

Washington State



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**Senate Committee
SERVICES**

SENATE COMMITTEE SERVICES

2002 INTERIM WORK PLAN AND ACTIVITIES



June 1, 2002

TO: Washington State Senators and Other Interested Persons

FROM: Stan Pynch, Director
Senate Committee Services

SUBJECT: Senate Committee Services 2002 Interim Work Plan and Activities

We are pleased to provide this 2002 Interim Work Plan and Activities for your reference in the months preceding the 2003 legislative session.

The interim work plan is a public planning document containing the major agenda issues that the Chair of each committee currently plans to consider during the next legislative session. It is being used to guide staff in conducting research for the major agenda items over the interim and in planning related interim committee activities and hearings. Please consider this interim work plan within that context. It is not intended to include all of the projects, issues, and research that are of interest to each member of the Senate. Consequently, it does not include all of the work activities of Senate Committee Services staff in responding to those more diverse interests and requests. In that light, we trust you will find this work plan useful in monitoring the committees' work during the interim.

Meetings of standing committees, sub-committees, and task-forces included in the interim work plan are subject to approval of the Senate Facilities and Operations Committee. Once approved, meetings are included in the legislative meeting schedule published throughout the interim.

If you have other requests or questions, or need assistance on any issue, please don't hesitate to call on us.

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Agriculture & International Trade

786-7411

Issue: State Utilization of the Federal Farm Security and Rural Investment Act of 2002

Background:

On May 13, 2002, HR 2646 was signed into law establishing the direction of national food policy for the next six years. In addition to re-authorizing the widely publicized food stamp and nutrition programs and agricultural commodity programs, the Farm Security and Rural Investment Act of 2002 contains a vast array of other programs, some which may require funding or authorization by the state Legislature if these programs are to be fully available to citizens of the state. For example, the agricultural conservation programs are significantly expanded in size and scope with the creation of the Conservation Security Program. The farm bill also provides a wide range of programs including foreign market development, agricultural research, animal welfare and animal health protection, country of origin labeling, organic food research and extension, beginning farmer and rancher, value-added market development grants, historic barn preservation, disaster assistance for commercial fishery failures, and eligibility of farmers markets to be a food source for federal senior and low income nutrition programs.

Questions to Explore:

1. Which of the programs contained in the Farm Security and Rural Investment Act of 2002 will require either state matching funds or state legislative authorization to allow state citizens to receive the benefits of these federally authorized programs?
2. Are current state laws consistent with new federal laws in regards to topics such as country of origin labeling, animal welfare, animal health protection and other programs that are regulatory in nature?
3. Do current programs offered by the state qualify for new federal dollars that will reduce current expenditures by the state? Are modifications to any existing state program needed to meet federal criteria?
4. What state legislation or state funding is needed for lands in this state to be eligible for the new Conservation Security Program?

Research and Analysis:

1. Review the Farm Security and Rural Investment Act of 2002 to identify those programs that require state funding or involvement by state entities. Also, identify any new federal programs that would duplicate an existing state program that could result in cost savings to the state.
2. Review existing state law to determine whether new authority, modification to existing authority or funding is needed.
3. Identify the discretion and appropriate role of the state Legislature in its policy making role in regards to implementation of these programs.

Committee Meetings and Activities:

- ▶ Meet with federal and state agency officials to discuss specific components of the Farm Security and Rural Investment Act of 2002 that require involvement by state entities.
- ▶ Discuss with potential stakeholders their interest in various programs.
- ▶ September 19-20 — Presentations by federal and state officials to the committee.
- ▶ Prepare legislation as needed and directed by the committee.

Issue: Expanding Markets for Washington Grown Agricultural Commodities

Background:

Increased foreign competition and the high value of the dollar has resulted in lower market prices for many agricultural commodities produced in Washington State. Technological advances that made domestic agricultural producers highly productive have been adopted by producers in foreign countries. Foreign competitors frequently have lower cost of production and less regulation which provides a price advantage as compared to domestically produced commodities. Though the momentum is toward free trade, some foreign countries continue to have barriers to trade that keep Washington produced commodities out. Other countries have less restrictive food safety policies which not only lowers their cost of production but also raises issues about wholesomeness of food shipped into the United States.

To combat the loss of profitability of many markets, a number of programs have been recently established at the state level with either state or pass-through federal funds. As many of these programs are very new, a mechanism to determine the effectiveness of each program has yet to be developed.

Questions to Explore:

1. What is the current state of the "From the Heart of Washington" marketing program that is aimed at encouraging in-state retail consumers to buy agricultural products produced in Washington State?
2. What is the status of the grant program that assists commodity commissions in combating foreign trade barriers or dumping of foreign commodities on the U.S. market at below-cost prices? Examples include combating alleged dumping of Chilean frozen red raspberries on the U.S. domestic market and continuation of barriers to exporting fresh apples to Japan.
3. What is the status of labeling agricultural products as to their state or country of origin? What is the status of Washington State's labeling law and what are the labeling requirements contained in the federal Farm Security and Rural Investment Act of 2002?
4. Have national efforts to promote organic food products been effective? Have efforts by commodity commissions to promote organic food been effective? What are the conclusions of the study conducted by the Department of Agriculture regarding authorizing the formation of a commission to promote organic food products?
5. What is the status of legislation to encourage the purchase of Washington grown food products by state supported institutions?

Research and Analysis:

1. Consult with the Washington State Department of Agriculture and other involved entities to determine the status of the various programs designed to strengthen markets for agricultural commodities produced in this state.
2. Determine whether federal funds that provided a one-time funding source for some programs for 2001 will be available to the state as a result of the expanded trade provisions of the Farm Security and Rural Investment Act of 2002.
3. Determine what measures are used to indicate the success of various programs.

Committee Meetings:

- ▶ December 5-6 — Presentations to the Senate Agriculture and International Trade Committee on activities and status of these various programs.

Economic Development & Telecommunications

786-7747

Issue: Advisory Groups for Economic Development

Background:

Idaho and Oregon have statutory citizen-committees that guide their economic development agencies: the Economic Advisory Council in Idaho; and the Economic & Community Development Commission in Oregon.

The Idaho Economic Advisory Council is composed of six members that are appointed by the governor. The council approves plans, projects, and programs implemented by the state Department of Commerce. Council members serve staggered three-year terms.

The Oregon Economic & Community Development Commission is composed of five members that are appointed by the governor and confirmed by the state Senate. The commission sets the policy direction of the state Economic and Community Development Department. It is also responsible for approving the financing of economic development projects. Commission members serve staggered four-year terms.

Questions to Explore:

1. Do other states have similar committees?
2. What powers do these committees have?
3. How are these committees formed, staffed, and funded?
4. Have these committees been evaluated for their effectiveness?
5. Could this committee model be adapted for Washington?

Research and Analysis:

Staff will survey other states about permanent citizen-committees that guide state agencies responsible for economic development. The following data will be compiled for each committee: (1) membership; (2) powers; (3) staffing; (4) funding; (5) legal citations; and (6) summaries of any information concerning committee effectiveness (e.g., formal evaluations and anecdotal comments). Draft legislation as requested.

Issue: State Economic Development Task Force

Background:

Governor Locke convened the Washington Competitiveness Council in 2001 to discuss business climate issues, such as transportation, taxes, and regulations. This year, the Governor and the Competitiveness Council formed the State Economic Development Task Force to examine the state's role in economic development. Comprising 17 members, the Task Force is led by Scott Morris, President of Avista Utilities, and includes selected persons from the Competitiveness Council, as well as the chairs and ranking minority

members of the Senate and House economic development committees. The Department of Community Trade & Economic Development (CTED) is staffing the task force.

The task force will examine the state's strategic direction in economic development, CTED's current role in economic development, the state's historical funding of the agency, and other state models and best practices in economic development. Based on an assessment of this information, the task force will issue a report identifying how the state can enhance its role in economic development.

Questions to Explore:

1. What problems will the task force identify, and what solutions will it propose?
2. Will the task force seek to reform the state's governance structure for economic development?
3. Will the task force propose new enabling tools to promote economic development?

Research and Analysis:

Committee staff will attend all task force meetings and assist the Senate members in identifying issues and developing policy options. Legislation based on task force recommendations will be drafted as requested.

Education

786-7420

Issue: Education Reform: Next Steps

Background:

In 1992, the Washington Legislature began defining education reform for Washington State. This reform effort includes identifying state academic standards for students, developing a state assessment system to determine whether students have achieved the academic standards, and developing a state-wide accountability system for schools and school districts, including assistance, intervention, and awards. Once the high school level of the student assessment system is determined to be reliable and valid by the State Board of Education, successful completion of the high school assessment will lead to a Certificate of Mastery. The Certificate of Mastery will be required for graduation but will not be the only requirement for graduation. Additionally, the federal government recently re-authorized the Elementary and Secondary Education Act (ESEA), which includes significant school accountability provisions, that will impact Washington's education reform programs.

Questions to Explore:

1. How will the provisions in the ESEA impact Washington's education reform efforts? Are there changes in Washington law that will need to be made to comply with the ESEA? Does the state need to request changes from the federal government in order to continue state-specific education reform efforts?
2. How has the state's focused assistance program been implemented and what, if any, changes need to be made for the continued operation of the program?
3. What efforts are being made to assist underachieving students to improve academically, especially those who are identified as disproportionately underachieving?
4. What steps could be taken to build a state accountability system that is focused on student achievement?
5. Will additional or alternative assessments be needed when the 10th grade assessment becomes a high-stakes test?

Research and Analysis:

Committee staff will monitor and analyze the development of the federal government's guidelines and regulations interpreting the ESEA and the state's response and create a list of state laws impacted by the ESEA. Staff will review the current status of the School Improvement Assistance Program at OSPI ("focused assistance") and provide a summary update. Staff will attend the meetings of the Certificate of Mastery subcommittee of the State Board of Education, monitor the actions taken by the subcommittee and provide a summary of those actions. Staff will monitor the Academic Achievement and Accountability Commission's work in setting performance improvement goals for certain disaggregated groups of students and will provide a summary review. Staff will review and analyze the components of selected state accountability systems where student achievement has improved. Additionally, staff will examine selected state accountability systems to determine which provide outreach efforts to parents and guardians to participate in the

state accountability system. Staff will identify prevalent issues, themes, and policy options; develop and draft legislation as needed.

Issue: Class Size Reduction

Background:

Recent class size reduction efforts in Washington state include legislative appropriations, enacted in the state K-12 operating budget, and passage by the voters of Initiative 728, both of which provided state funds to school districts to, among other things, support class size reduction programs. However, no comprehensive review has been conducted to determine specifically how districts have used available funds.

Questions to Explore:

1. How have Washington school districts been using state-level funds provided for class size reduction efforts?
2. Are districts planning to continue class size reduction efforts in the near future?

Research and Analysis:

Committee staff will review how school districts have used state-level funds, including I-728 dollars, to implement class size reduction programs at the local level. This review will include whether districts plan to continue supporting class size reduction efforts in the future and if so how.

Issue: Quality Educational Staff

Background:

Numerous efforts at the state and federal level exist to recruit and retain quality educational staff. For example, Washington State recently established an alternative certification program to recruit experienced professionals, from both inside and outside the education field, into the teaching profession. Additionally, incentives exist to encourage teachers to obtain national certification, and the re-authorized ESEA includes new requirements for districts to employ "highly qualified" teachers and paraprofessionals.

Questions to Explore:

1. What programs exist, at the state and federal level, to recruit and retain quality educational staff in order to meet current supply and demand issues?
2. What is the current status of the State's recently established alternative certification program?
3. What are the new federal requirements for both educators and paraprofessionals under the re-authorized Elementary and Secondary Education Act? What is needed for educators and paraprofessionals to meet ESEA requirements?
4. What incentives are being used by other states to encourage teachers to obtain national certification?

5. What steps are school districts and others taking to provide every school with a highly qualified staff and educational leader?

