

SECOND DAY

MORNING SESSION

Senate Chamber, Olympia, Tuesday, January 15, 2013

The Senate was called to order at 10:00 a.m. by President Owen. The Secretary called the roll and announced to the President that all Senators were present with the exception of Senators Baumgartner, Delvin, Eide, Hewitt, Holmquist Newbry, McAuliffe, Ranker and Rivers.

The Sergeant at Arms Color Guard consisting of Pages Tyler Wickenhagen and Elsa Salido, presented the Colors.

MOTION

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

MOTION

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

INTRODUCTION AND FIRST READING

SB 5025 by Senators Roach, Conway and Shin

AN ACT Relating to a proclamation of a state of emergency; and amending RCW 43.06.210.

Referred to Committee on Governmental Operations.

SB 5026 by Senators Hasegawa and Kohl-Welles

AN ACT Relating to creating a peer mentoring program; amending RCW 28B.12.055; and adding a new chapter to Title 28B RCW.

Referred to Committee on Higher Education.

SB 5027 by Senator Hasegawa

AN ACT Relating to prepaid postage for primary and general election ballots; amending RCW 29A.04.420; reenacting and amending RCW 29A.40.091; and creating a new section.

Referred to Committee on Governmental Operations.

SB 5028 by Senators Hasegawa and Kohl-Welles

AN ACT Relating to state need grant eligibility; and amending RCW 28B.92.080.

Referred to Committee on Higher Education.

SB 5029 by Senators Hasegawa, Chase, Shin, Conway, Rolfes, Darneille, Hargrove, Keiser, Kohl-Welles, Kline and Frockt

AN ACT Relating to establishing the Washington investment trust; amending RCW 30.04.020, 42.56.270, 42.56.400, 43.08.135, and 43.84.080; adding a new section to chapter 39.58 RCW; adding a new section to chapter 41.06 RCW; adding a new chapter to Title 43 RCW; creating a new

section; providing an expiration date; and declaring an emergency.

Referred to Committee on Financial Institutions & Insurance.

SB 5030 by Senators Roach and Shin

AN ACT Relating to extending the Chinook scenic byway; amending RCW 47.39.020; and creating a new section.

Referred to Committee on Transportation.

SB 5031 by Senator Padden

AN ACT Relating to actions for damage to real property resulting from construction, alteration, or repair on adjacent property; adding a new section to chapter 4.16 RCW; and creating a new section.

Referred to Committee on Law & Justice.

SB 5032 by Senator Ericksen

AN ACT Relating to extending the tax credit expiration date for certain contributions made to electric utility rural economic development revolving funds; and amending RCW 82.16.0491.

Referred to Committee on Ways & Means.

SB 5033 by Senators Hill, Hargrove and Shin

AN ACT Relating to fiscal matters; amending 2012 2nd sp.s. c 7 ss 111, 112, 114, 115, 121, 127, 128, 129, 131, 136, 137, 139, 142, 143, 144, 201, 202, 203, 204, 205, 206, 207, 208, 209, 210, 211, 212, 213, 216, 218, 219, 220, 221, 303, 307, 308, 311, 402, 501, 502, 503, 504, 505, 506, 507, 508, 509, 510, 512, 513, 514, 601, 602, 613, 615, 616, 617, 701, 702, 707, 801, 802, 803, and 804 (uncodified); amending 2011 2nd sp.s. c 9 ss 506, and 703 (uncodified); amending 2011 1st sp.s. c 50 s 804 (uncodified); repealing 2011 c 41 s 3 (uncodified); making appropriations; and declaring an emergency.

Referred to Committee on Ways & Means.

SB 5034 by Senators Hill and Hargrove

AN ACT Relating to fiscal matters; amending RCW 41.26.802, 43.08.190, 43.09.475, 43.79.480, 43.101.200, 43.155.050, 43.330.250, 46.66.080, 70.93.180, 79.64.040, 82.14.310, 82.14.320, 82.14.330, 82.14.390, 82.14.500, and 86.26.007; reenacting and amending RCW 41.80.010, 41.80.020, 70.105D.070, 79.105.150, and 82.45.060; adding a new section to chapter 43.88 RCW; creating a new section; making appropriations; and declaring an emergency.

Referred to Committee on Ways & Means.

SB 5035 by Senators Honeyford, Nelson and Shin

AN ACT Relating to the capital budget; making appropriations and authorizing expenditures for capital

improvements; amending RCW 28B.15.210, 28B.20.725, 28B.15.310, 28B.30.750, 28B.35.370, 28B.50.360, 79.17.010, and 79.17.020; reenacting and amending RCW 70.105D.070 and 79.105.150; creating new sections; and declaring an emergency.

Referred to Committee on Ways & Means.

SB 5036 by Senators Honeyford, Nelson and Shin

AN ACT Relating to state general obligation bonds and related accounts; amending RCW 43.99G.162; adding a new chapter to Title 43 RCW; and declaring an emergency.

Referred to Committee on Ways & Means.

SB 5037 by Senators Ranker, Shin and Rolfes

AN ACT Relating to labeling of seafood; amending RCW 69.04.060, 69.04.928, 69.04.932, 69.04.933, 69.04.934, and 69.04.935; adding a new section to chapter 69.04 RCW; repealing RCW 69.04.315; and prescribing penalties.

Referred to Committee on Natural Resources & Parks.

SB 5038 by Senators McAuliffe, Chase, Shin, Keiser, Rolfes, Nelson, Kohl-Welles, Kline, Hobbs, Frockt and Cleveland

AN ACT Relating to enhancing the basic education allocation formula for principals, assistant principals, and other certificated building-level administrators to support the teacher evaluation program requirements of RCW 28A.405.100; amending RCW 28A.150.260; creating a new section; and providing an effective date.

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

SB 5039 by Senators McAuliffe, Shin, Kohl-Welles and Kline

AN ACT Relating to increasing revenues dedicated to basic education purposes; amending RCW 66.24.290 and 82.04.29002; adding a new section to chapter 82.08 RCW; adding a new chapter to Title 82 RCW; providing an effective date; and declaring an emergency.

Referred to Committee on Ways & Means.

SB 5040 by Senators Hasegawa, Conway, Kohl-Welles, Kline and Chase

AN ACT Relating to incorporating state tax expenditures into the state budget process; amending RCW 43.06.400 and 43.88.030; and adding a new section to chapter 43.88 RCW.

Referred to Committee on Ways & Means.

SB 5041 by Senators Hasegawa, Conway and Kohl-Welles

AN ACT Relating to implementing recommendations related to the tax preference review process conducted by the joint legislative audit and review committee and the citizen commission for performance measurement of tax preferences; amending RCW 48.14.020, 82.08.0262,

82.08.0253, 82.12.0345, 82.04.280, 82.04.280, 84.36.840, 82.04.330, 82.04.410, 82.16.020, 82.04.4282, 82.16.050, and 48.36A.240; reenacting and amending RCW 82.16.010 and 82.32.790; adding a new section to chapter 82.04 RCW; creating new sections; repealing RCW 82.04.350, 82.08.0257, 84.36.130, and 82.04.4289; providing effective dates; providing a contingent effective date; providing a contingent expiration date; and declaring an emergency.

Referred to Committee on Ways & Means.

