be subject to the workforce investment surcharge for the current calendar year until the close of the current calendar year, the person must, if necessary, file corrected returns with the department of revenue to pay any additional tax due under this section for the current calendar year. Payment of additional tax, along with corrected returns, is due and payable when the person's last return for the calendar year during which the tax liability accrued is due and payable. Additional tax due under this section is subject to penalties and interest as provided under chapter 82.32 RCW only if the tax is not paid in full by the date due as provided in this subsection (3)(a)(ii).

(b) The entire amount of gross income of the business received by a person pursuant to a contract under which the person is obligated to perform any activity described under subsection (2) of this section is deemed to be generated from engaging in any one or more of the activities described in subsection (2) of this section.

(4)) (1)(a) Beginning with business activities occurring on or

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after ~~(January)~~ April 1, 2020, in addition to the taxes imposed under RCW 82.04.290(2), a workforce education investment surcharge is imposed on select advanced computing businesses ~~(as follows:~~

~~(i) For an affiliated group that has worldwide gross revenue of more than twenty-five billion dollars, but not more than one hundred billion dollars, during the entire current or immediately preceding calendar year, the surcharge is equal to the total amount of tax payable by each member of the affiliated group on all business activities taxed under RCW 82.04.290(2), before application of any tax credits, multiplied by the rate of thirty-three and one-third percent.~~

~~(ii) For an affiliated group that has worldwide gross revenue of more than one hundred billion dollars during the entire current or immediately preceding calendar year, the surcharge is equal to the total amount of tax payable by each member of the affiliated group on all business activities taxed under RCW 82.04.290(2), before application of any tax credits, multiplied by the rate of sixty-six and two-thirds percent).~~ The surcharge is equal to the gross income of the business subject to the tax under RCW 82.04.290(2), multiplied by the rate of 1.22 percent.

~~(b) ((b))~~ Except as provided in (e) of this subsection (1), in no case will the combined surcharge imposed under this subsection ((4)) (1) paid by all members of an affiliated group be ((less than four million dollars or)) more than ((seven)) nine million dollars annually.

(c) For persons subject to the surcharge imposed under this subsection ~~((4)) (1)~~ that report under one or more tax classifications, the surcharge applies only to business activities taxed under RCW 82.04.290(2).

(d) The surcharge imposed under this subsection ~~((4)) (1)~~ must be reported and paid on a quarterly basis in a manner ~~((and frequency))~~ as required by the department. Returns and amounts payable under this subsection (1) are due by the last day of the month immediately following the end of the reporting period covered by the return. All other taxes must be reported and paid as required under RCW 82.32.045.

~~(e)(i)~~ To aid in the effective administration of the surcharge in this subsection ((4)) (1), the department may require persons believed to be engaging in advanced computing or affiliated with a person believed to be engaging in advanced computing to disclose whether they are a member of an affiliated group and, if so, to identify all other members of the affiliated group subject to the surcharge.

~~(ii) If the department ((determines)) establishes, by clear, cogent, and convincing evidence, that ((a person)) one or more members of an affiliated group, with intent to evade the surcharge under this subsection ((4)) (1), failed to fully comply with this subsection ((4)) (1)(e), the ((seven million dollar limitation in (b) of this subsection (4) does not apply to the person's affiliated group)) department must assess against that person, or those persons collectively, a penalty equal to fifty percent of the amount of the total surcharge payable by all members of that affiliated group for the calendar year during which the person or persons failed to fully comply with this subsection (1)(e). The penalty under this subsection (1)(e) is in lieu of and not in addition to the evasion penalty under RCW 82.32.090(7).~~

(f) For the purposes of this subsection ~~((4)) (1)~~ the following definitions apply:

(i) "Advanced computing" means designing or developing computer software or computer hardware, whether directly or contracting with another person, including modifications to computer software or computer hardware, cloud computing services, or operating an online marketplace, an online search engine, or online social networking platform;

(ii) "Affiliate" and "affiliated" means a person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with another person;

(iii) "Affiliated group" means a group of two or more persons that are affiliated with each other;

(iv) "Cloud computing services" means on-demand delivery of computing resources, such as networks, servers, storage, applications, and services, over the internet;

(v) "Control" means the possession, directly or indirectly, of more than fifty percent of the power to direct or cause the direction of the management and policies of a person, whether through the ownership of voting shares, by contract, or otherwise; and

