

2012 Legislative Report to the Citizens of Clark County 17th Legislative District



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Dear Neighbors,

In this newsletter, we report on how the Legislature ended up in a budget logjam that required two special sessions and on issues important to Clark County residents.

We hope you find the information in this newsletter informative and helpful. If you have any questions, please let us know. We welcome your thoughts and ideas. It is an honor to serve you in the Legislature.

Sincerely,

Senator Don Benton

Representative Paul Harris

NUMBER ONE PRIORITY: SOLVING THE FISCAL CRISIS

91 days later we crossed the finish line

When the 2012 session convened on January 9, the only issue the Legislature absolutely had to deal with was the budget crisis. It was clear from the beginning that the Democrats, who hold the controlling majority in the Legislature, wanted to enact new taxes – a solution voters had already rejected in November 2010.

House Republicans put education first: On February 17, frustrated by the lack of action, House Republicans unveiled a responsible and sustainable budget proposal that made education a top priority and kept spending within current revenues. This budget proposal was ignored by the House Democrats.

Ending the logjam in the Senate: On day 54 of the 60-day session, Senator Benton invoked a rarely used procedural motion that allowed a bipartisan coalition

to win Senate passage of a sustainable budget tied to reforms that would produce long-term savings. This budget proposal and the reforms were ignored by the House Democrats.

Marathon of agreement-to-meltdown-to-agreement:

It took an all-night session starting on the last day of the first special session, April 10, to pass a budget and major long-term reforms – but we did it!

4-year balanced budget requirement: This will force the Democrats to consider the long-term costs that go with their spending choices, and reduce the chance that one biennium's budget will lead to a big deficit in the next biennium.

Pension reform: The change does not affect current employees. The savings to taxpayers over 25 years will be approximately \$1.3 billion.

CRC TOLLING APPROVED WITHOUT OUR SUPPORT

We did not vote for the bill that authorized tolling to pay for the Columbia River Crossing because the project is fraught with problems, unanswered questions, citizen objections and wasteful spending. This bill passed because the federal government has been holding us hostage on funding decisions until the Legislature authorized tolling – although all the federal government has offered so far is money for light rail, which the people of Clark County do not want.

Here is our position on tolling: Clark County residents, who already pay more than a \$100 million a year in income taxes to Oregon, would also have to pay about \$100 a month just to get to work under the tolling scheme! This is why there should be a county-wide public vote.

DEMOCRATS EXPAND HIDDEN TAX IN DISCOVER PASS TRANSFERABILITY BILL

The only thing worse than a hidden tax is an expansion of that hidden tax – even if it does benefit state parks. Since 2009, the Department of Licensing has been collecting a “donation” of \$5 for state parks during vehicle-registration renewals. This is an “opt-out” donation, meaning people have to subtract \$5 from their total tab fee if they do not want to contribute. Many people do not realize this when they renew.

The Senate approved a simple bill that would have allowed holders of a Discover Pass to use it on two

CRC oversight committee created in transportation budget: We worked to get a proviso in the final 2012 supplemental transportation budget to create a Columbia River Crossing oversight panel. The state Department of Transportation is required to update this panel on cost estimates, right-of-way purchases, financing plans – including toll rates – and the potential need for general transportation funding. The 6-member panel will consist of four legislators, two of which must be from the CRC impact area; a citizen from the CRC impact area and a representative of the governor.

vehicles. Unfortunately, while the bill that passed the full Legislature does make the Discover Pass transferable, it also expands the “opt-out” \$5 state parks donation to tab renewals for snowmobiles; commercial trailers; mopeds; ORVs; private use single-axle trailers; and trucks, buses and for-hire vehicles with a gross weight of less than 12,000 pounds. We opposed this expansion.