SB 5042 by Senator Hasegawa

AN ACT Relating to narrowing the business and occupation tax deduction for investment and related income; and amending RCW 82.04.4281.

Referred to Committee on Ways & Means.

SB 5043 by Senators Hasegawa and Kline

AN ACT Relating to narrowing the property tax exemption for intangibles; amending RCW 84.36.070; and creating a new section.

Referred to Committee on Ways & Means.

SB 5044 by Senators Hasegawa, Shin and Kohl-Welles

AN ACT Relating to the GET ready for college program; adding a new section to chapter 28B.95 RCW; and creating a new section.

Referred to Committee on Higher Education.

SB 5045 by Senators Keiser, Honeyford, Kohl-Welles and Frockt

AN ACT Relating to allowing day spas to offer or supply without charge wine or beer by the individual glass to a customer for consumption on the premises; amending RCW 66.12.240; and adding a new section to chapter 66.20 RCW.

Referred to Committee on Commerce & Labor.

MOTION

On motion of Senator Fain, all measures listed on the Introduction and First Reading report were referred to the committees as designated with the exception of Senate Bill No. 5037 which was referred to the Committee on Natural Resources & Parks .

MOTION

On motion of Senator Fain, Senate Bill No. 5011 which had been held on first reading Monday, January 14, 2013 was referred to the Committee on Law & Justice.

MOTION

At 10:10 a.m., on motion of Senator Fain, the Senate was declared to be at ease subject to the call of the President for the purpose of convening a Joint Session with the House of Representatives.

SECOND DAY, JANUARY 15, 2013

2013 REGULAR SESSION

JOINT SESSION

Pursuant to House Concurrent Resolution 4402, the Speaker (Representative Moeller presiding) called the Joint Session to order. The Clerk called the roll of House members. The Clerk called the roll of the Senate members. The Speaker (Representative Moeller presiding) declared a quorum of the Legislature was present.

The Speaker (Representative Moeller presiding): "The first purpose of this Joint Session is to comply with the constitutional requirement of canvassing the vote for and against referenda and initiatives and for the constitutional elective officers."

The Speaker (Representative Moeller presiding) called on the Clerk to read the message from the Secretary of State.

**MESSAGE FROM THE SECRETARY OF STATE
CANVASS OF THE RETURNS
OF THE GENERAL ELECTION
HELD ON NOVEMBER 6, 2012**

I, Sam Reed, Secretary of State of the State of Washington, do hereby certify that according to the provisions of RCW 29A.60.260, I have canvassed the returns of the 3,172,939 ballots cast by the 3,904,959 registered voters of the state for and against the initiatives, referenda, constitutional amendments, and advisory measures which were submitted to the vote of the people at the state general election held on the 6th day of November, 2012, as received from the County Auditors.

Initiative Measure No. 1185

Initiative Measure No. 1185 concerns tax and fee increases imposed by state government.

This measure would restate existing statutory requirements that legislative actions raising taxes must be approved by two-thirds legislative majorities or receive voter approval, and that new or increased fees require majority legislative approval.

Yes 1,892,969
No 1,069,083

Initiative Measure No. 1240

Initiative Measure No. 1240 concerns creation of a public charter school system.

This measure would authorize up to forty publicly-funded charter schools open to all students, operated through approved, nonreligious, nonprofit organizations, with government oversight; and modify certain laws applicable to them as public schools.

Yes 1,525,807
No 1,484,125

Referendum Measure No. 74

The legislature passed Engrossed Substitute Senate Bill 6239 concerning marriage for same-sex couples, modified domestic-partnership law, and religious freedom, and voters have filed a sufficient referendum petition on this bill.

This bill would allow same-sex couples to marry, preserve domestic partnerships only for seniors, and preserve the right of clergy or religious organizations to refuse to perform, recognize, or accommodate any marriage ceremony.

Approved 1,659,915
Rejected 1,431,285

Initiative Measure No. 502

Initiative Measure No. 502 concerns marijuana.

This measure would license and regulate marijuana production, distribution, and possession for persons over twenty-one; remove state-law criminal and civil penalties for activities that it authorizes; tax marijuana sales; and earmark marijuana-related revenues.

Yes 1,724,209
No 1,371,235

Engrossed Senate Joint Resolution No. 8221

The Legislature has proposed a constitutional amendment on implementing the Commission on State Debt recommendations regarding Washington's debt limit.

This amendment would, starting July 1, 2014, phase-down the debt limit percentage in three steps from nine to eight percent and modify the calculation date, calculation period, and the term general state revenues.

Approved 1,748,436
Rejected 1,031,039

Senate Joint Resolution No. 8223

The Legislature has proposed a constitutional amendment on investments by the University of Washington and Washington State University.

This amendment would create an exception to constitutional restrictions on investing public funds by allowing these universities to invest specified public funds as authorized by the legislature, including in private companies or stock.

Approved 1,258,969
Rejected 1,602,785

Advisory Vote No. 1, Engrossed Senate Bill 6635

The legislature eliminated, without a vote of the people, a business and occupation tax deduction for certain financial institutions' interest on residential loans, costing \$170,000,000 in its first ten years, for government spending.

Repealed 1,552,134
Maintained 1,175,863

Advisory Vote No. 2, Substitute House Bill 2590

The legislature extended, without a vote of the people, expiration of a tax on possession of petroleum products and reduced the tax rate, costing \$24,000,000 in its first ten years, for government spending.

Repealed 1,476,491
Maintained 1,207,812

I further certify that according to the provisions of RCW 29A.60.250, I have canvassed the returns of the ballots cast for all federal and statewide offices, and those legislative and judicial offices whose jurisdiction encompasses more than one county in the General Election held on the 6th day of November, 2012, as received from the County Auditors, and that the votes cast for candidates for these offices are as follows:

U.S. President/Vice President

Barack Obama/Joe Biden	Democratic Party	1,755,396
Mitt Romney/Paul Ryan	Republican Party	1,290,670
Gary Johnson/James P. Gray	Libertarian Party	42,202
Virgil Goode/James N. Clymer	Constitution Party	8,851
Jill Stein/Cheri Honkala	Green Party	20,928
Peta Lindsay/Yari Osorio	Socialism & Liberation Party	1,318
James Harris/Alyson Kennedy		
Socialist Workers Party		1,205
Ross C. (Rocky) Anderson/Luis J. Rodriguez		
Justice Party		4,946

U.S. Senator

Maria Cantwell	(Prefers Democratic Party)	1,855,493
Michael Baumgartner	(Prefers Republican Party)	1,213,924

Congressional District 1 - U.S. Representative

John Koster	(Prefers Republican Party)	151,187
Suzan DelBene	(Prefers Democratic Party)	177,025

Congressional District 2 - U.S. Representative

Rick Larsen	(Prefers Democratic Party)	184,826
Dan Matthews	(Prefers Republican Party)	117,465

Congressional District 3 - U.S. Representative

Jaime Herrera Beutler	(Prefers Republican Party)	177,446
Jon T. Haugen	(Prefers Democratic Party)	116,438

Congressional District 4 - U.S. Representative

Doc Hastings	(Prefers Republican Party)	154,749
Mary Baechler	(Prefers Democratic Party)	78,940