(vi) "Select advanced computing business" means a person who is a member of an affiliated group with at least one member of the affiliated group engaging in the business of advanced computing, and the affiliated group has worldwide gross revenue of more than twenty-five billion dollars during the ~~((entire current or))~~ immediately preceding calendar year. A person who is primarily engaged within this state in the provision of commercial mobile service, as that term is defined in 47 U.S.C. Sec. 332(d)(1), shall not be considered a select advanced computing business. A person who is primarily engaged in this state in the operation and provision of access to transmission facilities and infrastructure that the person owns or leases for the transmission of voice, data, text, sound, and video using wired telecommunications networks shall not be considered a select advanced computing business. A person that is a "bank," "bank holding company," or "financial holding company," as those terms are defined in RCW 30A.04.010, shall not be considered a select advanced computing business.

~~((5)) (2)~~ The workforce education investment surcharge((s)) under this section ((6)) does not apply to any hospital as defined in RCW 70.41.020, including any hospital that comes within the scope of chapter 71.12 RCW if the hospital is also licensed under chapter 70.41 RCW.

~~((6)) (3)~~ Revenues from the surcharge((s)) under this section must be deposited directly into the workforce education investment account established in RCW 43.79.195.

~~((7)) (4)~~ The department has the authority to determine through an audit or other investigation whether a person is subject to the surcharge((s)) imposed in this section. ((The department's determination that a person is subject to the surcharge is presumed to be correct unless the person shows by clear, cogent, and convincing evidence that the department's determination was incorrect. The increased evidentiary standard under this subsection (7) does not apply after January 1, 2022.))

NEW SECTION. Sec. 5. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. Sec. 6. The provisions of RCW 82.32.805 and 82.32.808 do not apply to this act.

NEW SECTION. Sec. 7. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect April 1, 2020.

NEW SECTION. Sec. 8. Section 3 of this act applies beginning with gross income of the business, as defined in RCW 82.04.080, received or accrued by taxpayers, on or after April 1, 2020."

On page 1, line 2 of the title, after "reform;" strike the remainder of the title and insert "amending RCW 28C.18.200, 43.79.195, 82.04.290, and 82.04.299; creating new sections; providing an effective date; and declaring an emergency."

MOTION

Senator Braun moved that the following floor amendment no. 922 by Senator Braun be adopted:

On page 3, line 25, after "(i)" insert "Except as provided in (g) of this subsection (2)."

On page 5, after line 23, insert the following:

"(g) Beginning July 1, 2021, the rate under (a)(i) of this subsection (2) must be reduced by an amount necessary to offset the estimated increase in general fund revenues for the 2019-2021 biennium but such reduction may not exceed 0.25 percent. For the purpose of this subsection, "estimated increase in general fund revenues" means the difference between general fund revenues reflected in the November 2020 revenue forecast and in the November 2019 revenue forecast for the 2019-2021 fiscal biennium. Beginning in the 2021-2023 biennium and each biennium thereafter, the state treasurer shall transfer from the general fund to the workforce education investment account an amount equal to the revenue reduction in the 2021-2023 biennium from the rate reduction under this subsection (2)(g), increased by the fiscal growth factor."

Senators Braun and Short spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

Senator Short demanded a roll call.

The President declared that one-sixth of the members supported the demand and the demand was sustained.

The President declared the question before the Senate to be the adoption of the amendment by Senator Braun on page 3, line 25 to the striking amendment.

ROLL CALL

The Secretary called the roll on the adoption of the amendment by Senator Braun and the amendment was not adopted by the following vote: Yeas, 21; Nays, 27; Absent, 1; Excused, 0.

Voting yea: Senators Becker, Braun, Brown, Ericksen, Fortunato, Hawkins, Holy, Honeyford, King, Muzzall, O'Ban, Padden, Rivers, Schoesler, Sheldon, Short, Wagoner, Walsh, Warnick, Wilson, L. and Zeiger

Voting nay: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Lias, Lovelett, McCoy, Mullet, Nguyen, Pedersen, Randall, Rolfes, Saldaña, Salomon, Stanford, Takko, Van De Wege, Wellman and Wilson, C.

Absent: Senator Darneille.

MOTION

Senator Warnick moved that the following floor amendment no. 923 by Senator Warnick be adopted:

On page 3, line 36, after "year;" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and

(D) Any person engaged in providing infrastructure for hosting or data processing services"

Senator Warnick spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

MOTION

On motion of Senator Wilson, C., Senator Darneille was excused.