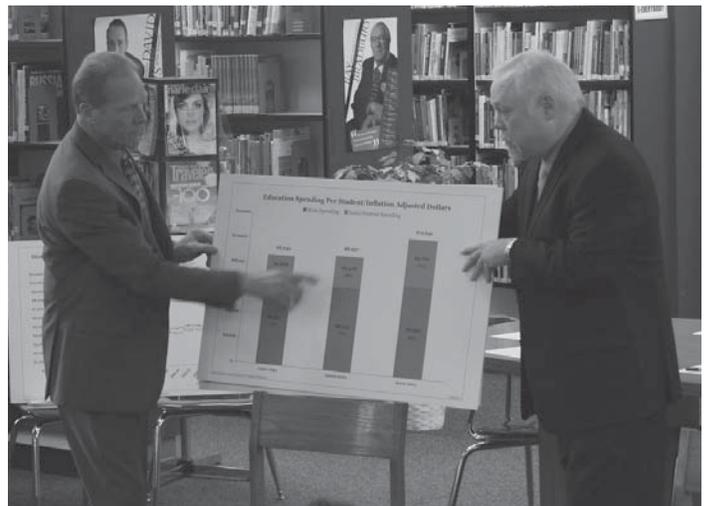


BLUE ALERT SYSTEM

We are pleased to report that we approved a Blue Alert system to assist in apprehending a person suspected of killing or seriously injuring a law enforcement officer. The system will be developed consistent with the Amber Alert system, which activates an urgent bulletin in the most serious child-abduction cases. Washington has experienced a number of tragic in-the-line-of-duty killings of law enforcement officers in recent years. Aside from a suspect's danger to other officers, it is believed that a person who would murder a police officer is a great danger to anyone he or she encounters while escaping.

THANK YOU FOR ATTENDING OUR TOWN HALL MEETING ON FEBRUARY 18

We were very pleased with the number of citizens who gave up their Saturday morning for an update on the Legislature. We especially appreciated the opportunity to show you graphically how spending has outpaced revenue and created the budget crisis we have been working to resolve since 2009.



SENATOR DON BENTON

Constitutional amendment needed to stop reckless spending

This year, I once again proposed a constitutional amendment to put the Initiative 601 spending limit back in force and out of the reach of the Legislature.

After the February 17 revenue forecast, which showed a mild uptick in the economy, **Senate Democrats split from the bipartisan budget talks. They seemed to abandon all thoughts of long-term reforms needed to achieve balanced, sustainable budgets in the future.**

Lining up with the House Democrats, they tried to “kick the can” down the road by shoving the \$330 million basic education payment due to our public schools into the next biennium.

We have to put a stop to gimmicks and delays that allow spending to exceed revenue year after year. Because of this out-of-control spending, by the time we got to fiscal year 2009 the one-year difference between spending and the I-601 limit was nearly three billion dollars.

The I-601 spending limit is tied to a reasonable formula that considers population growth and the rate of inflation. **Putting this cap in the constitution will stop legislators from dismantling it, which is what they did to I-601.** The Legislature cannot amend the constitution without a vote of the people.

No vote, no obligation to pay

I introduced legislation this year to exempt non-residents of the C-Tran taxing district from the recent 0.2 percent sales tax increase. Because the C-Tran district boundaries were “gerrymandered” to favor a sales tax increase, about a quarter of Clark County residents didn’t have a say last November when Prop. 1, the sales tax hike to support transit, was on the ballot.

REPRESENTATIVE PAUL HARRIS

Fund Education First

This session House Republicans introduced our **Fund Education First** proposal. House Bill 2533 was very simple. It would have required the Legislature to pass a separate K-12 education budget before any other state appropriations.

In January the state Supreme Court ruled in the *McCleary v. State of Washington* case that the Legislature is failing in its paramount duty to fully fund basic education. If we fund education first, prior to any other state programs or services, we will ensure that we are meeting our duty and expectations of the state Supreme Court decision.

I think it is completely unfair to impose this sales tax increase on people who didn’t get to vote. An across-the-board enforcement of the sales tax hike would amount to taxation without representation.

Our economic recovery is still fragile and people still don’t have jobs. On a major purchase, like a washing machine, this extra tax can add up. My bill would have allowed people making purchases in the taxing district, but who live outside the district boundaries and do not benefit from the service, to present proof of non-residency to avoid paying the additional sales tax. A driver’s license or ID card would suffice.