Research & Analysis:

Committee staff will conduct a review of selected current state and federal efforts to recruit and retain quality educational staff. The review will include: (1) the current status of the alternative certification program, including monitoring the progress of the Institute for Public Policy's evaluation of the partnership grants under the program; (2) the incentives being used to increase the number of nationally certified teachers; (3) the new federal requirements for educators and paraprofessionals; and (4) a survey of selected school districts and others to determine what is being done to provide highly qualified staff and educational leaders in schools. Staff will identify prevalent issues, themes, and policy options; develop draft legislation as needed.

Issue: Integrated Education for Students from Preschool Through Postsecondary Education

Background:

As the public education system works to fulfill the goal of academic achievement for all children, a growing trend among states is to strive to create a seamless system of education from preschool through higher education. A seamless system is a system where there is coordination and easy transition from one level to another within a system and from one system to another system (e.g., preschool to elementary, elementary to middle school, middle school to high school and beyond.) The term P-16 has been used as a shorthand term to refer to the goal of creating a more connected public education system.

Questions to Explore:

1. What are the current systems that govern preschool education, K-12 education, and post-secondary education?
2. Are there barriers within these systems preventing smooth transitions for students during his or her educational career?
3. What are the potential benefits and other policy considerations raised by maintaining or changing the current system?

Research and Analysis:

Committee staff will review and analyze the current state-level educational organizational structure. Staff will review and analyze P-16 efforts in other states. Staff will explore which questions need to be asked to develop a plan to implement a P-16 system and identify issues, policy options and develop draft legislation as needed.

Issue: Water Resource Management

Background:

The Legislature and the Executive Branch are engaged in a multi-year effort to update the state's water code and other water resource management laws in light of contemporary growth, development, and resource protection needs in the state. Specific issues on which the effort is focusing include setting and achieving instream flows, assuring water for growing communities, modernizing the traditional western water law doctrine of "use it or lose it," and funding infrastructure for drinking water supply and water storage.

Meetings with stakeholders and discussions among the legislative and executive branch members of the effort determined that more in-depth research and study in a number of areas would facilitate addressing specific issues of concern. These areas include: (1) management of water bodies shared with other states and Canada; (2) tribal and federal reserved water rights; (3) resolution of water rights disputes, (4) adjudication of water rights; and (5) management of water rights records. To address these areas, the Legislature has provided for studies and reports by the Office of the Governor, the Office of the Attorney General, and the Department of Ecology and for development of recommendations by the legislative committees with jurisdiction over water resources.

The Environment, Energy, and Water Committee will also continue to work with stakeholders and with the executive branch on recommendations regarding the specific issues of setting and achieving instream flows, assuring water for growing communities, modernizing the traditional western water law doctrine of "use it or lose it," and funding infrastructure for drinking water supply and water storage.

Questions to Explore:

1. What issues and strategies should the state examine in considering negotiations concerning management of water bodies shared with other states and Canada?
2. What is the nature and scope of water rights issues related to tribal and federal reserved water rights, and how do these rights relate to state-issued water rights? How have other states approached these issues; with what results? What administrative, judicial, and other methods can be used to address such issues? How can these methods be implemented and funded?
3. What judicial and administrative alternatives exist for resolving water rights disputes? How can these alternatives be implemented; at what cost? What specific changes to statutes and administrative rules will be required?
4. Can the existing statutory procedure for adjudication of water rights be simplified?
5. How can the state improve the management of water rights records by the Department of Ecology and by counties?

Research and Analysis:

1. Evaluate the report to be submitted by the Office of the Governor by January 1, 2003, regarding issues and strategies in negotiations with other states and Canada over management of shared water bodies, based on consultation with these states and Canada and with other states that have conducted similar negotiations, and develop recommendations.
2. Evaluate the report on tribal and federal reserved water rights to be submitted by the Office of the Attorney General by October 1, 2002. Seek and consider the recommendations of the federally recognized Indian tribes with water-related interests in the state, relevant departments and agencies of the United States, state agencies, local governments, and water users in the state, and develop recommendations.
3. Participate in the joint task force on judicial and administrative alternatives for resolving water rights disputes led by the Office of the Attorney General to initiate examination and characterization of the types of disputes involved, examination of approaches used by other states, and development of recommendations on methods and their implementation.
4. Evaluate the report on streamlining adjudication of water rights to be submitted by the Department of Ecology and the Office of the Attorney General by December 1, 2002, and develop recommendations.
5. Evaluate the plan, schedule, and budget to be submitted by the Department of Ecology by October 1, 2002, for improving administration of water rights records held by the Department, and the recommendations developed by the Department, in conjunction with the Department of Revenue and counties, for integrating water rights information with real property ownership records.
6. Work with stakeholders and the executive branch to develop recommendations regarding the specific issues of setting and achieving instream flows, assuring water for growing communities, modernizing the traditional western water law doctrine of "use it or lose it," and funding infrastructure for drinking water supply and water storage.

Issue: Integration of Watershed and Salmon Recovery Planning

Background:

In 1998, the Legislature adopted ESHB 2496 to address salmon recovery and ESHB 2514 to address watershed management.

ESHB 2496, codified as Chapter 77.85 RCW, created a process for identifying, prioritizing, and funding salmon recovery habitat projects. Local lead entities, which may represent cities, counties, tribes, and volunteer salmon groups, identify projects and apply for funding to the state Salmon Recovery Funding (SRF) Board. A state technical panel reviews and evaluates the projects.

ESHB 2514, the Watershed Planning Act, codified as Chapter 90.82 RCW, established a process for convening local watershed planning units to evaluate water supply and develop

local watershed plans for meeting both instream and out-of-stream needs. Watershed planning units are also authorized to address water quality, fish habitat, and instream flows.

Forty watersheds across the state now have both "2496" salmon recovery lead entities and "2514" watershed planning units. In some watersheds, the lead entity and planning unit include some of the same representatives; in some watersheds, the lead entity and planning unit are entirely separate; in at least one case, the lead entity and the planning unit are the same organization.

Effective coordination of the two processes appears desirable for a number of reasons. In some parts of the state, regional groups are beginning to organize to prepare regional salmon recovery plans. These regional groups are likely to draw upon the membership and recommendations of, and generally overlap with, both lead entities and planning units.

Also, the 2002 Supplemental Operating Budget requires both watershed planning activities and additional salmon recovery programs to receive funding through the SRF Board, which is likely to emphasize greater coordination of local programs in its funding decisions. The demand for salmon recovery and watershed planning funds and resulting need for coordination of programs is likely to continue through the next budget cycle. Similarly, the Northwest Power Planning Council (NWPPC) has announced that it will begin using local watershed plans as a basis for distributing federal fish and wildlife mitigation funding, where appropriate.

In light of these indications of a need for effective coordination between regional salmon recovery efforts and local watershed planning, the Natural Resources, Parks and Shorelines Committee and the Environment, Energy, and Water Committee will jointly examine the requirements and implementation of chapters 77.85 and 90.82 RCW and study the potential for increased coordination and integration.

Questions to Explore:

1. In watersheds where salmon recovery is an issue, what are the goals and objectives of the instream and habitat elements of chapters 77.85 and 90.82 RCW? Are these in alignment? How will the Nonproject Environmental Impact Statement and Guidance Document prepared by the Department of Ecology pursuant to RCW 90.82.085 relate to these goals and objectives?
2. What is the current level of coordination and integration of the two efforts at the watershed level? What are the examples of coordination that would improve meeting the objectives of both efforts?
3. If state fiscal support to planning will not increase in 2003-2005 and may be decreased, what actions to integrate or increase coordination could help to avoid major impacts to achieving the objectives of both programs?
4. If regional recovery groups are to emerge as the principal pathway for salmon recovery planning in Washington, what are the implications for the roles of ESHB 2496 lead entities and ESHB 2514 planning units?
5. How can state watershed groups organize to work most effectively with the NWPPC process?

Research and Analysis:

1. Analyze and compare the provisions of chapters 77.85 and 90.82 RCW.
2. Obtain and consider the recommendations of affected governments, organizations, and stakeholders.

Issue: State's Use of Energy**Background:**

Some public and private entities are voluntarily seeking to emphasize the use of cleaner energy sources. One method of obtaining the benefits of cleaner energy is by encouraging the use of alternative energy resources such as solar, wind, biomass, certain hydropower, and fuel cell generating facilities. The Legislature recently required all electric utilities to offer their customers a voluntary option to purchase all, or a portion of, their electricity from qualified alternative energy resources.

As a significant consumer of energy resources, Washington state government's promotion and use of clean energy would be consistent with the state's environmental commitments of improving local and regional air quality, the state's high priority of maintaining competitive energy costs and a reliable and secure supply of energy resources, and supporting economic development opportunities by stimulating new and emerging energy technologies within the state's clean energy industry.

Questions to Explore:

1. How can the state government be a leader in promoting and utilizing clean energy?
2. How can state agencies be encouraged to rely on clean energy resources?
3. Can state government find cost-effective methods to increase its use of clean energy?

Research and Analysis:

1. Examine the approaches utilized in other states to enhance the use of clean energy resources by public agencies.
2. Examine the data resulting from the state's energy conservation surveys and audits of state-owned facilities.
3. Examine the cost-benefit analysis used by private entities that have committed to the use of clean energy resources.

Issue: Task Force on Green Building**Background:**

A task force on green building was created during the 2002 legislative session (ESHB 2506).

"Green building" is a term used for programs that promote environmental conservation and sustainable development. The concept incorporates development standards and building construction processes that promote conservation of energy and water, use of renewable energy, consider environmental impacts and waste minimization, reduce operation and maintenance costs, and address issues such as historical preservation, access to public transportation, and other community infrastructure systems.

Green building initiatives and programs have been developed by various government agencies and private builders, including Kitsap County, Clark County, and the Master Builders Association of King and Snohomish Counties.

Questions to Explore:

The legislation directs the task force to undertake the following:

1. Determine which components of the green building programs are effective and ineffective;
2. Determine what are the incentives and disincentives to implementing a green building program; and
3. Identify potential for low-impact development to reduce storm water management, road building, and other infrastructure costs through the use of green building programs.

Research and Analysis:

1. The task force is directed to study green building programs and low-impact development codes currently used by cities and counties and to examine other national standards and programs.
2. The task force's final report, including findings and legislative recommendations, are due to the Legislature by January 1, 2003.

Meetings:

- ▶ Contact committee staff for a schedule of the task force meetings.

Issue: Motor Vehicle Emissions

Background:

Motor vehicles are the largest contributor to the state's air pollution, causing harm to both public health and the environment. If areas of the state violate federal air pollution standards, regulatory measures to address those problems focus on industrial sources, restricting new development, and may result in the loss of substantial amounts of federal dollars. With the immense reduction in industrial pollution over the past decades, further efforts to reduce it result in only minimal decreases, at significant costs to industry and our economy.

Many people view comprehensive efforts focused at the reduction of air pollution impacts from motor vehicles as the most important solution to addressing current air pollution concerns. One solution to reduce pollution is through increased use of lower-polluting vehicles such as hybrid and alternative fuel vehicles. Alternative fuel vehicles operate on

fuels such as natural gas, propane, electricity or hydrogen and hybrid vehicles, powered by a combination of sources, are recognized as less polluting than vehicles that use gasoline or diesel fuel. Many barriers exist that limit the use of these vehicles to common usage, including higher vehicle cost, limited availability of alternative fuel infrastructure and the higher cost of some alternative fuels.

Nitrogen oxide emissions and particulate matter from diesel-powered vehicles is also a major area of concern both nationally and locally. A recent study of the air quality in the Puget Sound region has identified particulate matter from diesel vehicle exhaust as a significant source of health concern. The U.S. Environmental Protection Agency is seeking to address these emissions through new engine technologies and reduced levels of sulfur in diesel fuel.

Questions to Explore:

1. What non-regulatory incentives can the state offer to increase the use of low-emission motor vehicles? How can the state cost-effectively increase its use of low-emission vehicles?
2. What are the infrastructure needs to support the use of alternative fuels?
3. What incentives can be used to encourage retrofitting of public and private diesel fleets and increased usage of ultra-low sulfur diesel fuel?
4. What federal actions regarding vehicle emissions are being proposed or considered?