The President declared the question before the Senate to be the adoption of floor amendment no. 923 by Senator Warnick on page 3, line 36 to the striking amendment.

The motion by Senator Warnick did not carry and floor amendment no. 923 was not adopted by voice vote.

MOTION

Senator Becker moved that the following floor amendment no. 924 by Senator Becker be adopted:

On page 3, line 36, after "year;" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and

(D) Oncologists and cancer care entities"

Senators Becker, Short and Ericksen spoke in favor of adoption of the amendment to the striking amendment.

Senator Billig spoke against adoption of the amendment to the striking amendment.

Senator Short demanded a roll call.

The President declared that one-sixth of the members supported the demand and the demand was sustained.

The President declared the question before the Senate to be the adoption of the amendment by Senator Becker on page 3, line 36 to the striking amendment.

ROLL CALL

The Secretary called the roll on the adoption of the amendment by Senator Becker and the amendment was not adopted by the following vote: Yeas, 21; Nays, 27; Absent, 0; Excused, 1.

Voting yea: Senators Becker, Braun, Brown, Ericksen, Fortunato, Hawkins, Holy, Honeyford, King, Muzzall, O'Ban, Padden, Rivers, Schoesler, Sheldon, Short, Wagoner, Walsh, Warnick, Wilson, L. and Zeiger

Voting nay: Senators Billig, Carlyle, Cleveland, Conway, Das, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Lias, Lovelett, McCoy, Mullet, Nguyen, Pedersen, Randall, Rolfes, Saldaña, Salomon, Stanford, Takko, Van De Wege, Wellman and Wilson, C.

Excused: Senator Darneille.

MOTION

Senator Becker moved that the following floor amendment no. 925 by Senator Becker be adopted:

On page 3, line 36, after "year;" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and

(D) Any health care provider for whom twenty-five percent or more of their cumulative gross amount reportable under this chapter during the entire current or immediately preceding calendar year is from medicaid payments"

Senator Becker spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the

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adoption of floor amendment no. 925 by Senator Becker on page 3, line 36 to the striking amendment.

The motion by Senator Becker did not carry and floor amendment no. 925 was not adopted by voice vote.

MOTION

Senator Schoesler moved that the following floor amendment no. 926 by Senator Schoesler be adopted:

On page 3, line 36, after "year:" strike "and"
 On page 4, line 2, after "82.04.260(10)" insert "; and
(D) Amounts received by a health care provider for services performed on patients covered in whole, or in part, by Washington's medicaid health insurance program, including reimbursement from the program and any amounts collected from the patient as part of his or her cost-sharing obligation."

Senator Schoesler spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

Senator Becker spoke on the adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 926 by Senator Schoesler on page 3, line 36 to the striking amendment.

The motion by Senator Schoesler did not carry and floor amendment no. 926 was not adopted by voice vote.

MOTION

Senator Short moved that the following floor amendment no. 927 by Senator Short be adopted:

On page 3, line 36, after "year:" strike "and"
 On page 4, line 2, after "82.04.260(10)" insert "; and
(D) Physician's offices, outpatient care centers, medical and diagnostic laboratories, dentist's offices, offices of other health practitioners, and other ambulatory health care services performed in a rural underserved area. For the purposes of this subsection, "rural underserved area" has the same meaning as in RCW 28B.99.010"

Senator Short spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 927 by Senator Short on page 3, line 36 to the striking amendment.

The motion by Senator Short did not carry and floor amendment no. 927 was not adopted by voice vote.

MOTION

Senator Short moved that the following floor amendment no. 928 by Senator Short be adopted:

On page 3, line 36, after "year:" strike "and"
 On page 4, line 2, after "82.04.260(10)" insert "; and
(D) Establishments engaged in retailing prescription or nonprescription drugs and medicines such as pharmacies and drug stores"

Senators Short and Braun spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 928 by Senator Short on page 3, line 36 to the striking amendment.

The motion by Senator Short failed and floor amendment no. 928 was not adopted by voice vote.

REMARKS BY THE PRESIDENT

President Habib: "The President would ask that members remember the question that is before this Senate at any given time. In this instance, these are amendments to a floor striking amendment to the underlying bill and so, if members could do their best to reserve, I know that there is always a desire to put things in context, that's fine, but in some cases entire floor speeches are spent on the underlying policy choice not the specifics of the amendment. So, if members could do their best to reserve their remarks to the amendment it would be appreciated."

