

Senator Chris Marr

Dear Neighbors,

The Legislature recently adjourned its very difficult 105-day regular session and I've returned home to Spokane to make the rounds and let people know just what exactly it is that we accomplished. That's why I'm writing you today.

Inside this newsletter I'll break down the state's difficult budget situation and explain how we closed a recession-fueled \$9 billion gap in the operating budget. And I'll also tell you about some key projects for the Spokane area that managed to get funding despite significant challenges in both our construction and transportation budgets.

But before I get to that I want to impress upon you just how difficult these 105 days were and how difficult the next two years will be for our friends and neighbors who will be directly affected by the decisions we were forced to make in Olympia.

As you'll read inside, the Legislature cut deeply into core government programs that deliver vital services to our citizens. Virtually every functional component of state government got hit and real people will be hurt.

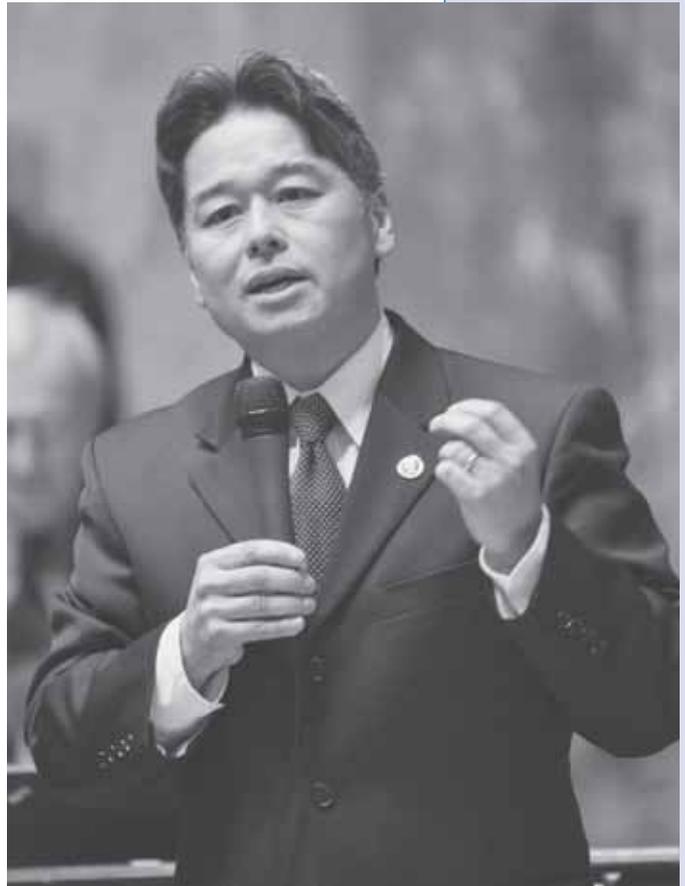
I can tell you that I didn't run for office hoping for the chance to raise college tuition, cut benefits for teachers or eliminate subsidized health insurance for thousands among the working poor. But I did run for office to make tough decisions when the times call for them. And the decisions we faced this year were the most difficult I've encountered in public life.

If you have questions or concerns I encourage you to contact my office. Now that I'm back home I'm able to spend quality time with constituents, learning about their needs on their turf. I'm eager to do just that. Please let me know if I can help.

Sincerely,



Chris Marr
State Senator, 6th Legislative District



Standing Committees:

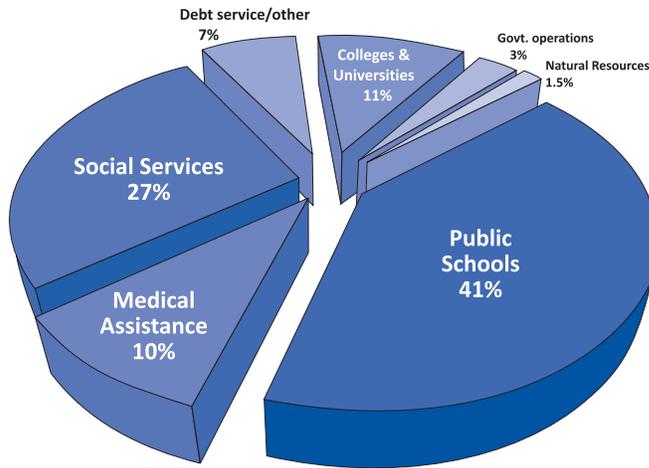
- Transportation (vice chair)
- Environment, Water and Energy
- Health & Long Term Care

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Plugging a \$9 billion budget hole

How the 2009-11 operating budget is spent



Washington's sharp economic downturn in 2008 produced a budget shortfall in 2009 larger than any witnessed since at least the Great Depression. As the housing market froze and unemployment and requests for public assistance rose, consumer spending slowed. And for a state government that derives a little more than half its tax revenue from the sales tax, that proved a significant blow.

Within a year more than \$5 billion in anticipated revenue evaporated. The state's once modest budget shortfall swelled to \$6 billion by the time the governor released her cuts-laden budget in December.

Fortunes turned even worse once the Legislature convened in January as the bad economic news continued to roll in. On one January day Boeing and Starbucks announced the planned elimination of nearly 17,000 jobs. By mid-March the budget shortfall had grown to more than \$9 billion, about a quarter of the state's entire operating budget.