Research and Analysis:

1. Collect and review information on incentives offered in other states and countries.
2. Identify methods for the state to reduce the emissions from its vehicles.
3. Examine federal actions regarding diesel vehicles and fuels and identify compatible state strategies.

Health & Long-Term Care

786-7436

Issue: Health Care in Schools

Background:

Most health conditions found in the general population come to school with children each day. There is evidence that some chronic conditions which used to be considered somewhat unusual in children, like asthma, diabetes, and food allergies, are becoming far more prevalent. Recent studies also identify mental illness diagnoses on the rise in children of all ages. Schools must provide a safe learning environment for all children, including those whose health depends on conscientious medical attention. How well are schools keeping up with the challenge and what can be done to manage medical needs of children in schools in the future?

Questions to Explore:

1. What legal responsibility do schools have for managing the health care needs of students?
2. What kinds of health conditions are prevalent in schools? Are they increasing? Why?
3. What policies/ procedures are currently used to manage health care in schools?
4. What is the role of licensed personnel, school nurses, counselors, aids, and classified personnel?
5. What are the different approaches that school districts use?
6. What are the fiscal issues?

Research & Analysis:

1. Summarize schools' legal responsibilities for providing medical care to students in school settings.
2. Summarize current health care conditions found in student populations and any prevalence trends.
3. Compile and review "best practice" protocols and procedures in the delivery of health care in school districts around the state.
4. Assess current health care staffing models in districts statewide.
5. Analyze use of "health care para-educators" including training, routine responsibilities, recruitment, and retention.
6. Conduct a literature review of health care delivery models, including fiscal programs in school systems in other states.
7. Analyze use of nurse delegation statewide and assess its implementation in school settings.

Issue: Healthcare Workforce Shortage

Background:

There is concern that there is a shortage of health care professionals within Washington State. Such a shortage could hinder access to health care services. In the 2002 legislative session, HCR 4422, establishing a health care work force commission, was introduced but not passed. Nevertheless, issues of workforce shortages are likely to re-emerge next session.

Questions to Explore:

1. What Washington workforce shortages are documented? What data exist supporting particular workforce shortages? Are there shortages of nurses, physicians, pharmacists, dentists, or others?
2. What workforce planning activities are there in Washington? How are workforce needs evaluated and for which professions are there evaluations?
3. What are the demographics of Washington workforce shortages? Do workforce shortages occur predominantly in rural areas or do they occur throughout the state?
4. How, if at all, are any gaps in the workforce currently being filled?
5. What are the effects of workforce shortages? For patients, do workforce shortages impact access or quality of care? For providers and health care facilities, do workforce shortages impact expenditures, recruitment efforts, and use of temporary help? For health care professionals, do workforce shortages impact workload, practice environment, medical error rate, or increase bad outcomes?
6. What are possible solutions to the workforce shortages? Do more health care professionals need to be educated? Or, does the existing workforce need to be utilized differently?
7. What role might the Legislature have in addressing any workforce shortages?

Research and Analysis:

1. Collect, review, and summarize available literature, data, and other information regarding: (1) the existence of workforce shortages in Washington; (2) the causes for workforce shortages; and (3) the impact of workforce shortages.
2. Identify states that have adopted legislation or taken other action to address the issue of workforce shortages. Collect and evaluate information for application in Washington. Survey these states to determine the pros and cons, and general effectiveness of each application.
3. Research possible solutions to workforce shortages.

Issue: Hepatitis C

Background:

SB 6603, relating to the prevention and treatment of hepatitis C, was introduced during the 2002 session. Testimony indicated that approximately 100,000 people in Washington may be infected with hepatitis C, yet three fourths of these people have yet to be diagnosed.

Hepatitis C infects more people than HIV/AIDS and causes nearly as many deaths. Although the bill received a hearing, it was not passed out of committee. Interest, however, remains high within the state for developing a comprehensive plan for hepatitis C prevention, testing, and treatment. Legislation addressing this issue is likely to be introduced again in the 2003 session.

Questions to Explore:

1. What is the prevalence of hepatitis C infection in Washington? What are the demographics of the problem? What are the risk factors associated with hepatitis C infection?
2. What are the consequences to individuals and to the state of hepatitis C infections?
3. What are current state agency efforts and intentions regarding hepatitis C? What might the state do to increase awareness, knowledge, and understanding of hepatitis C?
4. What options currently exist for individuals seeking hepatitis C testing? Is there a role for the state in mass screening for hepatitis C?
5. What resources currently exist for persons seeking hepatitis C counseling? Is there a role for the state in encouraging or regulating persons providing such services?

Research and Analysis:

1. Collect, review, and summarize available literature, data and other information regarding: (1) the prevalence of hepatitis C infections in Washington; (2) the costs associated with hepatitis C infections; (3) education and testing programs; and (4) the prevention and treatment of hepatitis C.
2. Identify states that have adopted legislation or taken other action to address the issue of hepatitis C infection. Collect and evaluate information for application in Washington. Survey these states to determine the pros and cons, and general effectiveness, of each approach.
3. Research federal efforts to address hepatitis C infections.
4. Work with Senate members and other interested parties, as appropriate, to draft hepatitis C legislation for consideration in the 2003 session.

Issue: Physical Activity and Nutrition

Background:

In recent years, the legislative discussion surrounding health care has focused almost exclusively on how to pay for medical treatment. As the cost of such treatment increases, making both private and public insurance programs less affordable, this discussion has become much harder. The 2003 Legislature will be confronted with the difficult task of reducing health care expenditures without adversely impacting the quality of care. One possible approach would expand the discussion to focus not only on how to pay for care, but how to reduce the need for such care in the first place. In particular, evidence suggests that a lack of physical activity and poor nutrition has made Americans increasingly overweight. This puts us at greater risk for conditions such as diabetes and cancer and in

greater need of the expensive treatments that accompany such illnesses. Increased obesity in children is of special concern. Strategies to address this, and other efforts to encourage healthy behavior, may be key in reducing overall health care expenditures in this state.

Questions to Explore:

1. How many people in Washington are overweight? What are their demographics? What is the cost to the state and others for the treatment of related illnesses? What will the cost be in the future?
2. What, if anything, might the Legislature do to reduce illness due to poor nutrition and lack of physical activity? How much would it cost? What savings could be realized and when could they be accounted for?
3. What is the appropriate balance between government intervention to promote healthy behavior and individual choice?
4. Should the Legislature pursue this in lieu of other public health programs and strategies? How should it decide?

Research and Analysis:

1. Collect and review available literature, data and other information regarding the extent and cost of weight-related illness in general and within Washington State.
2. Inventory and evaluate existing public and private efforts in this state to address poor nutrition and insufficient physical activity.
3. Identify states that have adopted legislation or taken other action to address this issue. Collect and evaluate these statutes for application in Washington.
4. Use this issue to consider in more general terms the merits of government efforts to modify individual behavior in the name of health, and to develop a structure to help legislators prioritize prevention-oriented public health expenditures.
5. Work with Senate members and other interested parties, as appropriate, to draft legislation for consideration in the 2003 session.

Issue: Prescription Drug Expenditures

Background:

Numerous bills have been introduced over the last few years intended to address concerns regarding the affordability of prescription drugs. Some focused on reducing expenditures in state programs such as Medicaid and the Basic Health Plan. Others were intended to address costs to those lacking prescription drug coverage, especially seniors and the disabled. Of the measures introduced, a resolution calling for more interstate cooperation on the issue is the only one to have passed. In the meantime, the state has initiated some efforts administratively, the federal government has taken up the issue, and the pharmaceutical companies themselves have expanded their programs to reach the low-income elderly. In a significant number of other states, programs have also been initiated or expanded. Interest in the issue remains high both within the state and at a national level, and it is likely to be before the Legislature again in the 2003 session.

Questions to Explore:

1. Who and how many in Washington are having trouble affording necessary prescription drugs? What are the consequences?
2. What role might the Legislature play in making necessary prescription drugs affordable to those having trouble accessing them?
3. How might the Legislature restructure state health care programs to reduce prescription drug expenditures without compromising quality of care?

Research and Analysis:

1. Collect and review available literature, data and other information regarding: (a) prescription drug expenditures and their role in the health care system; (b) the prevalence and impact of cost-restricted access to prescription drugs in the state; and (c) cost and utilization-control methodologies.
2. Identify states that have adopted legislation or taken other action to address the issue of prescription drug expenditures. Collect and evaluate their statutes for application in Washington. Evaluate efforts by other large purchasers to control prescription drug expenditures.
3. Monitor federal efforts to address prescription drug expenditures. As appropriate, incorporate any federal initiatives into possible state strategies.
4. Review recent legislation in Washington. Catalogue issues for further discussion. Identify options to address identified concerns.
5. Work with Senate members and other interested parties, as appropriate, to draft prescription drug legislation for consideration in the 2003 session.

Issue: Telemedicine**Background:**

Advances in telecommunications technology has enabled the practice of medicine across long-distances (including state lines) via phones, the Internet, and videoconferencing. This type of medical practice, known as telemedicine or telehealth, has generated interest in the uses and applications of this technology in Washington. One bill, requiring health carriers to cover health care teleservices, SB 6567, was introduced in the 2002 session. The bill received a hearing, but was not reported out of committee. Unlike in other states, telemedicine has received little legislative attention in Washington.

Questions to Explore:

1. To what extent is telemedicine currently used in Washington? What services are included in telemedicine? How are privacy and liability issues currently addressed?
2. Does telemedicine increase productivity, efficiency, and cost effectiveness? Does it lessen the impact of provider shortages? Does it resolve access problems for rural and underserved communities in Washington?
3. Do federal and state reimbursement policies support the maintenance of telemedicine programs? Do private payors reimburse for telemedicine services?

4. What role might the Legislature have in regulating the use and coverage of telemedicine services?
5. What role might the Legislature have in licensing, regulating, and disciplining health professionals participating in telemedicine?

Research and Analysis:

1. Collect, review, and summarize available literature, data and other information regarding: (1) the use of telemedicine in Washington; (2) privacy and liability concerns regarding telemedicine; (3) the cost effectiveness of telemedicine; and (4) the impact of telemedicine on state regulation of health professionals.
2. Identify states that have adopted legislation or taken other action to address the issue of telemedicine. Collect and evaluate information for application in Washington. Survey these states to determine the pros and cons, and general effectiveness, of each application.
3. Research reimbursement policies relating to telemedicine.
4. Work with Senate members and other interested parties, as appropriate, to draft telemedicine legislation for consideration in the 2003 session.

Issue: Unpaid Caregiving in Long-Term Care

Background:

Long-term care provided to the aging and disabled populations is primarily done by family and friends. Despite the increasing variety and use of paid caregiving arrangements, unpaid caregivers represent the largest group in the long-term care system. Dependence on them will continue to grow as the population ages.

Questions to Explore:

1. What can the state do to promote family and informal caregiving?
2. How accessible is respite care in this state for caregivers of the aging and disabled populations?
3. How can reliance on "natural supports" expand the availability of services to individuals with developmental disabilities?
4. What programs support education, training, and referral services to family and informal caregivers?
5. What do other states do to create networks between family caregivers and the community?

Research & Analysis

1. Assess state's policies regarding use of "natural supports" in providing services to developmentally disabled populations.
2. Analyze state long-term care programs for the aging focusing on how they factor in unpaid caregiving during initial evaluation of services and when services are reevaluated.

3. Survey respite care services, adult day programs, community guides, parent-to-parent groups, and other programs that support unpaid caregivers.

Higher Education

786-7415

Issue: Access to Education beyond High School

Background:

Earning a living wage now requires that most people receive at least some education beyond high school. Washington State has a geographically dispersed system of community and technical colleges, four baccalaureate institutions and two research universities, as well as five branch campuses. Is the state prepared to meet the demands of the changing economic and workplace environment?