MOTION

Senator Holy moved that the following floor amendment no. 929 by Senator Holy be adopted:

On page 3, line 36, after "year:" strike "and"
 On page 4, line 2, after "82.04.260(10)" insert "; and
(D) Any business owned by a veteran"

Senators Holy, Short and Wagoner spoke in favor of adoption of the amendment to the striking amendment.

Senator Liias spoke against adoption of the amendment to the striking amendment.

Senator Short demanded a roll call.

The President declared that one-sixth of the members supported the demand and the demand was sustained.

The President declared the question before the Senate to be the adoption of the amendment by Senator Holy on page 3, line 36 to the striking amendment.

ROLL CALL

The Secretary called the roll on the adoption of the amendment by Senator Holy and the amendment was not adopted by the following vote: Yeas, 20; Nays, 28; Absent, 1; Excused, 0.

Voting yea: Senators Becker, Braun, Brown, Fortunato, Hawkins, Holy, Honeyford, King, Muzzall, O'Ban, Padden, Rivers, Schoesler, Sheldon, Short, Wagoner, Walsh, Wamick, Wilson, L. and Zeiger

Voting nay: Senators Billig, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, Pedersen, Randall, Rolfes, Saldaña, Salomon, Stanford, Takko, Van De Wege, Wellman and Wilson, C.

Absent: Senator Ericksen.

MOTION

Senator Fortunato moved that the following floor amendment no. 930 by Senator Fortunato be adopted:

On page 3, line 36, after "year:" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and (D) Hearing health care professionals, as defined in RCW 18.35.010"

Senator Fortunato spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 930 by Senator Fortunato on page 3, line 36 to the striking amendment.

The motion by Senator Fortunato did not carry and floor amendment no. 930 was not adopted by voice vote.

MOTION

Senator Fortunato moved that the following floor amendment no. 931 by Senator Fortunato be adopted:

On page 3, line 36, after "year:" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and (D) Ophthalmology services"

Senator Fortunato spoke in favor of adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 931 by Senator Fortunato on page 3, line 36 to the striking amendment.

The motion by Senator Fortunato did not carry and floor amendment no. 931 was not adopted by voice vote.

MOTION

Senator Padden moved that the following floor amendment no. 932 by Senator Padden be adopted:

On page 3, line 36, after "year:" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and (D) Substance use disorder treatment providers"

Senators Padden, Zeiger and O'Ban spoke in favor of adoption of the amendment to the striking amendment.

Senator Dhingra spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 932 by Senator Padden on page 3, line 36 to the striking amendment.

The motion by Senator Padden did not carry and floor amendment no. 932 was not adopted by voice vote.

MOTION

Senator Brown moved that the following floor amendment no. 933 by Senator Brown be adopted:

On page 3, line 36, after "year:" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and (D) Mental health providers"

Senators Brown, O'Ban and Becker spoke in favor of adoption of the amendment to the striking amendment.

Senator Dhingra spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 933 by Senator Brown on page 3, line 36 to the striking amendment.

The motion by Senator Brown did not carry and floor amendment no. 933 was not adopted by voice vote.

MOTION

Senator Rivers moved that the following floor amendment no. 934 by Senator Rivers be adopted:

On page 3, line 36, after "year:" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and (D) Dental services"

Senators Rivers and Short spoke in favor of adoption of the amendment to the striking amendment.

Senator Frockt spoke against adoption of the amendment to the striking amendment.

Senator Short demanded a roll call.

The President declared that one-sixth of the members supported the demand and the demand was sustained.

The President declared the question before the Senate to be the adoption of the amendment by Senator Rivers on page 3, line 36 to the striking amendment.

ROLL CALL

The Secretary called the roll on the adoption of the amendment by Senator Rivers and the amendment was not adopted by the following vote: Yeas, 21; Nays, 28; Absent, 0; Excused, 0.

Voting yea: Senators Becker, Braun, Brown, Ericksen, Fortunato, Hawkins, Holy, Honeyford, King, Muzzall, O'Ban, Padden, Rivers, Schoesler, Sheldon, Short, Wagoner, Walsh, Warnick, Wilson, L. and Zeiger

Voting nay: Senators Billig, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, Pedersen, Randall, Rolfes, Saldaña, Salomon, Stanford, Takko, Van De Wege, Wellman and Wilson, C.