We got to work cutting the budget pretty quickly. In mid-February we sent legislation to the governor's desk containing over \$700 million in savings, the earliest the Legislature had done so in

a regular session in modern times. By late March both the House and Senate had released similar budget proposals, which eventually were merged into one.

The final budget, in round numbers, relied on \$3 billion in federal stimulus and \$1.5 billion in fund shifts and use of reserves.

But the single largest component to our solution was \$4.3 billion in deep, painful cuts.

We eliminated subsidized health insurance for 40,000 from among the working poor. More than 9,000 seats in state colleges and universities were wiped out. As many as 8,000 public employees, including teachers and university faculty, will lose their jobs. Tuition will likely increase by 14 percent per year for the next two years at Washington State University and the University of Washington. Nursing homes, hospitals and overburdened local health districts will see funding cuts.

Even education took a hit, with almost \$1.2 billion carved out

of the budget. By far the single largest component of our operating budget, it simply couldn't be kept whole. Most of these cuts came from suspending two voter approved initiatives to reduce class sizes and give teachers a cost of living pay raise. Impacts to individual school districts will vary, though the average cut will be 2.6 percent. The Mead School District will see a cut of about 3.6 percent.

The list goes on and on. And as regrettable as all of those cuts are, it would seem as though there is nothing positive to say about this budget. But here's my best shot.

This budget was thoughtfully pieced together over a series of months designed to support programs, such as some health programs, that will head off additional costs down the road. It was built to support programs the state is most likely to be able to afford to

maintain into the future and maintains a safety net, albeit a smaller one, to support our most vulnerable populations.

This budget limited cuts to schools to levels that are well

below what other segments of government will be forced to sustain.

Furthermore, we balanced the state budget without so much as even asking voters to raise taxes. Though it was strongly considered, there were many of us who felt this simply wasn't the time to ask recession-weary consumers to dig deeper.

As we said we'd do from the beginning, we wrote a two-year budget that did not assume new taxes, one that we're willing to govern on. As dreadful as they are, the cuts you find in our budget aren't scare tactics. They're reality.

“Furthermore, we balanced the budget without so much as even asking voters to raise taxes.”

Spokane projects funded in construction budget

The two-year construction budget we approved this year was notably smaller than usual because money used to support it had to be used to plug the gaping hole in our operating budget. Even so, a series of Spokane projects proved their worth and secured funding.

- Spokane Falls Community College will get \$27.8 million for a new chemistry and life science building and another \$13.8 million to renovate its music building.
- Washington State University Spokane will get \$4.3 million to design a biomedical and health sciences research and teaching facility at the Riverpoint Campus.
- More than \$400,000 will support the construction of the Emmanuel Family Life Center in Spokane to house fitness, educational, addiction recovery and other programs.
- Spokane Public Radio will get \$223,000 to purchase equipment to strengthen its signal in rural areas.
- \$4.3 million was approved to support projects to co-locate YMCA and YWCA programs in single facilities in Central and North Spokane.
- \$500,000 was approved for restoring historic features at the Spokane County Courthouse.
- \$1.3 million will be provided to help expand the Northeast Community Center.
- \$1 million will go toward improvements at the Airway Heights Water Treatment Plant.
- Up to \$2.5 million in alternative financing would be authorized to support the renovation of the Mount Spokane Lodge.

It's also worth mentioning two other projects from our area that will benefit from our efforts in

Olympia. I supported legislation approved this year that will allow communities to designate "revitalization areas" and retain some of the new taxes generated from added economic activity within them to pay for building and improving infrastructure including roads, pedestrian bridges, landscaping, utilities and sidewalks. The Spokane University District was named in the bill as a dem-

onstrator project and over time could receive millions to spur its development.

Finally, some of you may recall that last year I sponsored legislation to create the Eastern Washington Veterans Cemetery.

I'm happy to report that groundbreaking was held on Memorial Day and the cemetery is scheduled to open on Memorial Day, 2010.



Spokane Falls Community College.



Spokane's Riverpoint Campus.

North Spokane Corridor takes major step forward

As vice chairman of the Senate Transportation Committee, I'm pleased to report that funding has been secured to advance two important projects for the Spokane area.



For starters, \$250,000 was approved in the transportation budget to build a right-turn lane for vehicles exiting U.S. 195 onto Cheney-Spokane Road. The project will improve visibility for motorists trying to turn left onto the highway at the dangerous intersection, where a teenage girl was tragically killed in an accident in January.

But most noteworthy was money secured to advance the North Spokane Corridor. You may recall that in November we announced what we called the Six Year Solution to build the next phase of the corridor, which ultimately will link Wandermere to I-90. With two segments from Wandermere south

to Francis Avenue already in the works, our plan is to extend a four-lane segment from Francis all the way to the Spokane River in 2015.

This isn't the end of the project mind you, just the next critical phase. To support it, we requested \$38 million from this year's transportation budget for preliminary engineering and right of way acquisition for this three-mile stretch.

In the end we got \$28 million plus another \$10 million dedicated from anticipated cost savings from corridor segments already under development.

This was a big deal. There were very few new projects funded in this year's transportation budget. Getting funding for the North Spokane Corridor in a year such as this not only sustains momentum but reaffirms the state's commitment to keep promises made more than a half century ago to build this roadway so critical to Spokane's future.

Sen. Chris Marr, vice chairman of the Senate Transportation Committee, made securing funding to begin the next phase of the North Spokane Corridor a top legislative priority.

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