In 1989, the Legislature created a system of branch campuses to meet the needs of placebound students and underserved communities. These upper-division and graduate campuses operate as the University of Washington Tacoma, the University of Washington Bothell, Washington State University Vancouver, Washington State University Tri-Cities, and Washington State University Spokane. During the 2001 Interim, the Senate Higher Education Committee examined the development of the Branches, in the 2002 Interim the Committee will look more broadly at the issue of access and opportunity for citizens to obtain a post-secondary education.

Questions to Explore:

1. What evidence exists to support that the branch campuses have fulfilled the original intent of the Legislature?
2. To what extent do key factors such as student demographics; demand for and availability of upper division and graduate higher education; and local and state labor markets indicate a need to modify the role, mission, or structure of the branch campuses?
3. What has been the experience of other states with upper division branch campuses?
4. What is the relationship of the branch campuses to their local community colleges?
5. What are some policy options the Legislature could consider regarding the future of branch campuses?
6. Are there options to consider with regard to the on-going operations of the entire public system of higher education?

Research and Analysis:

SSB 6626 would have required the Washington State Institute for Public Policy to review and evaluate whether branch campuses are fulfilling their intended role. (WSIPP will look at the issue even though the bill did not pass and the budget proviso was vetoed by the Governor.)

During the 2003 session the Committee may be called upon to make decisions with regard to the future of branch campuses. Information may be requested from appropriate outside resources such as the Western Interstate Commission for Higher Education (WICHE), the National Conference of State Legislatures (NCSL), the Education Commission of the States (ECS), or the National Center for Higher Education Management systems (NCHMS).

Issue: Higher Education Funding

Background:

For many years prior to 1995, the Legislature had established in statute that tuition would be a percentage of the instructional costs at public colleges and universities. The 1995 Legislature removed the direct link to the cost of instruction and put in statute the dollar amounts for tuition at the public institutions of higher education. The intention was that this would be a "transition measure until final action is taken in 1997." However, in 1997 the Legislature again set the tuition amounts in statute for a two-year period. In 1999, for the first time, the Legislature gave limited tuition-setting authority to the governing boards of the public higher education institutions.

Although there has been considerable discussion among stakeholders and Legislators about a long-term tuition policy, no consensus was reached in the 2002 Session. Central to the discussion of long-term tuition policy is the relationship of student share to that of the general fund state's contribution. The Senate Higher Education Committee will focus on determining the proportionality of responsibility for funding public higher education.

Questions to Explore:

1. What are the social implications of a greater dependence on tuition?
2. Is there a policy reason for shared responsibility between the state and the individual?
3. Does one tuition policy fit all higher education sectors?
4. Should tuition reflect the great differences in cost among programs and lower-division and upper-division levels?
5. Is higher education to be viewed merely as the economic engine for the state or does it serve as the engine of citizenship and human development as well as the entry to the middle class?
6. To what extent should the general fund support higher education as a "public good"?
7. How many degrees should be subsidized and at what level – the AA/AS to the BA/BS to the MA/MS to the PhD? How about professional degrees, especially in areas of shortage, e.g., nursing, special education, the MBA, and Law?
8. How does Washington keep higher education affordable while maintaining both access and quality?
9. Is there a clear choice between raising tuition or lowering enrollment?
10. What could become a dedicated revenue source to adequately fund higher education without increasing the burden on students through higher tuition?

Research and Analysis:

During the 2001 interim, the Senate Higher Education committee toured the state providing for local participation in the tuition discussion. During the 2002 interim staff will continue to explore potential tuition policies as well as the relationship between tuition and general fund state support of the enterprise. Washington is not the only state to be facing the funding question. As higher education becomes more central to the economic and civic viability of communities, the state must evaluate its role in funding the enterprise. Former Governors Dan Evans and Governor Booth Gardner are spearheading an effort to educate the business community as well as the general public about a perceived crisis in higher

education funding. The Committee will follow the work closely and be prepared to develop any required Legislative proposals.

Issue: Gender Equity

Background:

In 1983, the Whitman County superior court concluded in *Blair v. Washington State University* that WSU discriminated against its female athletes. Based on the Washington Equal Rights Amendment, the court required the university to provide intercollegiate athletic opportunities at a proportionate rate to its male and female population.

In 1989, the Legislature gave the four-year higher education institutions the authority to waive up to 1 percent of their estimated tuition and fee revenue to achieve or maintain gender equity in intercollegiate athletic programs. The Legislature also required the institutions to provide athletic opportunities for the under-represented sex at the same rate as its members' participation in high school athletics.

The 1997 Legislature continued the tuition waiver authority and established specific goals for achieving equitable participation in athletic programs.

Another issue pertains to teacher and administrator preparation in our public and private institutions. Many school districts around the state have been and are being sued for discrimination based on sex, race, etc. as well as sexual harassment. The State Board of Education through its WACs requires knowledge of school law, but not of civil rights in education law.

Research and Analysis:

Of interest to this Committee is the requirement that beginning in the 2003-04 academic year, an institution that is not within 5 percent of equity by June 30, 2002, must have a new plan for achieving gender equity in intercollegiate athletics approved by the Higher Education Coordinating Board (HECB) before providing further waivers. Beginning in 1998, the HECB must report every four years on institutional efforts to comply with the gender equity requirements of intercollegiate athletics and for gender equity in all aspects of college and university life.

The Committee will address whether state statutes should be amended to require teacher and administrator preparation programs to include civil rights in education laws.

The committee will hold at least one hearing (May 30, 2002) during the 2002 interim to explore compliance with both federal and state gender equity statutes by the four-year and the two-year public higher education institutions. Are there any changes to the state statutes that can be made? The Committee will also research what other states require in their teacher education programs with regard to civil rights in education laws.

Human Services & Corrections

786-7407

Issue: Welfare Reform Reauthorization

Background:

The 1996 Personal Responsibility and Work Opportunity Reconciliation Act which established the Temporary Assistance to Needy Families (TANF) program, must be reauthorized by October 1, 2002. Any changes from the original version of the act will impact Washington State's WorkFirst Program.

Questions to Explore:

1. What components of WorkFirst are working well?
2. How will these components be impacted by reauthorization?
3. How will reauthorization affect client eligibility?
4. How will the state's current fiscal situation impact WorkFirst clients?

Research and Analysis:

Outline current components of the TANF/WorkFirst program. Upon reauthorization, provide an outline of the new TANF program. Meet with Department of Social and Health Services Economic Services Administration and Office of Financial Management to discuss program impact. Prepare background briefing documents for legislators.

Committee Meetings:

- ▶ Possible committee weekend briefing topic.

Issue: Abuse, Neglect, Dependency, Foster Care, Adoption

Background:

Child welfare issues are of ongoing concern for this Committee. Each year legislators and their constituents raise a variety of concerns about children's welfare. During the 2002 session, bill topics included abandoned infants, child neglect, foster care, and adoption. A basic guide providing an overview with background on current programs, policies, statutes and case law in each of these areas would assist legislators in understanding the increasing complexity of these issues.

Questions to Explore:

1. What are the current relevant statutory definitions impacting the area of child welfare?
2. What recent Washington case law has had significant impact on this area?
3. What programs and efforts in the Children's Administration are affecting child welfare in Washington?
4. What time lines affect the dependency process, foster care and adoption?
5. How are parents rights protected in these processes?
6. How do Washington's laws in child welfare compare to other states?

Research and Analysis:

Survey Washington State statutory and case law developments. Meet with Department of Social and Health Services, Children's Administration staff for updates on agency efforts in the areas of permanency planning, foster care and other programs affecting child welfare. Survey other states for innovative programs having a positive impact on child welfare.

Issue: Mental Health Ombudsman and Regional Support Networks (RSN)**Background:**

Both the 2001 and 2002 legislative sessions witnessed discussion and movement of a Mental Health Ombudsman bill. Primary concern has centered around the issue of having a centralized, independent ombudsman advocating on behalf of and providing information to clients. Ombudsman services are currently provided within the Regional Support Networks and the state psychiatric hospitals. Combined with concerns regarding cost efficiencies, further consideration of related issues is warranted.

Questions to Explore:

1. How might the creation of a centralized and independent mental health ombudsman office impact services provided to mental health consumers?
2. What is the potential fiscal impact of forming such an office?

Research and Analysis:

Discuss concerns raised by stakeholders with bill sponsors during the last two sessions. Outline the issues and determine what additional research is needed. Review fiscal impact with Department of Social and Health Services, Mental Health Division, Community, Trade and Economic Development, and the Office of Financial Management.

Issue: Mental Health Advance Directives**Background:**

Persons with mental health treatment needs often cannot access services because their condition has deteriorated to the point that they are no longer able to give informed consent for treatment. Often these clients do not receive treatment until they meet the criteria for involuntary treatment under the state's civil commitment statutes. Many constituents have sought a means to obtain treatment for themselves or their loved ones when they need it and without going through a court process. The costs to both the individual and the state are enormous when mental health conditions go untreated.

Questions to Explore:

1. How does the Washington Senate proposal compare with statutes from other states? How are advance directive programs working in other states? What would other states change, if they could?

2. Which policies have consensus among the stakeholders? Which present major obstacles? Can companion bills be introduced in each chamber that represent an agreed solution?

Research and Analysis:

Compile and review state statutes in other states and analyze the Senate proposal in comparison to these statutes. Compile and review stakeholders' concerns. Provide members with policy options. Draft possible companion legislation with House staff based on agreed solutions.

Issue: Criminal Justice for Juveniles in Washington - Legislative Guide

Background:

A legislative guide to the juvenile justice system was produced several years ago. Recognizing that guides are only useful as long as they are kept current, this one will be updated to include programming, and legislative and case law developments from recent years.

Questions to Explore:

1. How have legislative changes made over the last several years affected the juvenile justice system?
2. What court decisions have significantly impacted this area?
3. What juvenile rehabilitation administration (JRA) programs currently exist to address special needs of juvenile offenders?
4. What is the JRA core mission? How was this established?
5. In what ways are juvenile offenders changing? How has this affected agency programs?

Research and Analysis:

Review statutory and case law development since 1997. Survey the Department of Social and Health Services and the Juvenile Rehabilitation Administration for information about programming changes, and establishment of its core mission. Review available literature about trends in Washington's juvenile population.

Issue: Monitoring Implementation of Major Sex Offender Legislation

Background:

In 2001, 3ESSB 6151 authorized the creation of a secure community transition facility (SCTF) on McNeil Island, additional SCTFs in other locations throughout the state, the construction of an enlarged replacement for the Special Commitment Center, and mandated determinate-plus sentencing for certain sex offenders. In the 2002 session, ESSB 6594 refined and clarified the process for siting SCTFs in addition to the one on McNeil Island.

The state is under a contempt order and continues to accrue fines of \$50 per day per person in total confinement at the Special Commitment Center (currently over \$4 Million). These fines may be levied by the Court at any time. The Court, in refusing to lift the contempt order has noted that the bulk of activity to comply with the injunction consistently appears to occur in the days and weeks immediately prior to the next compliance hearing. The contempt order will not be lifted until the state has sited SCTFs in communities other than McNeil Island and demonstrated substantial compliance with the rest of the injunction.

In addition, the Washington state Supreme Court has consolidated six cases for review in early summer to determine whether persons civilly committed prior to the decisions in *Brooks and Crane* require new trials for their confinement to be constitutional.

Questions to Explore:

1. Are counties and cities availing themselves of the incentive grants or working with DSHS on the issue of siting?
2. What can DSHS do to demonstrate an earlier and more consistent effort to comply with the order?
3. How is determinate-plus sentencing being implemented?
4. What changes to existing law need to be made due to the Supreme Court decisions?

Research and Analysis:

Coordinate with DSHS and SCC staff on siting and compliance issues. Communicate with the Sentencing Guidelines Commission, prosecutors, DOC and the ISRB regarding the use of determinate-plus sentences and the procedure for release hearings. Study and understand the arguments being presented to the Supreme Court as well as the court decision.

Issue: Agency Administrative Costs, Structure, Organization - Department of Social and Health Services and Department of Corrections

Background:

During the 2002 session, the Department of Social and Health Services and the Department of Corrections each made special presentations to the Human Services and Corrections Committee regarding their respective organizations with an explanation of agency costs and structure. In light of the continuing concerns around budgetary issues, administrative costs, agency structure and organization will again be of significant concern.