MOTION

Senator Brown moved that the following floor amendment no. 935 by Senator Brown be adopted:

On page 3, line 36, after "year:" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and (D) Commercial hauling services"

Senator Brown spoke in favor of adoption of the amendment to the striking amendment.

Senator Nguyen spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 935 by Senator Brown on page 3, line 36 to the striking amendment.

The motion by Senator Brown did not carry and floor amendment no. 935 was not adopted by voice vote.

MOTION

Senator Wilson, L. moved that the following floor amendment no. 936 by Senators Wilson L., Becker, Brown, Walsh, and Warnick be adopted:

On page 3, line 36, after "year:" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and (D) Providers that give counseling and treatment to domestic

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violence victims"

Senators Wilson, L. and Short spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

Senator Short demanded a roll call.

The President declared that one-sixth of the members supported the demand and the demand was sustained.

The President declared the question before the Senate to be the adoption of the amendment by Senators Wilson, L., Becker, Brown, Walsh and Warnick on page 3, line 36 to the striking amendment.

ROLL CALL

The Secretary called the roll on the adoption of the amendment by Senators Wilson, L., Becker, Brown, Walsh and Warnick and the amendment was not adopted by the following vote:

Yeas, 21; Nays, 28; Absent, 0; Excused, 0.

Voting yea: Senators Becker, Braun, Brown, Ericksen, Fortunato, Hawkins, Holy, Honeyford, King, Muzzall, O'Ban, Padden, Rivers, Schoesler, Sheldon, Short, Wagoner, Walsh, Warnick, Wilson, L. and Zeiger

Voting nay: Senators Billig, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, Pedersen, Randall, Rolfes, Saldaña, Salomon, Stanford, Takko, Van De Wege, Wellman and Wilson, C.

MOTION

Senator Sheldon moved that the following floor amendment no. 937 by Senators Sheldon and Short be adopted:

On page 3, line 36, after "year;" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and (D) Forestry and logging services"

Senator Sheldon spoke in favor of adoption of the amendment to the striking amendment.

Senator Nguyen spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 937 by Senators Sheldon and Short on page 3, line 36 to the striking amendment.

The motion by Senator Sheldon did not carry and floor amendment no. 937 was not adopted by voice vote.

MOTION

Senator Wagoner moved that the following floor amendment no. 938 by Senator Wagoner be adopted:

On page 3, line 36, after "year;" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and (D) Providing veterinary services"

Senator Wagoner spoke in favor of adoption of the amendment to the striking amendment.

Senator Nguyen spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 938 by Senator Wagoner on

page 3, line 36 to the striking amendment.

The motion by Senator Wagoner did not carry and floor amendment no. 938 was not adopted by voice vote.

MOTION

Senator Warnick moved that the following floor amendment no. 939 by Senator Warnick be adopted:

On page 3, line 36, after "year;" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and (D) Waste management and remediation services"

Senators Warnick and Braun spoke in favor of adoption of the amendment to the striking amendment.

Senator Nguyen spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 939 by Senator Warnick on page 3, line 36 to the striking amendment.

The motion by Senator Warnick did not carry and floor amendment no. 939 was not adopted by voice vote.

MOTION

Senator O'Ban moved that the following floor amendment no. 940 by Senator O'Ban be adopted:

On page 3, line 36, after "year;" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and (D) Any health care provider for whom seventy-five percent or more of their cumulative gross amount reportable under this chapter during the entire current or immediately preceding calendar year is from medicaid payments"

Senators O'Ban, Short and Braun spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 940 by Senator O'Ban on page 3, line 36 to the striking amendment.

The motion by Senator O'Ban did not carry and floor amendment no. 940 was not adopted by voice vote.