Congressional District 5 - U.S. Representative

Cathy McMorris Rodgers		
(Prefers Republican Party)		191,066
Rich Cowan	(Prefers Democratic Party)	117,512

Congressional District 6 - U.S. Representative

Derek Kilmer	(Prefers Democratic Party)	186,661
Bill Driscoll	(Prefers Republican Party)	129,725

Congressional District 7 - U.S. Representative

Jim McDermott	(Prefers Democratic Party)	298,368
Ron Bemis	(Prefers Republican Party)	76,212

Congressional District 8 - U.S. Representative

Dave Reichert	(Prefers Republican Party)	180,204
Karen Porterfield	(Prefers Democratic Party)	121,886

Congressional District 9 - U.S. Representative

Adam Smith	(Prefers Democratic Party)	192,034
Jim Postma	(Prefers Republican Party)	76,105

Congressional District 10 - U.S. Representative

Denny Heck	(Prefers Democratic Party)	163,036
Richard (Dick) Muri		
(Prefers Republican Party)		115,381

Congressional District 1 One Month Short Term - U.S. Representative

John Koster	(Prefers Republican Party)	141,591
Suzan DelBene	(Prefers Democratic Party)	216,144

Governor

Jay Inslee	(Prefers Democratic Party)	1,582,802
Rob McKenna	(Prefers Republican Party)	1,488,245

Lieutenant Governor

Brad Owen	(Prefers Democrat Party)	1,575,133
Bill Finkbeiner	(Prefers Republican Party)	1,359,212

Secretary of State

Kim Wyman	(Prefers Republican Party)	1,464,741
Kathleen Drew	(Prefers Democratic Party)	1,442,868

State Treasurer

Jim McIntire	(Prefers Democratic Party)	1,695,401
Sharon Hanek	(Prefers Republican Party)	1,192,150

State Auditor

James Watkins	(Prefers Republican Party)	1,344,137
Troy Kelley	(Prefers Democratic Party)	1,512,620

Attorney General

Bob Ferguson	(Prefers Democratic Party)	1,564,443
Reagan Dunn	(Prefers Republican Party)	1,361,010

Commissioner of Public Lands

Peter J. Goldmark	(Prefers Democratic Party)	1,692,083
Clint Didier	(Prefers Republican Party)	1,188,411

Superintendent of Public Instruction

Randy I. Dorn		2,164,163
---------------	--	-----------

Insurance Commissioner

Mike Kreidler	(Prefers Democratic Party)	1,662,555
John R. Adams	(Prefers Republican Party)	1,188,926

Legislative District 1 - State Senator

Rosemary McAuliffe	(Prefers Democratic Party)	37,316
Dawn McCravey	(Prefers Republican Party)	29,932

Legislative District 1 - State Representative Pos. 1

Derek Stanford	(Prefers Democratic Party)	37,824
Sandy Guinn	(Prefers Republican Party)	27,559

Legislative District 1 - State Representative Pos. 2

Luis Moscoso	(Prefers Democratic Party)	38,346
Mark T. Davies	(States No Party Preference)	24,373

Legislative District 2 - State Senator

Randi Becker	(Prefers Republican Party)	31,946
Bruce L. Lachney	(Prefers Democratic Party)	24,286

Legislative District 2 - State Representative Pos. 1

Gary Alexander	(Prefers Republican Party)	32,174
Greg Hartman	(Prefers Democratic Party)	23,291

Legislative District 2 - State Representative Pos. 2

J.T. Wilcox	(Prefers Republican Party)	44,770
-------------	----------------------------	--------

Legislative District 7 - State Representative Pos. 1

Shelly Short	(Prefers Republican Party)	50,821
--------------	----------------------------	--------

Legislative District 7 - State Representative Pos. 2

Joel Kretz (Prefers Republican Party) 36,747
 Robert (Bob) Wilson (Prefers Republican Party) 20,337

Legislative District 9 - State Senator

Mark G. Schoesler (Prefers G.O.P. Party) 39,390

Legislative District 9 - State Representative Pos. 1

Susan Fagan (Prefers Republican Party) 39,428

Legislative District 9 - State Representative Pos. 2

Joe Schmick (Prefers Republican Party) 39,620

Legislative District 10 - State Senator

Barbara Bailey (Prefers Republican Party) 37,810
 Mary Margaret Haugen (Prefers Democratic Party) 33,778

Legislative District 10 - State Representative Pos. 1

Norma Smith (Prefers Republican Party) 42,581
 Aaron Simpson (Prefers Democratic Party) 27,061

Legislative District 10 - State Representative Pos. 2

Dave Hayes (Prefers Republican Party) 36,086
 Tom Riggs (Prefers Democratic Party) 32,885

Legislative District 12 - State Senator

Linda Evans Parlette (Prefers GOP Party) 44,318

Legislative District 12 - State Representative Pos. 1

Cary Condotta (Prefers Republican Party) 32,767
 Stan Morse (Prefers Republican Party) 17,736

Legislative District 12 - State Representative Pos. 2

Mike Armstrong (Prefers Republican Party) 25,253
 Brad Hawkins (Prefers Republican Party) 26,186

Legislative District 13 - State Representative Pos. 1

Judith (Judy) Warnick (Prefers Republican Party) 37,557

Legislative District 13 - State Representative Pos. 2

Matt Manweller (Prefers Republican Party) 31,880
 Kaj Selmann (Prefers Democratic Party) 14,627

Legislative District 14 - State Senator

Curtis King (Prefers Republican Party) 40,394

Legislative District 14 - State Representative Pos. 1

Norm Johnson (Prefers Republican Party) 32,930
 Paul Spencer (Prefers Democratic Party) 18,583

Legislative District 14 - State Representative Pos. 2

Charles Ross (Prefers Republican Party) 33,676
 Mathew K.M. Tomaskin (Prefers Democratic Party) 17,669

Legislative District 16 - State Senator

Mike Hewitt (Prefers Republican Party) 32,717
 Scott Nettles (Prefers Democratic Party) 14,197

Legislative District 16 - State Representative Pos. 1

Maureen Walsh (Prefers Republican Party) 25,503
 Mary Ruth Edwards (Prefers Republican Party) 18,307

Legislative District 16 - State Representative Pos. 2

Terry R. Nealey (Prefers Republican Party) 37,331

Legislative District 19 - State Senator

Brian Hatfield (Prefers Democratic Party) 34,590
 Rick Winsman (Prefers Republican Party) 21,056

Legislative District 19 - State Representative Pos. 1

Dean Takko (Prefers Democratic Party) 33,981
 Dixie Kolditz (Prefers Republican Party) 21,212

Legislative District 19 - State Representative Pos. 2

Brian E. Blake (Prefers Democratic Party) 31,266
 Tim Sutinen (Prefers Independent Party) 22,740

Legislative District 20 - State Senator

Dan Swecker (Prefers Republican Party) 24,075
 John E. Braun (Prefers Republican Party) 29,943

Legislative District 20 - State Representative Pos. 1

Richard DeBolt (Prefers Republican Party) 45,137

Legislative District 20 - State Representative Pos. 2

Ed Orcutt (Prefers Republican Party) 34,548
 John Morgan (Prefers Republican Party) 15,755

Legislative District 24 - State Senator

Jim Hargrove (Prefers Democratic Party) 44,417
 Larry Carter (Prefers Independent Party) 23,455