Questions to Explore:

1. What core functions are most critical to each agency's mission?
2. What administrative functions support each agency's core function or mission?
3. What steps have been taken in recent years to streamline administrative costs?
4. What organizational efficiencies might help stretch dollars?
5. What legislative measures might be considered to ease agency fiscal burdens?

Research and Analysis:

Meet with each agency administration to discuss core function, agency missions and their statutory mandates. Review agency materials shared from 2002 session and obtain agency updates with any changes made since that time. Determine which agency programmatic or organizational changes are yet to be made in response to 2002 budget decisions.

Judiciary

786-7462

Issue: Post-Divorce Visitation by Non-Parents

Background:

Washington's non-parental visitation statute provides that a non-parent can petition for visitation if the child's parents have brought an action for dissolution or legal separation. The statute also states that any person can petition for visitation at any time. The U.S. Supreme Court has held that the Washington law allowing any person to petition for visitation at any time is unconstitutional, as applied to the facts in the case before the court. It opined that the statute violates a parent's fundamental right to make decisions concerning the care, custody, and control of his or her children. This ruling leaves non-parents with no legal means to obtain visitation if the parent of the child at issue opposes such visitation.

Questions to Explore:

1. Who should be allowed to seek visitation with children that are not their own offspring?
2. What legal standard should be required to be met before visitation is granted by a court?
3. What are the constitutional requirements set forth in the cases decided by the Supreme Court?
4. What should be the standard for the award of attorney's fees?

Research and Analysis:

Staff will review the pertinent case law on this subject to determine the legal standard which the court requires to be met before visitation may be granted by a court. The laws of other states on this subject will be examined and model legislation produced by the American Academy of Matrimonial Lawyers will be reviewed. Legislation will be drafted as requested by members.

Issue: Drug Sentencing Reform – Joint Select Committee on the Drug Offense Sentencing Grid

Background:

The 2002 Legislature passed 2SHB 2338, a drug sentencing reform bill that includes a Joint Select Committee on the Drug Offense Sentencing Grid. The joint select committee is directed to review and make recommendations to the Legislature and Governor regarding the drug offense sentencing grid by June 1, 2003. Support staff for the Joint Select Committee on the Drug Offense Sentencing Grid is provided by staff from the Legislature, Sentencing Guidelines Commission, and the Caseload Forecast Counsel.

Questions to Explore:

1. Does the drug offense sentencing grid provide proportionate and appropriate criminal sanctions and treatment opportunities?

2. What methodology should be used to determine the fiscal consequences of the drug offense sentencing grid?
3. Should criminal penalties be proportional to the quantity of drugs involved in the offense as well as the type of drugs?
4. How should racial proportionality be addressed?
5. What is the best method to determine the success of drug courts?
6. What is the best method to assure appropriate funding for drug courts?

Research and Analysis:

Staff will provide administrative support and draft reports and legislative responses if needed.

Issue: Sentencing Procedures

Background:

Since the adoption of the Sentencing Reform Act in 1984, the Legislature has created many aggravating circumstances, sentence enhancements, special allegations, and additional civil remedies that serve either as punishment for the offenses or concurrent victim's remedies. The US Supreme Court, in *Apprendi v. New Jersey* (2000), held that the constitution requires that any fact that increases the penalty for a crime beyond the prescribed maximum, other than the fact of a prior conviction, must be submitted to a jury and proved beyond a reasonable doubt. This decision has severely limited the use of upward departures in many states.

Questions to Explore:

1. How can Washington best avoid the sentencing issues identified in the *Apprendi* decision?
2. Are there statutory issues, based on *Apprendi*, in current Washington law that need to be addressed?
3. Are there any Washington cases pending before appellate courts regarding *Apprendi* issues and, if so, do they raise legislative issues?

Research and Analysis:

1. Staff will review current Washington cases pending before state appellate courts to determine whether they raise significant *Apprendi* issues?
2. Staff will conduct a review of current Washington sentencing law and draft a briefing paper for use when considering sentencing enhancements and aggravating circumstances.

Issue: Statutory Construction

Background:

It has been more than 40 years since the Legislature has addressed issues relating to the drafting of bills and the codification and revision of laws. In that time, the technology used to produce bills and the code has changed dramatically. The style and publication methods for bills and the code have changed. Forty years of custom and practice have, over time, brought attention to potential changes in statutory authorization for form and style, rules of construction, and editorial authority of the code reviser. For instance, certain technical sections of bills are printed in the code due to statutory requirements while others may be omitted. The construction of unintended errors such as typographic errors or computer glitches have never been addressed in the code. Some editorial powers granted to the code reviser are never exercised, and other prudent editorial practices are currently not authorized.

Questions to Explore:

1. How has technology influenced the drafting and codification of bills and are changes to the RCW needed to address these changes?
2. What potential changes in statutory authorization for form and style, rules of construction, and editorial authority of the code reviser should be considered?
3. What role should legislative history play in the interpretation of statutes by the court?

Research and Analysis:

1. Staff will work with representative from the code revisers office, judges, and other interested parties to explore these issues.
2. Staff will survey the practice of other states in regard to form and style, rules of construction, and editorial authority of the code reviser.
3. Staff will research the role of Washington legislative history in statutory interpretation.
4. Staff will draft reports and legislative responses if appropriate.

Issue: Tort Liability

Background:

Over the past several years juries have returned multi-million dollar verdicts against the state of Washington for its negligent supervision of felons who have been returned into the community but are still under post-release supervision by the Department of Corrections. The verdicts have been rendered in cases where the felons have been deemed to be low security risks and, in some cases, where the felons have only been subject to supervision because of unpaid legal-financial obligations (fines, penalties and restitution).

Currently, Washington State has large number of offenders on some type of post-release supervision and a limited number of community supervision caseworkers. The Department of Corrections is of the opinion that Washington tort statutes that subject the state to liability

for injuries to a third-party caused by the negligent acts of offenders in post-release supervision need to be modified.

Questions to Explore:

1. How are the general tort liability statutes in Washington different from the general tort liability statutes in other states?
2. Have other states passed specific legislation on this issue to shield them from liability or provide any form of limited immunity? How effective have those statutes been in shielding the state from liability while at the same time protecting the rights of injured parties?
3. Can the case resolution and settlement procedures used by the Attorney General and Department of Corrections be improved in a manner that would negate the need for changes to the tort liability statutes?
4. Legislation will be drafted as requested by members.

Research and Analysis:

1. Staff will research the tort liability statutes in other states to determine how their statutes differ from Washington's.
2. Staff will contact National Conference of State Legislatures and the legislative staff from each state that has considered the issue to obtain copies of the legislation and reports.
3. Staff will contact the various interest groups, such as the plaintiff's bar, defense bar, Department of Corrections, and cities and counties to understand their concerns and review any proposals or suggestions for improving the current status.

Issue: Structure and Procedures of the Commission on Judicial Conduct

Background:

The Commission on Judicial Conduct was created in the Washington State Constitution, Article IV, Section 31 in 1989. The commission administers the judicial discipline and incapacity provisions of the state constitution. The rules of procedure governing the Commission on Judicial Conduct are in court rules. The commission consists of 11 members, three are judges, two are admitted to the practice of law in this state, and six are not attorneys. Findings of violations of the Code of Judicial Conduct or incapacity must be based upon clear, cogent, and convincing evidence. The rules of evidence applicable to civil proceedings and rules of civil procedure apply in all public proceedings of the Commission.

Questions to Explore:

1. Are the rules governing the Commission's conduct of hearings and individual members' participation in deliberations and decisions sufficient?
2. Does the Commission adhere to the rules governing when individual members may participate in deliberations and decisions?
3. Is there an inherent conflict of interest in the structure of the commission on judicial conduct?

Research and Analysis:

Review available records of hearings of the Commission on Judicial Conduct. Talk to experts on judicial ethics and interview people who have been the subjects of hearings. Examine other similarly situated states' rules and structures pertaining to the discipline of judges. If deemed necessary, draft changes to the current rules of procedure governing the Commission on Judicial Conduct and provide the proposal to the Chief Justice for consideration.

Issue: Terrorism**Background:**

Since the terrorist attacks on September 11, 2001, a number of states have considered laws designed to strengthen their state response to terrorist threats. Very few of these bills passed. The Washington Legislature considered at least five such bills during the 2002 legislative session, one of which was signed by the Governor. This issue is expected to resurface for the 2003 legislative session.

Questions to Explore:

1. What legislation has been considered by other states in response to the threat of terrorism? Who supported the legislation, who opposed it and why?
2. What legislation has been adopted by other states in response to the threat of terrorism?
3. What are the costs assumed or incurred to implement state terrorism responses?

Research and Analysis:

1. Staff will contact the National Council of State Legislatures and the legislative staff for each state that considered terrorism response bills and obtain copies of their legislation and reports.
2. Staff will survey and analyze (what did the bills do, who supported them, who did not, current status, etc.) of the various state responses and the status of their legislation.
3. Staff will prepare a notebook with copies of the legislation and analysis of each for reference.

Labor Commerce & Financial Institutions

786-7426

Issue: Apprenticeship Programs in Washington

Background:

Apprenticeship combines classroom studies with on-the-job training under the supervision of a professional craft or trade person. The benefits of apprenticeships over other education or job-training programs include: (1) the ability to earn a decent wage with health care, retirement and other benefits while learning skills in a trade; (2) earning wage increases as skills increase while still in the apprenticeship program; and (3) attainment of journey level status upon completion which provides excellent wages and benefits anywhere in the United States.

The Workforce Training and Education Coordinating Board survey of program participants identified apprenticeship as the most effective job training program for adults. An analysis conducted by the Labor Market and Economic Analysis Branch of the Employment Security Department, however, found that apprenticeship programs represented a very small part of job-training occurring in the state, the programs were mixed in their responsiveness to current labor-market demand, and that they were sparsely represented in those occupations projected to be the fastest growing in the near future.

Research and Analysis:

Review literature and consult with agency staff on apprenticeship programs. Identify impediments to expansion of apprenticeships in the state. Identify policy options for expanding apprenticeships. Draft legislation as directed.

Issue: Consumer Finance and Mortgage Lending

Background:

Sub-prime mortgage loans are those made to borrowers who may have blemished credit or who are perceived to represent a greater risks to the lender than would conventional loans. Predatory loans are those, usually sub-prime loans, where the cost of credit and the loan practices are not related to the risks and the consumer pays more, often much more, than they should. During the 2002 session the Labor Commerce and Financial Institutions Committee considered a number of bills related to predatory lending and established a Subcommittee on Consumer Finance and Mortgage Lending to explore this and related consumer finance and lending issues.

Research and Analysis:

1. Review literature and consult with agency staff on consumer finance and mortgage lending issues.
2. Prepare for public hearings on the issues.
3. Identify policy options for legislative consideration.

4. Evaluate options and make recommendations
5. Draft legislation as directed.

Public Hearings:

- ▶ May 9, Olympia, JAC Bldg., HR 4. 9:00 AM
- ▶ June 5, Mt. Vernon, Skagit Co. PUD, 6:00 PM
- ▶ July 9, Renton, Renton School District Admin. Offices Bd. Rm., 9:30 AM
- ▶ December 4, Olympia, JAC Bldg., HR 1. 1:30 PM

Issue: Financial Fraud**Background:**

Financial institutions are increasingly concerned with fraud against the institutions and their customers. With 21st century technology, criminals have increasing opportunities to attempt bank fraud, obtaining money without having to commit old-fashioned bank robbery. Fraud against financial institutions can also include money laundering committed by criminal enterprises.

Questions to Explore:

1. What types of fraud are financial institutions experiencing?
2. Are new state laws needed in order to protect financial institutions from fraud in the 21st century?

Research and Analysis:

Working with interested members of the financial institutions community, regulators and policy makers, staff will research bank and other financial institution fraud, and analyze potential for state legislation.

Issue: Labor Law Overview**Background:**

During the 2002 session, several bills related to collective bargaining were signed into law. Several Senators have expressed an interest in receiving an overview of core labor law concepts such as collective bargaining and bargaining units.