Ensuring fair treatment of student athletes

I am pleased to report that my bill to ensure fair treatment of student-athletes won full legislative approval and has been signed into law. I was prompted to file my bill after the girls on the King’s Way Christian School volleyball team in Vancouver were kept out of the Class 1B state volleyball tournament in Yakima last year because the team played an extra game in the season, which was scheduled by mistake. The sanction was imposed by the Washington Interscholastic Athletic Association. What the WIAA did to these girls was wrong; they were not responsible for the scheduling error.

In January, when I talked to my colleagues about my bill to stop this abuse by the WIAA, I discovered that what happened to this team was not an isolated incident. That is why I quickly got 33 senators from both sides of the aisle to become co-sponsors. This new law does not interfere with the WIAA’s ability to enforce rules, but makes sure sanctions are appropriate, imposed only on the offending party and only for intentional rule violations.

Adopting an education budget first would ensure our students, teachers and school districts are getting our first dollars, not our last. It sends a strong message of financial commitment to our education system.

Border County Sales Tax Exemption

Late in the session, freshman Democratic lawmakers in the House introduced a bill which would have repealed the retail sales tax exemption for out-of-state shoppers with the intent to fully fund all-day kindergarten. This measure would have been devastating to many of our Clark County businesses. Some generate as much as 50 percent of their retail sales

from residents in Oregon. Increasing taxes and fees on businesses affects employers' ability to retain and create new jobs. This would have been a tax increase on business, and that is why it needed two-thirds vote to pass. It failed 51-47.

The legislation would have raised about \$26 million a year, not nearly enough money to pay for a program which would cost \$178 million per year. Plus, there is no guarantee the monies would have been used for their intended purpose. In 2008, majority Democrats raided \$67 million that was supposed to pay for K-3 enhancements from the Education Legacy Trust Account to pay for other state programs.

If all-day kindergarten is a priority then it should be funded first, instead of coming up with a last-minute tax plan to partially fund it.

Energy Independence Act

As you may recall, Washington voters approved Initiative 937 in 2006 to require utilities to get 15 percent of the power they supply from a renewable source by 2020. Unfortunately, hydropower is not classified as a renewable source of energy under the initiative. In fact, we are the only state in the nation that does not classify hydropower as renewable. As a member of the House Technology, Energy and Telecommunications Committee I have been following this issue very closely.

Utilities are being required to purchase power they don't need and this is driving up power costs. I am supportive of alternative energy sources, but not when it is unnecessarily increasing costs on our ratepayers and also potentially driving away business. Some employers in our region have indicated if energy costs continue to climb, they will look to locate elsewhere. Our cheap power is why they located here in the first place.

No work done on promoting private-sector job growth and improving our economy

While many of our state's larger businesses have weathered the economic downturn, many of our small businesses are still struggling. I was disappointed the majority party did not consider many of the proposals my House Republican colleagues and I introduced to promote private sector job growth and stimulate the economy.

How important are small businesses in Washington? About 96 percent of the state's 235,230 firms are small businesses that employ less than 50 people. That equates to approximately 1.1 million people.

The U.S. Chamber of Commerce recently released its annual 50-state review of regulations and employment laws. Unfortunately, our state ranked "poor" for labor and employment laws and regulations – the lowest rating in the report. Plus, our state agencies continually ask our small businesses to pay additional fees which are increasing dramatically year after year.

Many of our proposals would have addressed the factors in the report as to why our state ranks poorly. We introduced legislation that would have required permit decisions in 90 days from state agencies, put a moratorium on agency rulemaking until state revenues show evidence of economic recovery, simplified the number of tax rates for small businesses, and doubled the small business B&O tax credit – just to name a few.

The burdens placed on employers in Washington go beyond federal regulations with no measurable environmental benefit. It is hurting existing industry and preventing new industry from locating in the state. We must get Washington working again and this in turn will help our budget bottom line.

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