MOTION

Senator O'Ban moved that the following floor amendment no. 941 by Senator O'Ban be adopted:

On page 3, line 36, after "year;" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; (D) The independent practice of general or specialized medicine or surgery by businesses comprised of one or more health practitioners having the degree of doctor of medicine or doctor of osteopathy. These practitioners operate private or group practices in their own offices or in the facilities of others, such as hospitals or health maintenance organization medical centers;

(E) Providing a range of outpatient services, such as family planning, diagnosis and treatment of mental health disorders and alcohol and other substance abuse, and other general or specialized outpatient care by businesses with medical staff;

(F) Medical and diagnostic laboratories, providing analytic or diagnostic services, including body fluid analysis and diagnostic

imaging, generally to the medical profession or to the patient on referral from a health practitioner;

(G) The independent practice of general or specialized dentistry or dental surgery by businesses comprised of one or more health practitioners having the degree of doctor of dental medicine, doctor of dental surgery, or doctor of dental science. These practitioners operate private or group practices in their own offices or in the facilities of others, such as hospitals or health maintenance organization medical centers. They may provide either comprehensive preventive, cosmetic, or emergency care, or specialize in a single field of dentistry;

(H) The independent practice of general or specialized medicine or surgery, or general or specialized dentistry or dental surgery, by businesses comprised of one or more independent health practitioners, other than physicians and dentists; and

(I) Providing ambulatory health care services"

Senator O'Ban spoke in favor of adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 941 by Senator O'Ban on page 3, line 36 to the striking amendment.

The motion by Senator O'Ban did not carry and floor amendment no. 941 was not adopted by voice vote.

MOTION

Senator Padden moved that the following floor amendment no. 942 by Senator Padden be adopted:

On page 3, line 36, after "year;" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and (D) lawyers who perform more than ten percent pro bono hours when measured against their total hours"

Senator Padden spoke in favor of adoption of the amendment to the striking amendment.

Senators Salomon and Pedersen spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 942 by Senator Padden on page 3, line 36 to the striking amendment.

The motion by Senator Padden did not carry and floor amendment no. 942 was not adopted by voice vote.

MOTION

Senator O'Ban moved that the following floor amendment no. 943 by Senator O'Ban be adopted:

On page 3, line 36, after "year;" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and

(D) Nursing and residential care facilities"

Senators O'Ban and Short spoke in favor of adoption of the amendment to the striking amendment.

Senator Frockt spoke against adoption of the amendment to the striking amendment.

Senator O'Ban demanded a roll call.

The President declared that one-sixth of the members supported the demand and the demand was sustained.

The President declared the question before the Senate to be the adoption of the amendment by Senator O'Ban on page 3, line 36, to the striking amendment.

ROLL CALL

The Secretary called the roll on the adoption of the amendment by Senator O'Ban and the amendment was not adopted by the following vote: Yeas, 21; Nays, 28; Absent, 0; Excused, 0.

Voting yea: Senators Becker, Braun, Brown, Ericksen, Fortunato, Hawkins, Holy, Honeyford, King, Muzzall, O'Ban, Padden, Rivers, Schoesler, Sheldon, Short, Wagoner, Walsh, Warnick, Wilson, L. and Zeiger

Voting nay: Senators Billig, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Frockt, Hasegawa, Hobbs, Hunt, Keiser, Kuderer, Liias, Lovelett, McCoy, Mullet, Nguyen, Pedersen, Randall, Rolfes, Saldaña, Salomon, Stanford, Takko, Van De Wege, Wellman and Wilson, C.

MOTION

Senator Zeiger moved that the following floor amendment no. 944 by Senator Zeiger be adopted:

On page 3, line 36, after "year;" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and

(D) Architectural, engineering, and related services, such as drafting services, building inspection services, geophysical surveying and mapping services, surveying and mapping, except geophysical services and testing services"

Senator Zeiger spoke in favor of adoption of the amendment to the striking amendment.

Senator Liias spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 944 by Senator Zeiger on page 3, line 36 to the striking amendment.

The motion by Senator Zeiger did not carry and floor amendment no. 944 was not adopted by voice vote.

MOTION

Senator Zeiger moved that the following floor amendment no. 945 by Senator Zeiger be adopted:

On page 3, line 36, after "year;" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and

(D) Motor vehicle and parts dealers"

Senator Zeiger spoke in favor of adoption of the amendment to the striking amendment.

Senator Liias spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 945 by Senator Zeiger on page 3, line 36 to the striking amendment.

The motion by Senator Zeiger did not carry and floor amendment no. 945 was not adopted by voice vote.

MOTION

Senator Padden moved that the following floor amendment no. 948 by Senator Padden be adopted:

On page 3, line 36, after "year;" strike "and"

On page 4, line 2, after "82.04.260(10)" insert "; and (D) optometrists"

Senators Padden and Fortunato spoke in favor of adoption of the amendment to the striking amendment.