Research and Analysis:

Staff will create an overview of the collective bargaining process. The overview will include a brief summary of collective bargaining history, and an in-depth explanation of the collective bargaining process, including the relevance of bargaining units and bargaining agents, and collective bargaining in government employment.

Issue: Mobile/Manufactured Home Landlord Tenant Law

Background:

Mobile/manufactured home tenants currently have several ways to resolve disputes with a landlord. They can file a complaint with the Office of Community Development's Office of Manufactured Housing (OMH), which has an informal ombudsman service. Alternatively, they can enter mediation or arbitration, but only at their own expense and only if their landlord voluntarily participates. They can also take a dispute to court, which may be costly and time consuming.

SB 6362 was introduced during the 2002 session. This bill would have radically changed the way that mobile/manufactured home disputes are resolved. The original version of the bill was modeled after the system currently used in Nevada: OMH would expand its informal ombudsman service to include citations and fines to noncomplying landlords and tenants. A substitute version of the bill dropped the citation/fine model and instead included mandatory binding arbitration to resolve disputes. Tenant advocacy groups have expressed an interest in the original citation/fine model of SB 6362.

Questions to Explore:

1. Is the current dispute resolution system for mobile/manufactured home landlords and tenants adequate?
2. How could the dispute resolution system better serve landlords and tenants?
3. What innovative dispute resolution systems for mobile/manufactured home landlords and tenants exist in other states?

Research and Analysis:

The Committee will conduct a hearing in the fall of 2002 to explore alternative procedures for mobile/manufactured home landlord-tenant dispute resolution, including the citation-fine model presented in SB 6362.

Issue: Noncompetition Agreements

Background:

A noncompetition agreement prohibits an employee from working for a competing business for a given period of time after they leave their job. During the 2002 Session, the Senate considered SSB 6373, which would have prohibited noncompetition agreements in the broadcasting industry.

Questions to Explore:

1. What Washington court rulings exist regarding noncompete agreements?
2. What are other states' laws regarding noncompete agreements?
3. What types of businesses in Washington use noncompete agreements most frequently?

Research and Analysis:

Research Washington court rulings related to noncompetition agreements, other states' laws regarding noncompetition agreements, and the businesses in Washington that use noncompetition agreements.

Issue: Predatory Credit Card Practices**Background:**

Recent news stories and reports indicate that some credit card issuers may engage in practices that harm consumers. Young consumers and others with marginal credit may be issued cards inappropriately, and subsequently get into financial trouble. Families in poverty may find themselves encouraged to put rent and groceries on their cards. Students may be enticed to sign up for cards that increase their debt load at graduation. The Internet and TV shopping channels encourage overuse of cards, and compulsive spenders find that "limits" set on cards are inappropriately high and dangerously flexible. Consumers encounter fees and late charges that they believe are improper or overly aggressive.

Questions to Explore:

1. What types of problems do Washington consumers experience with their credit cards?
2. Given the extent of federal laws regarding credit practices, what state government measures may be useful in preventing problems with credit cards?

Research and Analysis:

Obtain an overview of consumer complaints and problems regarding credit cards. Research state and federal law, credit card industry trends and practices, and discover what is being done in other states and other countries to protect consumers.

Issue: Technology and Skills Upgrading in Agricultural Industries**Background:**

Global competition in agricultural products has made productivity improvements of increasing importance to the survival of Washington agricultural firms. While some have called for legislative action to repeal the state's minimum wage as a way to relieve the pressures on growers and producers, others have pointed to technological improvements and worker training.

Research and Analysis:

1. Review literature and consult with stakeholders.
2. Prepare for public hearings on the issues.
3. Identify policy options for legislative consideration.
4. Evaluate options and make recommendations
5. Draft legislation as directed.

Public Hearings:

- ▶ June 10, Yakima, Yakima Valley Community College-Student Union Bldg.,
9:30 AM

Natural Resources, Parks & Shorelines

786-7419

Issue: Forest Roads

Background:

Forest roads on both public and private property are regulated under Washington's Forest Practices Act. The act was substantially amended in 1999 by the "Forest and Fish" Act. Forest road rules to allow public access, allow for forest management, and protect the environment, especially fish habitat, have been adopted by the Forest Practices Board and are now being implemented. Problems of application and the requirements on small private timber lands have raised concerns. Both the House and Senate are studying the issue and legislation in 2003 is possible.

Questions to Explore:

1. Are the road rules reasonable and are they being applied correctly? Do the rules conform to the Forests and Fish agreement and Act?
2. Should the rules be applied the same in eastern and western Washington?
3. What is the cost to private landowners and what kind of state or federal funding is available?
4. Is the Small Landowner Office in the Department of Natural Resources working to help forest land managers?
5. How much leeway does the Forest Practices Board have in changing the rules or their application?

Research and Analysis:

1. Review the current programs in Oregon, Idaho, and British Columbia related to forest road management.
2. Research the implications of federal Endangered Species Act and Clean Water Act on forest road management.
3. Review the effects of climatic differences in eastern and western Washington on forest practices.

Committee Meetings:

- ▶ A work session may be planned for mid-November to look at any legislation resulting from the study.
- ▶ Joint meetings with the House Natural Resources Committee are possible in June and July.

Issue: Marine Protected Areas

Background:

Marine protected areas and marine reserves have shown promise as a tool for conservation of marine resources. However, marine protected area proposals may raise significant

controversy, especially related to provisions that prohibit removal or disturbance of marine resources within the protected areas. In Washington, there are marine protected areas designated by the federal, state, and local governments, but designation of these protected areas is not coordinated, and management restrictions vary. Bills proposed in the last few sessions to expand the system or better coordinate the system have not passed.

There are currently several initiatives driving consideration of marine protected areas nationally, including a presidential executive order requiring federal agencies to develop a national system of marine protected areas. Oregon and California are also currently considering establishment of new marine protected areas.

Questions to Explore:

1. What benefits have been documented from Washington's existing marine protected areas, or from other marine protected areas with similar management restrictions?
2. What strategies have proven effective for the establishment of marine protected areas?
3. Should Washington's marine protected area system be expanded, and/or should management of existing marine protected areas be better coordinated?

Research and Analysis:

1. Review and summarize current research related to marine protected areas.
2. Summarize current marine protected area locations and management in Washington.
3. Review strategy used in California and Oregon to establish new marine protected areas.

Committee Meetings:

- ▶ Conduct a work session with interested parties to discuss marine protected area programs.

Issue: Non-Consumptive Wildlife Programs and Funding

Background:

"Non-consumptive" is a term used for any wildlife-related activity that does not involve fishing or hunting. In the Department of Fish and Wildlife, non-consumptive wildlife programs are funded primarily with funds from personalized licensed plates. Programs to encourage non-consumptive wildlife activities include interpretive centers, tourism promotion, and public outreach.

Questions to Explore:

1. What activities could the state implement to expand non-consumptive wildlife opportunities?
2. Are there methods for generating revenue from participants in non-consumptive wildlife activities?
3. What incentives are available to private agriculture and timber landowners to encourage non-consumptive wildlife opportunities on private lands?

Research and Analysis:

1. Survey other states for programs that improve non-consumptive wildlife opportunities, and/or increase revenue from participants in non-consumptive wildlife activities.
2. Review existing landowner incentives in Washington and other states; analyze alternative landowner incentives.

Issue: Salmon Recovery Planning**Background:**

In 1998, the Legislature passed ESHB 2496 to develop a coordinated structure for salmon habitat restoration. The act also created the Governor's Salmon Recovery Office, with the primary purpose to coordinate the development of salmon recovery plans to submit to the appropriate federal agencies in response to the federal Endangered Species Act (ESA). In 1999 the Legislature passed 2ESSB 5595, creating the Salmon Recovery Funding Board to fund local salmon recovery projects, and requiring the Governor's office to develop a state salmon strategy.

There are now 27 lead entities in the state developing habitat project lists. There are five regional recovery boards either established or in the process of forming. And at the state level, the Governor's Salmon Recovery Office, the Department of Fish and Wildlife, and the Salmon Recovery Funding Board all have a role in salmon recovery projects and planning.

The National Marine Fisheries Service has indicated that it will use regionally developed recovery plans as the foundation for the federal recovery plan for each listed species. In addition, the Northwest Power Planning Council intends to use regional plans as a basis for distributing mitigation funds. The purpose of this interim study is to review the purpose, roles, and responsibilities for regional salmon recovery planning.

Questions to Explore:

1. What is the goal of regional salmon recovery planning -- federal ESA compliance or a broader state goal? How should plans be adopted, submitted to federal agencies, and implemented?
2. What is the appropriate role for regional salmon recovery organizations in developing salmon recovery plans? Is there a model structure for a regional salmon recovery organization?
3. What are the appropriate roles of state agencies in developing salmon recovery plans and assisting regional and local salmon recovery groups?
4. How can all elements of salmon recovery -- habitat, hatcheries, harvest, and hydropower -- be incorporated in regional recovery plans?
5. How can regional recovery planning be best coordinated with existing watershed planning efforts? (See joint study with Environment, Energy, and Water Committee)

Research and Analysis:

1. Review the status of regional recovery planning in each region, and the structure of regional organizations.

2. Review the current roles of state agencies in assisting lead entities and regional groups with both habitat projects and regional planning.
3. Analyze alternatives for recovery plan development, adoption and implementation.
4. Draft legislation as needed.

Issue: Integration of Watershed and Salmon Recovery Planning

Background:

In 1998, the Legislature adopted ESHB 2496 to address salmon recovery and ESHB 2514 to address watershed management.

ESHB 2496, codified as Chapter 77.85 RCW, created a process for identifying, prioritizing, and funding salmon recovery habitat projects. Local lead entities, which may represent cities, counties, tribes, and volunteer salmon groups, identify projects and apply for funding to the state Salmon Recovery Funding (SRF) Board. A state technical panel reviews and evaluates the projects.

ESHB 2514, the Watershed Planning Act, codified as Chapter 90.82 RCW, established a process for convening local watershed planning units to evaluate water supply and develop local watershed plans for meeting both instream and out-of-stream needs. Watershed planning units are also authorized to address water quality, fish habitat, and instream flows.

Forty watersheds across the state now have both "2496" salmon recovery lead entities and "2514" watershed planning units. In some watersheds, the lead entity and planning unit include some of the same representatives; in some watersheds, the lead entity and planning unit are entirely separate; in at least one case, the lead entity and the planning unit are the same organization.

Effective coordination of the two processes appears desirable for a number of reasons. In some parts of the state, regional groups are beginning to organize to prepare regional salmon recovery plans. These regional groups are likely to draw upon the membership and recommendations of, and generally overlap with, both lead entities and planning units.

Also, the 2002 Supplemental Operating Budget requires both watershed planning activities and additional salmon recovery programs to receive funding through the SRF Board, which is likely to emphasize greater coordination of local programs in its funding decisions. The demand for salmon recovery and watershed planning funds and resulting need for coordination of programs is likely to continue through the next budget cycle. Similarly, the Northwest Power Planning Council has announced that it will begin using local watershed plans as a basis for distributing federal fish and wildlife mitigation funding, where appropriate.

In light of these indications of a need for effective coordination between regional salmon recovery efforts and local watershed planning, the Natural Resources, Parks and Shorelines Committee and the Environment, Energy, and Water Committee will jointly

examine the requirements and implementation of chapters 77.85 and 90.82 RCW and study the potential for increased coordination and integration.

Questions to Explore:

1. In watersheds where salmon recovery is an issue, what are the goals and objectives of the instream and habitat elements of chapters 77.85 and 90.82 RCW? Are these in alignment?
2. What is the current level of coordination and integration of the two efforts at the watershed level? What are the examples of coordination that would improve meeting the objectives of both efforts?
3. If state fiscal support to planning will not increase in 2003-2005 and may be decreased, what actions to integrate or increase coordination could help to avoid major impacts to achieving the objectives of both programs?
4. If regional recovery groups are to emerge as the principal pathway for salmon recovery planning in Washington, what are the implications for the roles of ESHB 2496 lead entities and ESHB 2514 planning units?
5. How can state watershed groups organize to work most effectively with the NWPPC process?