Legislative District 24 - State Representative Pos. 1

Kevin Van De Wege (Prefers Democratic Party) 43,085
 Craig Durgan (States No Party Preference) 23,980

Legislative District 24 - State Representative Pos. 2

Steve Tharinger (Prefers Democratic Party) 40,045
 Steve Gale (Prefers Republican Party) 28,470

Legislative District 26 - State Representative Pos. 1

Jan Angel (Prefers Republican Party) 39,234
 Karin Ashabraner (Prefers Democratic Party) 27,164

Legislative District 26 - State Representative Pos. 2

Larry Seaquist (Prefers Democratic Party) 35,384
 Doug Richards (Prefers Republican Party) 30,675

Legislative District 30 - State Representative Pos. 1

Linda Kochmar (Prefers Republican Party) 24,142
 Roger Flygare (Prefers Democratic Party) 23,487

Legislative District 30 - State Representative Pos. 2

Katrina Asay (Prefers Republican Party) 21,454
 Roger Freeman (Prefers Democratic Party) 26,155

Legislative District 31 - State Representative Pos. 1

Cathy Dahlquist (Prefers Republican Party) 37,187
 Brian L. Gunn (Prefers Democratic Party) 22,018

Legislative District 31 - State Representative Pos. 2

Christopher Hurst (Prefers Independent Dem. Party) 32,462
 Lisa Connors (Prefers Republican Party) 26,237

Legislative District 32 - State Representative Pos. 1

Cindy Ryu (Prefers Democratic Party) 45,276
 Randy J. Hayden (Prefers Republican Party) 17,429

Legislative District 32 - State Representative Pos. 2

Ruth Kagi (Prefers Democratic Party) 45,495
 Robert Reedy (Prefers Republican Party) 16,917

Legislative District 35 - State Representative Pos. 1

Kathy Haigh (Prefers Democratic Party) 33,263
 Dan Griffey (Prefers Republican Party) 31,439

Legislative District 35 - State Representative Pos. 2

Drew C. MacEwen (Prefers Republican Party) 32,975
 Lynda Ring-Erickson (Prefers Democratic Party) 30,638

Legislative District 39 - State Senator

Kirk Pearson (Prefers Republican Party) 33,449
 Scott Olson (Prefers Democratic Party) 24,603

Legislative District 39 - State Representative Pos. 1

Dan Kristiansen (Prefers Republican Party) 32,044
 Linda Wright (Prefers Democrat Party) 25,799

Legislative District 39 - State Representative Pos. 2

Eleanor Walters (Prefers Democratic Party) 26,705
 Elizabeth Scott (Prefers Republican Party) 30,667

Legislative District 40 - State Senator

Kevin Ranker (Prefers Democratic Party) 40,677
 John Swapp (Prefers Independent-Gop Party) 23,959

Legislative District 40 - State Representative Pos. 1

Kristine Lytton (Prefers Democratic Party) 44,113
 Brandon Robinson (States No Party Preference) 15,810

Legislative District 40 - State Representative Pos. 2

Jeff Morris (Prefers Democratic Party) 43,868
 Howard A. Pellett (Prefers Green Party) 14,333

Supreme Court - Justice Position 2

Susan Owens 2,098,447

Supreme Court - Justice Position 8

Steve Gonzalez 2,082,194

Supreme Court - Justice Position 9

Sheryl Gordon McCloud 1,355,144
 Richard B. Sanders 1,097,846

Court of Appeals, Division 1, District 3 - Judge Position 1

Mary Kay Becker 132,652

Court of Appeals, Division 2, District 2 - Judge Position 2

Pamela (Pam) Loginsky 135,034
 Thomas Bjorgen 148,088

Court of Appeals, Division 2, District 3 - Judge Position 1

Joel Penoyar 188,183

Court of Appeals, Division 3, District 1 - Judge Position 1

Laurel Siddoway 181,130

Court of Appeals, Division 3, District 3 - Judge Position 2

Teresa C. Kulik 102,499

Asotin, Columbia, Garfield Superior Court - Judge Position 1

William D. (Bill) Acey 10,807

Ferry, Pend Oreille, Stevens Superior Court - Judge Position

1

Patrick A. Monasmith 20,669

Ferry, Pend Oreille, Stevens Superior Court - Judge Position 2

Allen Nielson 20,340

Klickitat, Skamania Superior Court - Judge Position 1

Brian Altman 9,732

Pacific, Wahkiakum Superior Court - Judge Position 1

Mike Sullivan 8,002
 Dennis Gordon 2,942

The total number of votes cast for the office of Governor in the November 6, 2012, General Election equals 3,079,639. In accordance with Article II, Section 1 of the Washington State Constitution and RCW 29A.72.150, the number of signatures of legal voters on a petition measure is determined by the total votes cast for the office of Governor at the preceding election. Signature petitions for initiatives must be equal to or exceed eight percent of and four percent of the votes cast for a referendum. To meet the eight percent requirement during the next four years, sponsors of initiative measures must submit a minimum of 246,372 valid signatures and to meet the four percent requirement, sponsors of referendum measures must submit a minimum of 123,186 valid signatures.

In testimony whereof, I have hereunto set my hand and affixed the seal of the State of Washington on this 8th day of January, 2013, at Olympia, the State Capital.

SAM REED
 Secretary of State

The Speaker (Representative Moeller presiding): "In view of the election results previously read, certified to by the Secretary of State, the Joint Session now declares the following qualified citizens to be the duly elected constitutional officers of the State of Washington:

Jay Inslee, Governor;
 Brad Owen, Lieutenant Governor;
 Kim Wyman, Secretary of State;
 Jim McIntire, State Treasurer;
 Troy Kelley, State Auditor;
 Bob Ferguson, Attorney General;
 Randy Dorn, Superintendent of Public Instruction;
 Mike Kreidler, Insurance Commissioner;
 Peter Goldmark, Commissioner of Public Lands."

The Speaker of the House and the President of the Senate signed the Certificates of Election for the duly elected constitutional officers.

The Speaker (Representative Moeller presiding), having discharged the constitutional requirement imposed upon the Speaker of the House, called upon President Owen to preside over the Joint Session.

President Owen: "This joint session has been convened to receive the State of the State message from Her Excellency, Governor Christine Gregoire."

The President appointed a committee of honor to escort the Chief Justice and the Justice of the State Supreme Court to the House Chamber: Representatives Hawkins and Helen-Roberts; Senators Billig and Pearson.

SECOND DAY, JANUARY 15, 2013

2013 REGULAR SESSION

The President appointed a committee of honor to escort the statewide elected officials to the House Chamber: Representatives Hope and Takko; Senators Dammeier and Hasegawa.

The President appointed a committee of honor to advise Her Excellency, Governor Christine Gregoire, that the joint session had assembled and to escort her to the House Chamber: Representatives Morrell and Kochmar; Senators Tom and Darneille.

The Sergeant at Arms of the House announced the arrival of the Chief Justice and the Justices of the State Supreme Court at the Chamber doors. The committee of honor escorted the Chief Justice and the Justices of the Supreme Court to seats on the floor of the House Chamber and they were introduced: Chief Justice Barbara Madsen, Justice Charles Johnson, Justice Susan Owens, Justice Mary Fairhurst, Justice James Johnson, Justice Debra Stephens, Justice Charlie Wiggins, Justice Steven Gonzalez and Justice Sheryl Gordon-McCloud.