Senator Billig spoke against adoption of the amendment to the striking amendment.

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The motion by Senator Padden did not carry and floor amendment no. 948 was not adopted by voice vote.

MOTION

Senator Pedersen moved that the following floor amendment no. 920 by Senator Pedersen be adopted:

On page 17, beginning on line 9, after "business." strike all material through "business." on line 12 and insert "A person that is primarily engaged in business as a "financial institution" as defined in RCW 82.04.29004, as that section existed on January 1, 2020, shall not be considered a select advanced computing business. For purposes of this subsection (1)(f)(vi), "primarily" is determined based on gross income of the business."

Senators Pedersen and Braun spoke in favor of adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 920 by Senator Pedersen on page 17, line 9 to the striking amendment.

The motion by Senator Pedersen carried and floor amendment no. 920 was adopted by voice vote.

MOTION

Senator Pedersen moved that the following floor amendment no. 921 by Senator Pedersen be adopted:

Beginning on page 17, line 35, strike all of section 7 and insert the following:

"NEW SECTION. Sec. 7. (1) Except as otherwise provided in this section, this act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect immediately.

(2) Sections 1 through 3 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect April 1, 2020.

NEW SECTION. Sec. 8. Section 4 of this act applies both prospectively and retroactively to January 1, 2020."

Renummer the remaining section consecutively and correct any internal references accordingly.

Senators Pedersen and Braun spoke in favor of adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 921 by Senator Pedersen on page 17, line 35 to the striking amendment.

The motion by Senator Pedersen carried and floor amendment no. 921 was adopted by voice vote.

MOTION

Senator Braun moved that the following floor amendment no. 946 by Senator Braun be adopted:

On page 18, after line 5, insert the following:

"NEW SECTION. Sec. 9. By July 1, 2024, the joint legislative audit and review committee must evaluate the impact of the tax rate increases under this act on the regressivity of

Washington's excise tax structure on households. The joint legislative audit and review committee must specifically evaluate the amount of Washington excise tax paid by household income threshold, prior to and after April 1, 2020. If the joint legislative audit and review committee determines that the tax structure is more regressive due to the changes in this act, this act expires January 1, 2025. The joint legislative audit and review committee must notify the department of revenue and the fiscal committees of the legislature of its findings and conclusions by August 15, 2024."

On page 18, line 9, after "date;" insert "providing a contingent expiration date;"

Senators Braun, Short and Fortunato spoke in favor of adoption of the amendment to the striking amendment.

Senator Liias spoke against adoption of the amendment to the striking amendment.

The President declared the question before the Senate to be the adoption of floor amendment no. 946 by Senator Braun on page 18, after line 5 to the striking amendment.

The motion by Senator Braun did not carry and floor amendment no. 946 was not adopted by voice vote.

MOTION

Senator Braun moved that the following floor amendment no. 947 by Senator Braun be adopted:

On page 18, after line 5, insert the following:

"Sec. 9. RCW 43.88.055 and 2012 1st sp.s. c 8 s 1 are each amended to read as follows:

(1) The legislature must adopt a four-year balanced budget as follows:

(a) Beginning in the 2013-2015 fiscal biennium, the legislature shall enact a balanced omnibus operating appropriations bill that leaves, in total, a positive ending fund balance in the general fund and related funds.

(b) Beginning in the 2013-2015 fiscal biennium, the projected maintenance level of the omnibus appropriations bill enacted by the legislature shall not exceed the available fiscal resources for the next ensuing fiscal biennium.

(2) For purposes of this section:

(a) "Available fiscal resources" means the beginning general fund and related fund balances and any fiscal resources estimated for the general fund and related funds, adjusted for enacted legislation, and with forecasted revenues adjusted to the greater of (i) the official general fund and related funds revenue forecast for the ensuing biennium, or (ii) the official general fund and related funds forecast for the second fiscal year of the current fiscal biennium, increased by 4.5 percent for each fiscal year of the ensuing biennium;

(b) "Projected maintenance level" means estimated appropriations necessary to maintain the continuing costs of program and service levels either funded in that appropriations bill or mandated by other state or federal law, and the amount of any general fund moneys projected to be transferred to the budget stabilization account pursuant to Article VII, section 12 of the state Constitution (~~(, but does not include in the 2013-2015 and 2015-2017 fiscal biennia the costs related to the enhanced funding under the new definition of basic education as established in chapter 548, Laws of 2009, and affirmed by the decision in Mathew McCleary et al., v. The State of Washington, 173 Wn.2d 477, 269 P.3d 227, (2012), from which the short term exclusion of these obligations is solely for the purposes of calculating this estimate and does not in any way indicate an intent to avoid full~~

funding of these obligations));

(c) "Related funds," as used in this section, means the Washington opportunity pathways account, the workforce education investment account, and the education legacy trust account.