Research and Analysis:

1. Analyze and compare the provisions of chapters 77.85 and 90.82 RCW.
2. Obtain and consider the recommendations of affected governments, organizations, and stakeholders.

State & Local Government

786-7432

Issue: Conditioning the Issuance of Certain Building Permits on Connecting to Public Water Systems

Background:

Within counties planning under the Growth Management Act, when a proposed building requires potable water (water that is fit to drink), the applicant for a permit to build this building must provide evidence of an adequate water supply for the intended use of the building. The county or city may impose conditions on building permits requiring connection to an existing public water system where the existing system is willing and able to provide safe and reliable potable water to the applicant with reasonable economy and efficiency.

Questions to Explore:

Under what circumstances would it be beneficial to allow a county or city to require connection of a building to a special purpose district providing potable water?

Research and Analysis:

Representatives of various interest groups and state and local agencies will be invited for a series of roundtable discussions. Previous studies, if any, will be reviewed.

Issue: Special Purpose Districts' Compliance with the Growth Management Act

Background:

The comprehensive plan of a county or city that is required or chooses to plan under the Growth Management Act (GMA) must include a map or maps, and descriptive text covering objectives, principles and standards used to develop the comprehensive plan. The plan must be an internally consistent document and all elements must be consistent with the map of future land uses. Each comprehensive plan must be adopted and amended with public participation and each comprehensive plan must include a plan, scheme or design for each of the following: (1) a land use element; (2) a housing element; (3) a capital facilities plan element; (4) a utilities element; and (5) counties must adopt a rural element.

State agencies must comply with the local comprehensive plans and development regulations. However, there is no explicit requirement for special purpose districts to comply with comprehensive plans and development regulations or county-wide planning policies adopted under the GMA. The functions of the special purpose districts arguably can influence and can be influenced by the comprehensive planning conducted under the GMA.

Questions to Explore:

1. Should special purpose districts be required to comply with local comprehensive plans and development regulations and county-wide planning policies?
2. Should special purpose districts have the right to appeal the countywide planning policy to the Growth Management Hearings Board?
3. Must the local comprehensive plan and development regulations be required to be consistent with the countywide planning policies prior to the special purpose districts' compliance?
4. What procedural process should be used to structure coordination among the local jurisdictions and special purpose districts?

Research and Analysis:

Willingness of the American Planning Association, county and city government, special purpose districts, the environmental groups and the residential and commercial builders and developers to participate in discussion of these issues will be determined.

Issue: Should a Public Agency Be Allowed to Jointly Participate in an Economic Development Project from Which it Will Benefit, Even Though That Public Agency Is Not Authorized to Undertake Such a Project on its Own?

Background:

The purpose of the Interlocal Cooperation Act is to permit local governmental units to make the most efficient use of their powers by enabling them to cooperate with other localities on a basis of mutual advantage. Any two or more public agencies may enter into joint agreements with one another for joint or cooperative action. Any power or powers, privileges, or authority available to a public agency of this state may be exercised and enjoyed jointly with any other public agency of this state having the powers, privilege, or authority, and jointly with any public agency of another state or the United States.

Questions to Explore:

1. What would be the effectiveness of SSB 6495 (passed out of Committee in the 2002 Session) in implementing a state policy change that would allow a public agency to jointly undertake a project it cannot undertake on its own?
2. What other forms could legislation effecting this change take?
3. What are the anticipated effects, pro and con, of making this change?
4. Can this kind of participation be properly audited?

Research and Analysis:

A task force of representatives of cities, counties, economic development interests, and public finance officers and underwriters will be formed to discuss the various pros and cons of this issue.

Issue: Initiative Measure No. 134, Approved November 3, 1992, Has Never Had a Thorough Reexamination

Background:

The initiative establishes maximums for permissible political contributions to campaigns for state legislative offices and the nine statewide elected officers. The maximum dollar amounts of contributions an individual, corporation, pac or other group could make for various campaigns are set in statute (subject to biennial inflation increases). Legislators, state officials or anyone acting on their behalf are prohibited from soliciting campaign contributions during and before session "freeze."

There are restrictions on publicly funded, unsolicited mailings by legislators. Campaign contribution are limited in the amount that can be used to repay a candidate's loans to the candidate's campaign. Various reports are required of independent expenditures. Elected officials and executive state officers are required to file a statement describing any gifts received during the preceding year. No public funds may be used to finance political campaigns for state or local offices. Penalties are provided.

Questions to be Explored:

1. Has Initiative 134 achieved its stated goals?
2. Are there better ways to achieve the same goals?
3. Are there administrative burdens, both for elected officials and for the Public Disclosure Commission, that can be remedied?
4. Should some form of public financing, for local and/or state elections be allowed?

Research and Analysis:

A number of work sessions, including testimony from all interested parties, by the Committee will be held.

Issue: Public Hearings on Initiatives and Referenda

Background:

There has been public discussion about the advisability of giving Initiatives and Referenda an official governmental forum for the purpose of airing the issues they raise before the popular vote is taken. On the one hand, the full consequences of passage of the measure are sometimes seen to be more far-reaching than anticipated. On the other hand, use of a governmental forum is seen by others as a flawed approach because of a possible appearance of bias.

A bill on the subject was first proposed in the 2001 session by SB 5833. In that bill the Legislature may hold public hearings on measures certified to the ballot by the secretary of state. The bill died in Senate rules.

In 2002, SB 5833 was amended on the floor by striking amendment that replaced it with a different bill, introduced in 2002, that designated the Secretary of State to hold the hearings. This bill passed the Senate 33/16, never to receive a hearing in House State Government Committee.

Questions to Explore:

Factors usually considered in this debate to be relevant are: (1) the role of paid-signature-gatherers and out-of-state influences; (2) what can the Legislature as an institution do now to ameliorate the problem, given the Legislative Ethics Board's advisory opinion 1997- No 9; (3) whether the Legislature should be involved at all, given that the constitution reserves the right of Initiative and Referendum to the people for the express purpose of acting as a safety valve lest the Legislature usurp the people's will; and (4) how does the Secretary of State's taking the lead role affect the policy matrix.

Research and Analysis:

The viewpoints of the different branches of government and of the various interested groups will be developed by means of research and interviews. Whether any new legislative approaches are expected next session will also be explored.

Issue: The Petition Method of Annexation

Background:

On March 14, 2002, the state Supreme Court decided that the direct petition method of annexation (granted to all non-code cities by RCW 35.13.130 and to code cities by RCW 35A.14.120) is unconstitutional because it violates the privileges and immunities clause of the Washington State Constitution. The cities of Yakima and Moses Lake filed motions for reconsideration asking the Supreme Court to clarify the decision's application and legal standards, to direct the trial court to consider the state-wide implications of the decision and to delay the effective date of the decision in order to permit a legislative solution.

This is potentially a watershed decision that could change the complexion of annexation and all matters contingent thereon. As one example, if the decision is ultimately decided to be retroactive, the validity of previously consummated contracts for the provision of city services to unincorporated areas of the county, including any bonds sold to finance these extensions of service, is placed into question. Another example of the quandary posed by the decision is, how can industrial, commercial or undeveloped land on which no one resides ever be annexed? The repercussions could be vast and some even unanticipated.

Questions to Explore:

What are the ramifications to local governments of the recent decision?

Research and Analysis:

The appeal of the case will be monitored. Contact will be made with parties to the suit. Legislative "fixes" being prepared by the local governments will be monitored. A Committee meeting on this issue will probably be held.

Issue: Public Facilities Districts; Chapters 36.100 and 35.57 RCW**Background:**

In this era of tight budgets and consequently, an even greater than normal need to attract economic activity to the state, the locality that can produce its own financing for a "public facility" probably considers itself to be ahead of other cities and counties that cannot use their own financing. This could account for the popularity and the expansion of the authority to create public facilities districts (PFDs).

PFDs began in 1988 and have been modified in 1989, 1995, 1997, 1999, and 2002, usually to achieve an increase in taxing authority, geographical reach, or purposes for creation. Failed attempts to modify them may also have occurred. The plethora of optional funding schemes provided by these statutes provides creative opportunities for the local jurisdictions.

Questions to Explore:

Given the steady legislative activity in the PFD statutes, a historical review of the evolution of the statutes would seem to have value to the members, especially when the statutory changes are presented in a matrix versus (1) the creation of the special purpose districts; (2) the building of the facilities; and (3) the "success" of these sports facilities, entertainment facilities or convention facilities (in the case of counties) and of these regional centers costing 10 million dollars or more (in the case of cities). An understanding of the choices made at the local level for income generation and the results thereof may also be instructive.

Research and Analysis:

The legislative history of PFDs will be researched. Jurisdictions that have created PFDs will be contacted and interviewed. A report will be compiled, including the history of the use of the PFD statutes and the "successes/challenges" experienced by the local governments.

Transportation

786-7300

Issue: Changes to Budget Process for Transportation

Background:

The transportation budget that accompanies Referendum 51 was drafted primarily as a list of project appropriations with a few activities aggregated as programmatic appropriations. This style of budgeting is very similar to the Omnibus General Obligation Capital Budget but differs significantly from previous transportation budgets.

If this budget format is to continue for future budgets there are numerous policy, organizational and system changes that should be implemented for the 2003 session. The issue also calls into question the roles of the Legislature and the Transportation Commission in establishing project lists and prioritizing expenditures.

Questions to explore:

1. What are the members' goals in transforming the transportation budget?
2. How can current data systems be adapted, or new budgeting systems be created, that meet those goals?
3. What are the essential data elements and data definitions necessary to develop those systems?
4. How do the other Washington State Department of Transportation (WSDOT) financial systems integrate with the budget systems and are those systems in need of improvement?
5. What will be the respective roles for WSDOT, the Office of Financial Management (OFM), the Legislative Evaluation and Accountability Program (LEAP), and the Legislative Transportation committees?
6. How will other transportation agencies fit into the system changes?

Research and Analysis:

1. Develop a detailed understanding of external restrictions and requirements surrounding WSDOT budgets.
2. Jointly establish protocols for transportation capital budgeting with WSDOT, OFM, LEAP and the Legislative Transportation committees.
3. Develop a catalog of data elements necessary for budget development. Investigate whether the LEAP Buildsum budget system is the better budgeting tool to use.
4. Update the Transportation Executive Information System (TEIS) Capital Projects system to accommodate higher a level grouping of projects (as was budgeted) and appropriated amounts.
5. Survey other states for information on transportation budget systems and processes.

Issue: Alternative Transportation Financing

Background:

Statutes relating to public-private partnerships in transportation were enacted in 1993, but were limited to a statutorily fixed number of pilot projects. Those projects have all been abandoned or are in progress. In order to provide policy direction on future partnerships and other innovative financing mechanisms, the transportation budget (ESHB 2451) established a legislative workgroup to work on these issues (Public-Private Partnership workgroup).

Questions to Explore:

1. What are other states doing to develop partnerships and innovative funding mechanisms for transportation?
2. What barriers exist to prevent the private sector from providing transportation services?
3. What innovative financing opportunities are available in Washington?
4. What are the advantages and disadvantages of those innovative financing approaches?

Research and Analysis:

Staff will work with WSDOT staff to perform the following research and analysis:

1. Survey other states for information on innovative financing projects.
2. Determine which projects in Washington would be good candidates for innovative financing.
3. Analyze current statutes that permit or prohibit innovative financing opportunities.

Committee Meetings:

- ▶ The workgroup will meet regularly in coordination with meeting dates of the Legislative Transportation Committee. Recommendations are due to the Legislature in December 2003.

Issue: Evaluation of Transportation Tax and Fee Exemptions

Background:

The need for additional resources for transportation financing and the proposals for new taxes and fees raise the question of current tax expenditures. The Legislature directed the Legislative Transportation Committee to conduct a study of transportation taxes and fees (Evaluation of Transportation Tax and Fee Exemptions workgroup).