The Sergeant at Arms of the House announced the arrival of the statewide elected officials at the Chamber doors. The committee of honor escorted the statewide elected officials to the floor of the House Chamber and they were introduced: Secretary of State Sam Reed, State Treasurer Jim McIntire, State Auditor Brian Sonntag, State Attorney General Rob McKenna, Insurance Commissioner Mike Kreidler and Commissioner of Public Lands Peter Goldmark.

The President introduced the special guests present in the House gallery: former Governor Mike Lowry; former Secretary of State Ralph Munro; and King County Executive Dow Constantine.

The President welcomed and introduced Ms. Gina Miller who was present in the Gallery and is the surviving fiancé of Washington State Trooper Tony Radulescu who was killed in the line of duty on February 23, 2012.

The President welcomed members and representatives of the State of Washington Consular Association who were present in the rear of the Chamber. The members of the Consular Association were joined by Consul General Gao Zhansheng of the Consulate General of the People's Republic of China in San Francisco and Consul General Priya Guha of the British Consulate General of the United Kingdom of Great Britain and Northern Ireland in San Francisco. The President introduced: Career Consul General Kiyokazu Ota of Japan; Consul General Denis Stevens of Canada; Consul General Young Wan Song of the Republic of Korea; Consul General Andrey Yushmanov of the Russia Federation; Career Consul, Head of Mission, Alejandro Garcia Moreno of the United States of Mexico; Consul Jessica Maria Reyes of the Republic of El Salvador; Honorary Consul General John Gokcen of the Republic of Turkey; Honorary Consul General Gary Furlong of the Republic of Uzbekistan; Honorary Consul General Helen M. Szablya of the Republic of Hungary; Honorary Consul General Miguel Angel Velasquez of the Republic of Peru; Honorary Consul H. Ronald Masnik of the Kingdom of Belgium; Honorary Consul Enid L. Dwyer of Jamaica; Honorary Consul Matti Suokko of the Republic of Finland; Honorary Consul Vytautas V. Lapatinskas of the Republic of Lithuania; Honorary Consul Daravuth Huoth of the Kingdom of Cambodia; Honorary Consul Frank Brozovich, DDS, of the Republic of Croatia; Honorary Consul Philippe Goetschel of the Swiss Confederation; Honorary Consul Lars Jonsson of the Kingdom of Sweden; Honorary Consul Kim Nesselquist of the Kingdom of Norway; Honorary Consul Petra

Walker of the Federal Republic of Germany; Honorary Consul Jack Cowan of the French Republic; Honorary Consul Pedro Augusto Leite Costa of the Federative Republic of Brazil; Honorary Consul Alexander Cocron of the Republic of Austria; Honorary Consul Franco Tesorieri of the Italian Republic; Honorary Consul Wayne Jehlík of the Czech Republic; and Director-General Chin Hsing (Andy Chin) of Taipei Economic and Cultural Office in Seattle.

The Sergeant at Arms of the House announced the arrival of Her Excellency Governor Christine Gregoire and her family at the Chamber doors. The committee of honor escorted Governor Gregoire and family to the rostrum and the family was introduced: First Gentleman Mike Gregoire, Michelle and Courtney Gregoire, Scott Lindsay and Audrey Christine Lindsay.

The President welcomed state officials and representatives from the State of Nevada as well as representatives from the Republic of Uzbekistan who were also present in the House gallery.

The flags were escorted to the rostrum by the Veterans of Foreign Wars (VFW) Post 318 Honor Guard, commanded by Ken Wojczynski. The President led the Joint Session in the Pledge of Allegiance. The National Anthem was performed by the Auburn High School Choir Chamber Quartet comprised of Mr. Marcoantonio Garcia, Mr. Ethan Hinze, Miss Linda Karout and Miss Morgan Warren and directed by Ms. Kandy Gilbert. The Veterans of Foreign Wars (VFW) Post 318 Honor Guard retired from the Chamber.

The prayer was offered by Father Michael J. Ryan, formerly of St. Michael Parish, of Olympia.

Father Michael J. Ryan: "My friends, we read in the Hebrews Scriptures from the Prophet Micah, 'This is all that I ask of you, to do justice, to love tenderly and to walk humbly with your God.' My sisters and brothers, let us pray. Good and gracious God, we gather this day to ask your continual blessings on Governor Christine Gregoire as she passes the baton on to Governor-elect Jay Inslee. As she leaves after eight years of service, may she know our gratitude for the selfless ways in which she has led amidst great and unforeseen obstacles in our economy. She stood tall and continued to work tirelessly for the entire human family of the State of Washington. In her quiet wisdom, gentle care and compassion for the vulnerable, and those who were made to feel they are on the fringe of society, she gave them a sense of inclusion in the one human family. Her concern was for all the precious people of God that she was elected to serve. Bless her for the ways she insisted, from the young to the elders among us, would have opportunities to grow through education and public service. As a tribute to Christine Gregoire may all of us here strive to protect the beautiful creation that surrounds us and it is another sign that you, our God, is generous and gracious. Thanks too, today, to Secretary of State Sam Reed, State Auditor Brian Sonntag and Attorney General Rob McKenna and we conclude now with a blessing for Chris and for First Mike and for their daughters and for their son-in-law Scott and this beautiful granddaughter, and, for those that would like, I invite you extend an arm of blessing as we pray: 'May the Lord bless you and keep you, may the Lord let Gods' face shine upon you and be gracious to you and the Lord look upon you kindly and give you peace.' Amen."

HONORING STATE ELECTED OFFICIALS LEAVING OFFICE

President Owen: "As Washington's 17th Attorney General, Rob McKenna served as the state's chief legal officer,

directing more than 500 attorneys and 700 professional staff providing legal services to state agencies, the Governor and Legislature. He served two terms, with clear priorities: making communities safer by leading the state in fighting methamphetamine and prescription drug abuse, gang violence, human trafficking, sexual predators and domestic violence; protecting consumers and businesses from identity theft, internet predators, fraud and high-tech crimes, and promoting integrity in government by defending the state's laws; and implementing new performance management initiatives in his office and encouraging open access to government. Prior to being elected attorney general, Rob was a Metropolitan King County Councilman from 1995-2007. He practiced business and regulatory law at Perkins Coie from 1988-1996, after receiving his J.D. from the prestigious University of Chicago Law School in 1988, where he was a member of the Law Review. He earned a B.A. in Economics and a B.A. in International Studies, both with honors, from the University of Washington. Rob and his wife Marilyn have four beautiful children."