(3) Subsection (1)(a) and (b) of this section does not apply to an appropriations bill that makes net reductions in general fund and related funds appropriations and is enacted between July 1st and February 15th of any fiscal year.

(4) Subsection (1)(b) of this section does not apply in a fiscal biennium in which money is appropriated from the budget stabilization account."

On page 18, line 8, after "82.04.290," strike "and 82.04.299" and insert "82.04.299, and 43.88.055"

Senators Braun and Short spoke in favor of adoption of the amendment to the striking amendment.

Senator Rolfes spoke against adoption of the amendment to the striking amendment.

Senator Short demanded a roll call.

The President declared that one-sixth of the members supported the demand and the demand was sustained.

The President declared the question before the Senate to be the adoption of the amendment by Senator Braun on page 18, after line 5 to the striking amendment.

ROLL CALL

The Secretary called the roll on the adoption of the amendment by Senator Braun and the amendment was not adopted by the following vote: Yeas, 24; Nays, 25; Absent, 0; Excused, 0.

Voting yea: Senators Becker, Braun, Brown, Ericksen, Fortunato, Hawkins, Hobbs, Holy, Honeyford, King, Mullet, Muzzall, O'Ban, Padden, Rivers, Schoesler, Sheldon, Short, Takko, Wagoner, Walsh, Warnick, Wilson, L. and Zeiger

Voting nay: Senators Billig, Carlyle, Cleveland, Conway, Darneille, Das, Dhingra, Frockt, Hasegawa, Hunt, Keiser, Kuderer, Liias, Lovelett, McCoy, Nguyen, Pedersen, Randall, Rolfes, Saldaña, Salomon, Stanford, Van De Wege, Wellman and Wilson, C.

The President declared the question before the Senate to be the adoption of striking floor amendment no. 919 by Senator Pedersen as amended to Substitute Senate Bill No. 6492.

The motion by Senator Pedersen carried and striking floor amendment no. 919 as amended was adopted by voice vote.

MOTION

On motion of Senator Pedersen, the rules were suspended,

Engrossed Substitute Senate Bill No. 6492 was advanced to third reading.

MOTION

On motion of Senator Liias, further consideration of Engrossed Substitute Senate Bill No. 6492 was deferred, and the bill held its place on the third reading calendar.

PERSONAL PRIVILEGE

Senator Hobbs: "Yes, Mr. President. I am sure many of you are already aware of this, but I think just to mention that our good friend Ron Main passed away last weekend. Ron, was a, was the type of person, the type of lobbyist that I think all of us in this chamber, including you Mr. President having dealt with him as well, that we can all respect. It is very rare to find someone whose word is always golden, whose advice is always appreciated, and Ron was that person. And even though he was never a member of this chamber, he might as well be because he was a strong advocate, definitely for his clients for this institution. One thing that I know about Ron, that some of you don't know, is that there is another part of his life that he didn't tell a lot of people, but I certainly do respect. See, Ron in his generation didn't have a choice to serve his country. I enlisted because I volunteered to do so, but Ron during a time of war, his generation didn't have that choice. But that didn't stop him because he decided to take a step further and take a leadership role, so he volunteered to go to Officer Candidate School. Second Lieutenant Ron Main branched Military Police after receiving his training was sent off to Vietnam. So, Mr. President if you could, if you could do a moment of silence for Ron. For a dedicated professional, a friend to this institution, and a soldier and veteran who served our county in a time of war.

MOMENT OF SILENCE

The Senate observed a moment of silence in memory of Ron Main, who passed away January 26, 2020.

MOTION

At 2:58 p.m., on motion of Senator Liias, the Senate adjourned until 12:00 o'clock p.m. Thursday, January 30, 2020.

CYRUS HABIB, President of the Senate

BRAD HENDRICKSON, Secretary of the Senate

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