Questions to explore:

1. What are the current exemptions allowed for transportation taxes and fees?
2. Are those exemptions achieving their original policy intent?
3. Are those priorities still relevant in the current environment?

Research and Analysis:

1. Work in partnership with the Washington State Department of Transportation (WSDOT), the Department of Revenue (DOR), and the Department of Licensing (DOL) to update the current list of transportation tax exemptions and diversions.
2. Analyze the fiscal impact of existing tax exemptions to local and state transportation accounts.

Committee Meetings:

- ▶ A workgroup organized by the Legislative Transportation Committee will establish a work plan and agenda for the study.

Issue: Alternative I-5 and I-405 Commerce Corridor**Background:**

Traffic congestion in Washington's main north/south commercial corridor is impeding the delivery of goods and impose greater economic costs upon the state. A separate commercial tollway has been proposed to segregate freight traffic from commuter traffic. The Legislature instructed the Legislative Transportation Committee to establish a workgroup to evaluate the feasibility of the proposal (Evaluate Alternative I-5 and I-405 Commerce Corridor workgroup).

Questions to Explore:

1. What is the core concept and how can it be refined?
2. Is freight demand sufficient to justify a new corridor?
3. Would the corridor relieve traffic on existing routes?
4. What are the possibilities of private sector and other partnerships?

Research and Analysis:

Staff will assist the workgroup in refining the concept for the freight corridor and identifying potential financing mechanisms.

Issue: Special License Plates**Background:**

The Legislature continually receives requests from constituent groups for recognition and/or fund raising through the establishment of commemorative or special license plates. Currently, there is no mechanism for the evaluation of the requests or a systematic method for the disestablishment of special plates. The Legislature directed the Legislative Transportation Committee to establish a workgroup to develop policies for special plates and review alternative methods of recognizing groups (Review Special License Plates workgroup).

Questions to Explore:

1. What are the concerns over the proliferation of special license plates by enforcement and licensing agencies?
2. How should requests be evaluated? Should there be different standards for commemorative plates and those plates that raise money for a cause?
3. What policies and benchmarks should be developed for the termination of special plates?
4. What policies and benchmarks should be developed for the acceptance of special plates and who should make these decisions?

Research and Analysis:

The workgroup, Washington State Patrol and Department of Licensing will jointly evaluate the current situation and develop criteria and processes for special license plate applications.

Issue: Local Transit Systems Coordination and Efficiency**Background:**

Local transit systems sometimes have overlapping service areas that do not conform to their funding base. Issues of equity and efficiency have been raised leading to the Legislature's direction to the Legislative Transportation Committee to review these issues. Additional questions regarding service coordination include interjurisdictional and intermodal connectivity (Evaluation of Locally Augmenting Area Wide Transit Systems workgroup).

Questions to Explore:

1. What are the impediments to coordination at the local level?
2. What are the Legislature's tools to promote coordination and connectivity?
3. How are local communities (mainly suburban communities) addressing the need for localized service?
4. How do these communities define their needs for localized service?
5. How should these communities achieve their goals?
6. Is legislation needed to address these issues?

Research and Analysis:

Staff and the workgroup will meet with transit districts to assess the coordination issues. Data will be gathered on connectivity and coordination.

Committee Meetings:

- The workgroup will establish a work plan and agenda for the study.

Issue: Freight Planning and Funding Coordination

Background:

Freight projects and issues are addressed by several organizations within Washington State Department of Transportation (WSDOT), and are coordinated by the Office of Freight Strategy and Policy. The Freight Mobility Strategic Investment Board (FMSIB) was created to develop a comprehensive, coordinated state program to facilitate freight movement. Members of the Senate Transportation Committee have expressed interest in learning how state-funded freight programs work together to coordinate freight policy and drive investment choices.

Questions to Explore:

1. How do WSDOT and FMSIB work together to recognize barriers to freight movement and identify strategic freight corridors?
2. How do WSDOT and FMSIB develop strategic freight policy and drive legislative investment?

Research and Analysis:

Staff will work with the Office of Freight Strategy and Policy and FMSIB to coordinate information to be presented at the July 18th Senate Transportation Committee meeting.

Ways & Means

786-7715

Issue: 2003-05 Spring Preview Budget Exercise (Joint with OFM and House Appropriations)

Background:

In the spring of each even numbered year, the Office of Financial Management (OFM) in consultation with legislative fiscal staff, develop the "budget base" for the ensuing biennium. Also in June of each year, the Economic and Revenue Forecast Council and the Caseload Forecast Council provide updated 2003-05 revenue and caseload projections. This July, as a joint effort with the House and OFM, we will consolidate this information into a preview of the 2003-05 biennial fiscal picture.

Questions to Explore:

1. What is the baseline balance sheet of revenues, expenditures, and reserves for the next biennium?
2. What are the main sources of expenditure growth?
3. What are the fast growing areas of expenditure growth?
4. What is the fiscal status of the Health Service Account in light of the Tobacco Securitization and disputes over claims for federal revenue?

Research and Analysis:

1. Review the current biennial budget bill, budget notes, and related budget material to estimate the carry forward cost of the current law budget.
2. Utilize the most recent Caseload Forecast Council projections, State Actuary studies, and inflation estimates to develop cost increases for entitlement programs.
3. Estimate the cost of standard policy enhancements such as cost of living increases and higher education enrollments.
4. Use balance information from the Revenue Forecast Council along with expenditure estimates to develop the general fund balance sheet.
5. Develop a Health Services Account balance sheet using the information described above along with new information available on the State's "Pro Share" claim and any new information from Tobacco Securitization.

Issue: 2002 Citizen's Guide to the Budget

Background:

For the last three biennia in odd numbered years, Ways and Means and Legislative Evaluation and Accountability Program (LEAP) staff have published a Citizen's Guide to the Budget. Members, legislative staff, and the general public use the guide to answer basic questions about the Washington state budget. In the last two supplemental sessions, the budget changes were so significant that the Guide was no longer useful after the supplemental session.

Questions to Explore:

1. What changes need to be made to the guide to reflect the new budget?
2. Are there additional topics that need to be included in the guide?
3. Is there new national data available to provide context for the state's revenues and expenditures?

Research and Analysis:

1. Replace outdated budget numbers and charts to reflect the 2002 supplemental budget.
2. Locate and incorporate the latest national data, if any, into the guide.
3. Survey legislative assistants and hot line staff for topics that may be appropriate for the guide.

Issue: Analyze 2003-05 State Agency Operating and Capital Budget Requests and Develop Recommendations for the 2003-05 Biennial Operating and Capital Budgets**Background:**

In the fall of each even numbered year, state agencies submit to the Office of Financial Management a biennial budget request for the ensuing biennium. State law provides that a copy of each agency budget be provided concurrently to the fiscal committees. These requests provide valuable information in developing the Senate's version of the biennial operating and capital budgets.

Questions to Explore:

1. Does the request conform to legislative intent, caseload forecasts and other budget and accounting act requirements?
2. Are the policy changes consistent with the agencies' legislative mandates?
3. Has the agency provided an adequate justification for the requested change?
4. Do the assumptions utilized seem reasonable? Do they conform to recent history, the experience in other states, research findings, etc.?
5. Have state agencies explored less costly alternatives to the proposals being suggested?
6. Are there other options for reducing or eliminating state programs or services other than those suggested in the agency budget proposals?

Research and Analysis:

1. Review the agency requests for internal consistency, relationship to the prior budget, and other external information.
2. Meet with agency staff to understand better the request, clarify information and obtain sufficient detail concerning the assumptions and calculations to validate the information.
3. Conduct site visits to agency programs to better understand the operations of state agencies and the factors that drive expenditure growth.
4. Develop preliminary policy options awaiting additional information provided in the Governor's request and general policy guidance from the chair.

Issue: Joint Select Committee on Local Effort Assistance Program

Background:

As stated in RCW 28A.500.010, the purpose of the Local Effort Assistance Program is "to mitigate the effect of above average property tax rates might have on the ability of a school district to raise local revenues to supplement the state's basic education program." Since it was established in 1989, there have been a variety of changes to the program.

Currently, the program equalizes the property tax rate needed to raise an amount equal to 12 percent of a district's state and federal revenues. In calendar year 2002, 210 school districts will receive levy equalization. The program is the single largest non-basic education item funded in the K-12 system, with a 2001-03 biennial appropriation of \$296 million.

Chapter 317, Laws of 2002 (EHB 3011) created the Joint Task Force on Local Effort Assistance. Membership on the task force consists of the following 19 members: six members from the House of Representatives, three from each caucus; six members from the Senate, three from each caucus; the Superintendent of Public Instruction; a member chosen by the Washington State School Directors' Association; a member chosen by the Washington Association of School Administrators; a member chosen by the Rural Education Center; a fiscal officer of an educational service district; and two members of school districts with student enrollments greater than 20,000.

Questions to Explore:

1. What is the history of the Local Effort Assistance Program?
2. What changes have occurred since the program was created in 1989?
3. Does the current allocation formula correspond to the statutory purpose for the program?
4. Are any changes necessary for the program to better meet its statutory purpose?

Research and Analysis:

In conjunction with staff from the House Office of Program of Research and the Superintendent of Public Instruction, Ways and Means staff will assist with all research and analysis determined to be needed by the Joint Select Committee.

Issue: Washington Tax Structure Study

Background:

Legislation enacted during the 2001 session requires an examination of the current tax system and development of tax alternatives. Under this legislation, a committee made up of House and Senate members and academic experts in taxation was appointed to develop multiple tax structure alternatives that increase harmony between tax systems of this state and its border states; encourage commerce and business creation; and encourage home

ownership. The findings of the study and the alternatives developed by the Committee must be reported to the Legislature by November 30, 2002.

Questions to Explore:

Questions to be addressed involve a determination of the elasticity, equity, and adequacy of the state's tax system.

Research and Analysis:

As required. This emphasis of this project is to attend meetings of the Tax Structure Study Committee, assist the Department of Revenue as necessary in providing staff support for the study, and potentially assist in drafting and analyzing any legislation that results from the study.

Issue: Municipal Business Taxation

Background:

Legislation has been introduced in the last few sessions to require uniform standards for business taxes imposed by cities. In 2001, the Governor directed the Department of Revenue (DOR) to convene a work group of city and business representatives to develop a solution regarding municipal taxation. While consensus was reached on some issues, there was not agreement in total. DOR introduced legislation requiring the development of a model ordinance governing the municipal taxation of businesses based on gross receipts. The Department's proposal failed to be enacted. The meetings are to continue this year.

Questions to Explore:

This project will review legislation proposed in the 2002 regular session, including unresolved issues regarding business income apportionment and the taxation of intellectual property creating activities.

Research and Analysis:

As required. The emphasis of this project is to monitor progress made by stakeholder groups toward achieving a consensus solution.

Issue: Trust Asset Management

Background:

The Department of Natural Resources manages approximately 2.8 million acres of upland trust land for specific beneficiaries, which include, for example, counties, common schools, normal schools, University of Washington, and Washington State University (WSU). In addition to beneficiary income, the Department's management of trust lands also generates recreational and ecological benefits.

Some beneficiaries, such as WSU, believe the trust income is low given the underlying asset value and have sought diversification to investments that would generate higher returns. Current statutory policy is to continue trust investments in land-base assets.

The 2002 supplemental budget adopted by the Senate, directed the sale of 10 percent of trust lands that benefit WSU and converted trust land transfer transactions to direct disposition of trust lands. The enacted budget directs the Department to update the WSU asset diversification plan and, with beneficiaries, study options for increasing trust revenues.

Questions to Explore:

1. Are there benefits to the trusts of diversifying the trust portfolio to include assets other than land? What non-land trust investments are authorized?
2. What entity should make choices about trust investments in land and non-land assets?
3. Should Washington accelerate selling some poorly performing and poorly positioned trust lands in order to acquire lands with potential to generate greater benefits?

Research and Analysis:

1. Review the experience in other states that have disposed of trust lands.
2. Identify the role of trust assets in meeting various beneficiary needs.
3. Draft legislation as needed.