Attorney General Rob McKenna: "Madam Governor, Mr. President, Mr. Speaker of the House, Members of the House and Senate, I am honored to be here today with so many distinguished and dedicated public servants. I am also honored by the presence here today of a number of outstanding legal professionals from the Washington Attorney General's Office (AGO) who are with us in the gallery. It has been a tremendous privilege to serve for the past eight years as Attorney General for our great state, and as the leader of the best public law office in America. As all of us do, we in the Attorney General's Office stand on the shoulders of those who came before us, building on the tradition of excellence in the provision of legal services to this state government, and to the people of Washington State. The 1100 attorneys, professional staff and support staff in our office handle over 20,000 court cases per year, including thousands of cases involving severely abused and neglected children, vulnerable adults, and victims of crime. We represent every agency of state government, from the largest DSHS, L&I, Ecology and Transportation, to the smallest. We provide them with legal counsel every day, and represent them in court thousands of times every year. The Washington AGO is recognized nationally as an outstanding law office, thanks to the tireless efforts of our staff. Over the past eight years, for example, we have won over 90 percent of our appellate cases, including all seven of the cases we have argued in the United States Supreme Court. We also represent the people of the State of Washington more directly in our role as the state's Consumer Protection agency and anti-trust enforcement agency. In my two terms alone, we have successfully handled over 200,000 consumer complaints, brought enforcement actions against hundreds of companies that have unfairly and deceptively treated their customers, and gone after scammers of all descriptions from across the country. Thanks to this Legislature's adoption of laws we have proposed, we have deployed new legal tools against 21st Century forms of fraud, going after spyware and malware purveyors, tackling identity theft, and teaching other state attorneys general offices how to do the same. We also have taken very seriously our role in protecting the public's safety. We have successfully sought and obtained the legal commitment of sexually violent predators, including some of the most notorious in our state's recent history. We have prosecuted dozens of violent felonies, stepping in where our county prosecutors have needed the state's help, and we have assisted in solving many other new and cold-case crimes through our Homicide Investigations Tracking Unit. When four Lakewood police officers were brutally gunned down just after Thanksgiving a few years ago, our senior criminal investigator was on the scene that

same morning, bringing to bear the resources of the 'HITS' Unit. When a state trooper was the victim of an attempted murder in Grays Harbor County, our Chief Deputy was in the local prosecutor's office within 24 hours, and our office prosecuted the shooter to conviction in what proved to be a very challenging case. We also have sought to protect consumers, to enhance the public's safety, and to support our law enforcement community, by offering our office's ideas for strengthening our state's laws in all these areas. Thanks to members of the legislature from both parties, and to Governor Gregoire, we have seen 45 bills written in the Attorney General's Office become law, giving hope to survivors of domestic violence, providing new tools to consumers to avoid identity theft, and protecting children from the scourge of methamphetamine and from predators, among other measures we've proposed. In these and in many other ways as well, all of us in the Attorney General's Office have sought to accomplish what all of you seek to accomplish every day when you come to work as leaders and public servants: To make a difference, to improve the lives of our fellow citizens, to leave this wonderful Evergreen State a little better than how we found it. I would like to thank all of you with whom I have been privileged to serve these past eight years, and especially the women and men of the Attorney General's Office. It has been an extraordinary journey. Thank you all very, very much".

On behalf of the people of the State of Washington and the Legislature, the President presented Attorney General Rob McKenna with a gift in gratitude for and recognition of his public service. The artwork, a rendering of the state capitol in glass, was created by local artist and former legislative and state employee Ms. Kim Merriman of Olympia, who was introduced and present in the gallery.

The President: "Next we have the opportunity to bid a fond farewell today to one of our state's longest-standing elected officials, State Auditor Brian Sonntag. Mr. Sonntag was first elected to public office way back in 1978 as Pierce County Clerk, working as the administrative officer for the Superior Courts. He was elected to the office of Pierce County Auditor in 1986, an office his father, Jack W. Sonntag, had held for 21 years, from 1948 to 1969. Mr. Sonntag was elected Washington State Auditor on November 3, 1992. He has been re-elected every four years since then, most recently in 2008 with seventy percent of the vote. He has served our state with distinction and honor. We now turn Mr. Sonntag out to his private life, where he can have more time with his wife, Jann, their five sons and three grandchildren."

State Auditor Brian Sonntag: "I often thought this would be a pretty good fit. I could get used to this. You know, I don't get nervous talking to groups of people, or I haven't until today. This is, this is a little daunting for me. ... No, this isn't it. ... I, I'd feel better if you just come up here. I first wanted to introduce my wife Jann. I also would like to introduce my sister-in-law Alison Sonntag, who without her husband ... oh boy, stop ... my brother, Dick, I would have never even thought of embarking on a political career, so... My youngest son Michael is here today as is my daughter-in-law Dee who is married to my number two son, Joey, and my granddaughter, Jade. You know, our state's founders were a bunch of populists who didn't really like or trust government very much. They had some pretty good reasons too, at that time. They created a very independent check and balance on state and local government operations. They called it the Office of State Auditor and put it right smack in the Constitution. For this office, the only issue is accountability. It's holding governments accountable to the people whom they work for. I define that as government being open, accessible, responsive and responsible, a government that listens to people and when it talks

SECOND DAY, JANUARY 15, 2013

2013 REGULAR SESSION

to them, tells them the truth. I think citizens certainly expect that and deserve nothing less from all of us. President Kennedy called public service, 'a noble profession and a high calling.' I have believed that my entire life. Like Governor Gregoire and like probably many of you here today, President Kennedy was a huge influence on me getting interested in public service at all. I was in the sixth grade when he came and spoke in Tacoma at Cheney Stadium. The ballpark was filled with students, high school and college students mostly. It was two months before he was killed but I got to go to the ballpark that day with my dad and listen to the President speak. He talked about the future. He talked about government not being a spectator sport. He talked about giving back and that has always meant so much to me. Those of us who the voters have hired are the holders of a trust, a fragile trust. We have an opportunity to serve the public. That opportunity comes with a responsibility, a responsibility, every day, to make a difference. I believe after 20 years as State Auditor, we have made a difference. We raised the visibility of this office so citizens could independently assess the stewardship of their government officials. We advocated for state employee whistleblowers and supported all state employees who are trying to make state government work better. We truly listened to citizens and helped connect them with their government. I'm proud that *Governing Magazine* credited us with what they described as a 'one-of-a-kind effort to bring citizens in the decision-making fold.' Not everyone thought that was such a swell idea but I'm glad we did. Open government is a deeply held value of mine and it must be for all of us in public office. Citizens must have clear and direct access to government meetings, actions and information. It's the foundation of our state government and government at all levels. When government's doors are open and elected officials remember who they work for citizens' trust and confidence in government will increase. I'm proud of the work of our office the financial compliance and performance audits we have done and also some of the broader issues we've looked at and reported on. Issues like underfunded liabilities, the state's financial systems, local governments at risk of financial sustainability and resizing state government's footprint. We've been able to do the work we do because of the talents and commitment of the employees in the State Auditor's Office, many of whom are here today and I'd like to recognize them and be recognized. I thank you so much. I'm so very blessed and thankful for the opportunity to serve the citizens of Washington, to have served with colleagues like these and others over the years and to have worked with some very wonderful people. Good luck to all of you and thanks for your service to our state".

On behalf of the people of the State of Washington and the Legislature, the President presented State Auditor Brian Sonntag with a gift of artwork created by Ms. Kim Merriman in gratitude for and recognition of his public service.

The President: "And last but not least, we thank Sam Sumner Reed for his public service. Sam became Washington's 14th Secretary of State in 2000, and he certainly made his mark in elections history. Sam and Rob McKenna took the people's case for a wide open, Top-Two Primary to the United States Supreme Court, and won. Sam also is widely recognized for sweeping improvements to the voting process following Washington's contested 2004 gubernatorial race, the closest in U.S. history. Throughout Secretary Reed's past two terms in office, the Secretary has worked diligently to make Washington a more business-friendly state by allowing corporations to file electronically. Also in 2004, he launched the nation's first state government digital archives to rescue disappearing electronic

history. Prior to his service as Secretary of State, Reed was elected Thurston County Auditor five times and served as the Assistant Secretary of State. Governor Dan Evans appointed Mr. Reed Director of the Urban Affairs Commission and the Constitutional Reform Commission. Sam, whose family lived in Washington in territorial days, grew up in Wenatchee and later moved to Spokane. He attended Washington State University where he earned a Bachelor's Degree in Social Studies and Master's Degree in Political Science. Secretary of State Sam Reed and his wife Margie make their home in Olympia and are looking forward to spending more time traveling and working on their backhand in tennis. They have two adult children, David and Kristen, and two grandchildren."

Sam Reed: "Mr. Speaker, Mr. President, Governor Gregoire, distinguished statewide elected officials, Chief Justice Madsen and members of the Supreme Court, legislators, family and friends, people of Washington and those watching us on TVW: I thank you and I bid you a fond farewell today. Unlike the Governor, I don't have a darling little granddaughter to show but I do have an ugly old valise. [Reading from the inside flap:] 'January 13, 1910, Sam Sumner,' My grandfather was sworn into the Washington State House of Representatives. This valise he bought to serve in the Washington State Legislature and gave this to me as a boy. It means a lot to me because he was the man who inspired me to public service. He really believed it was the highest calling. Our Sunday dinners in Wenatchee, I remember as a boy, he would give us a history lesson and a civics lesson. You know, for a little kid, you'd think this would be awfully boring but it wasn't. He really inspired us and inspired me, really, to public service. It has been an amazing ride for Margie and me – 45 years of public service for the State of Washington and for Thurston County and actually, another five years of public work, three in education and a couple others and 35 years as an elected official in county and state government! Nearly a lifetime ago, it seems, we came to Olympia from the apple orchards and from the Palouse of Eastern Washington to first teach and then to serve in government. We stayed to raise our family here and to heed the call of service. On even our hardest days, we never regretted that decision. My heart is full today as this Wenatchee boy reflects on the opportunity to be of service and to work with many of you in this room to make Washington a better, more responsive and just government worthy of her people. Whenever we saw a problem to fix or an opportunity to grasp, we went to work. In our better moments, all of us worked collaboratively across the aisle, with common purpose and with civility. Together, we saved the Washington State Library, the oldest cultural institution in Washington going back to 1853 and it has a unique collection in the world of Washington State and Territorial history. Together, we created the nation's first ground-up Digital Archives which now has three hundred million documents that are available to the public. Together, we handled the closest governor's race in America – do you remember that? Anyway, I sure remember that. The Court remembers that. Remember? First the Democrats sued me one week, then, the next week, the Republicans sued me and they had to hear both of them real fast. Afterwards, we had this challenge and a challenge, really, for all of you who were here back in 2005, because we had to rebuild public confidence after that. We ended up proposing extensive election reform and with your help, not only did we get it passed but, frankly, now we're the envy of the nation in terms of our election system in this state. Together also, we ramped up service to our job-creating corporations. We honored our history which means so much to me and so much, I have found, to most of you serving for Washington State. We had displays including women in government and the Suffrage Centennial in my office. We

continue to look forward to the day when we have the Heritage Center which is a building for the Washington State Library, Washington State Archives right here on campus that welcomes and educates our visitors and provides a proper home for all our the public records and all our Library services and documents. Obviously, that was a shameless plug. Kim Wyman will carry it forward. I do want to thank my staff and there are a number of them up in the gallery. Would you please stand? I have really been blessed. I and many of you comment on this but I have been really been fortunate. I have such high-quality, bright, capable, articulate people who have worked with me. It's been one of the great joys of serving. I also want to thank my fellow statewides. We've had a good time, we've worked together so collaboratively and, really, it's just been, I think, one of the, again, things I've truly enjoyed about serving. I want to thank the legislators in both houses and both sides of the aisle. It would have been easy, particularly when we got on these election reform measures, to start getting partisan and, you know, going after one another but, instead, you worked together and most of those measures we managed to pass almost unanimously and that in itself was quite an accomplishment. I would also thank my family and friends for the support that made public service possible and enjoyable all these years. I brought my grandfather's briefcase along today as a poignant reminder of how we and our families influence each other. Sam Sumner, for whom I am named, was sworn in 100 years ago and his legacy later lived on in our community and in me personally. Politics is, and should be, a noble calling. I believe that. Although I am leaving public life, I am not leaving public service. I expect to be deeply engaged in volunteer working, mentoring and working as a private citizen on my signature issues of civility, bipartisanship and moderation. I feel confident we can look forward to bright and creative days ahead. I wish you well in your new session. House, Senate and new statewide elected officials: I know you are up to the task and the challenges that await you and I will be supporting from the sideline. Thank you so much. I have enjoyed serving. Thank you."

On behalf of the people of the State of Washington and the Legislature, the President presented Secretary of State Sam Reed with a gift of artwork created by Ms. Kim Merriman in gratitude for and recognition of his public service.

The President introduced Governor Christine Gregoire.

STATE OF THE STATE

Governor Christine Gregoire: "What a warm greeting. Thank you everyone. Before I begin, join me in remembering two distinguished legislators no longer with us. Senator Sid Snyder of Long Beach was an institution, a great and effective leader. He taught us how to listen, how to come together and how to get things done for the people of Washington. We will always remember Senator Sid Snyder. Senator Lorraine Wojahn of Tacoma was a woman who laid a path for all women to follow. She listened to the voiceless among us and she helped them: our children, the poor, the mentally ill, the disabled. We will always thank her for her service to our state. Let us remember Eva Santos, our Director of Human Resources. She brought so much to a life of public service: skill, compassion and integrity. We will miss Eva Santos. Let us also remember and honor Washington State Patrol Trooper Tony Radulescu. Last February, on a dark, rural road, Tony gave his life protecting all of us. We will never forget Tony's sacrifice on behalf of the people of the State of Washington. And this morning, let us remember the brave military men and women who gave their lives in service to our nation in the past year. We owe them and their families a debt of gratitude for their sacrifice that can never be repaid. I ask you to

pause with me for a moment of silence and remembering all of these who have lost their lives but will forever be remembered."

The Joint Session observed a moment of silence in remembrance.

Governor Christine Gregoire: "Thank you. Good morning. Thank you, Father Mike, for starting us off with such an inspiring prayer. And thank you to the talented young singers from the Auburn High School Chamber Quartet: Linda Karout, Morgan Warren, Marcosantonio Garcia and Ethan Hinze. That was a beautiful rendition of our national anthem! You made Auburn High School proud and made this alum of Auburn High School proud. Thank you guys very much. Mr. President, Mr. Speaker, Madame Chief Justice and distinguished justices of the court, honored officials, members of the Washington State Legislature, former governors, tribal leaders, local government officials, members of the Consular Association of Washington, my fellow citizens: Please, again, join me – and I want to take a moment, if I can, to give a big thanks to three wonderful public servants who I've had the privilege to serve with: Secretary of State Sam Reed, Attorney General Rob McKenna and State Auditor Brian Sonntag. Gentlemen, it has been a privilege to serve the people of this great state with you. Thank you for your years of dedicated service and congratulations. Let me introduce my family: my husband, Mike. How about a round of applause for Mike's eight years of volunteer work to better the lives of our military service men and women and our veterans? Who's the fellow in the gray suit? Why, that's former Gov. Mike Lowry, watching from the gallery. Also, my daughter, Michelle, a third-year law student at the University of Washington; our daughter, Courtney, and son-in-law, Scott Lindsay. And of course, the most important thing in my life right now, my two-month-old grandbaby, Audrey Christine Lindsay. It's true. We've already opened her GET account. We're a family of lawyers. We've found the perfect way to lull her to sleep. Turns out reading the Revised Code of Washington to babies does wonders in putting both parent and child to bed. As one chapter of our lives ends, another begins with the arrival of Audrey Christine. And let me tell you, there's nothing like changing diapers again to bring perspective to life. Being a grandmother is a great gift. To fall in love again and to remember what really matters. You know, the Executive Mansion was our home for eight years, and when I could, I slipped out the door and down the steps for a walk around our beautiful Capitol Campus. That was one time of my day that I could reflect. So today my last full day as Governor I invite you to come with me on my last walk to reflect on the state of the State of Washington what we accomplished this past eight years, and what we still must do to keep the state of our state strong. This particular morning, I see a woman in Beijing or Hyderabad, or Paris or Seoul. She works on a laptop that runs on Microsoft software. She sips a cup of Starbucks coffee. Her laptop ordered from Amazon was delivered to an airport via a Boeing 747. It was hauled to a warehouse on a Kenworth 18-wheeler built by our own Paccar. This woman happens to be a bio scientist. She's working with hundreds of others on a global health project maybe a malaria vaccine led by the Bill & Melinda Gates Foundation and PATH [Program for Appropriate Technology in Health] and our two great research universities, the University of Washington and Washington State University. Or maybe she just started a small life sciences company and is working with another start-up down in Vancouver on gene therapy for a rare disease. She also happens to be a healthy, discerning consumer, and in her bag is an apple, or bag of cherries, or bread made from Washington wheat or a bottle of fine wine for after work, all shipped through our ports from the orchards and the fields of Eastern Washington, the

SECOND DAY, JANUARY 15, 2013

2013 REGULAR SESSION

refrigerator of the world. On our walk this morning, I want to pause and say to you: Ladies and gentlemen, there is no other state in the nation, not one that has what the Great State of Washington has. There is no other state with our diversity of riches, our great outdoors and the promise they bring to our children and grandchildren. We are indeed very fortunate. A booming aerospace industry. Boeing just keeps winning orders for the 787, 737-MAX, the 737 and the 777. We landed the Air Force tanker contract and now let's make sure we do the same for the 777X! I'm counting on you guys to make sure that happens. Today we have the strongest, most integrated aerospace supply chain on earth with 50 percent more suppliers in the past eight years, 740 and rising. The aerospace sector puts 128,000 Washingtonians to work every day. But we won't rest on our laurels. Washington will always be the home to aerospace and the good-paying jobs that those companies bring. Along with aerospace, we have a software and IT presence that begins with Microsoft, Amazon, RealNetworks and T-Mobile, but in no way ends there. We are home to more than 4,000 companies all across Washington. The fact is, our software and IT sector encompasses a broader range of products and services than just about any state in the United States, and brings more than \$30 billion in business a year. Along with software and IT, a life sciences sector that took off in Seattle but now stretches to the Tri-Cities, Spokane, Snohomish County and Vancouver. About 70 Washington cities are home to 480 life sciences companies and research organizations, including biotech, pharma and medical devices. All relieve suffering here and around the world, and today they provide nearly 35,000 good-paying Washington jobs. Along with life sciences, a global health presence powered by the Bill & Melinda Gates Foundation, PATH, our research universities and nonprofits. Thank you for establishing the Life Sciences Discovery Fund. It has proven to be an essential tool in growing the industry, and I ask you to continue to support it. Along with global health: agriculture. Apples, potatoes, wheat, wine and dozens of other products are shipped all over the world, making agriculture our second-largest export after transportation equipment. This \$46 billion industry exported \$8.6 billion in products in the past 12 months. Ladies and gentlemen, that's a record! I've handed out cherries in South Korea, french fries in Vietnam and Almond Roca in Beijing. I've enjoyed being Promoter-in-Chief but I have to admit I won't miss being called the French Fry Lady! And along with all this, we have the Hanford Nuclear Reservation, the one-of-its-kind incubator not just for cleanup technology for the world, but for breakthroughs in everything from cancer treatment to an energy-saving electricity grid to scientists and engineers who are following the innovation of their Hanford forbearers and inventing first-time technology, this time to be used to clean up not just the Hanford site, but sites from England to Russia to Japan. It's very clear. No other state has what we have. So this morning, part way through our walk, I'm ready to report. The state of Washington is coming out of the Great Recession as a world leader in the economies of the 21st century industries that provide good jobs from Spokane to Seattle and from Bellingham to Vancouver. And despite the challenges ahead, I can say today that the state of our state is strong! We can say with confidence that in the past eight years, we have built the future of the Great State of Washington a future of promise and opportunity. On our walk, we now can see the magnificent Capitol dome in the distance and the marble building where you and I have worked together for the past eight years. I think everybody in this Chamber will agree: History will reflect that this was not just any eight years. You were not just any Legislature. And these were not just any times. You and I witnessed a historic economic crisis and with it, wrenching

change in our economy and in our social fabric. But we didn't just witness it. We were called to confront it every day. And we did. Together, we served in good times and bad. And whatever the challenge, we took it on for the people of Washington State. Our biggest challenge started in 2008 when trouble hit trouble not seen since the Great Depression with revenue plunging quarter after quarter after quarter as if there were no bottom. In fact, revenue fell almost every quarter 13 of 16 until it finally stabilized last February. That was the longest string of revenue drops since the Economic and Revenue Forecast Council was created 28 years ago. You were tested. I was tested. This was not what I expected. It wasn't what anybody expected. But we stepped up. And together, we guided the state of Washington through the worst economic calamity since the Great Depression and we did it with our heads and our hearts. We did it with compassion. And we did it with our Washington values. So today, I thank you. You have much to do in the months ahead, but let's pause this morning and be grateful to each other for all we've accomplished together to build the future of Washington state. When I came into office in 2005, we were at the tail end of a recession. We were on the road to recovery from the impact of Initiative 695, the dot-com bust and 9-11. There was pent-up need for services, education, health care, our social safety net, the environment, transportation. Money is never unlimited. Even then, we had to make hard choices. Everybody was banging at the door. From the start, we said that just getting by isn't good enough. We wanted to do better for the people of our state. And we made the best decisions to build the future of Washington. The best decisions for our schoolchildren and our college students. I'm proud that in my first term, we invested more in education than at any other time in our history. We created the Department of Early Learning. The impact we make on our children will benefit our state for generations to come. Harvard has named our early learning program as the most innovative in the country. And we are one of just nine states to receive an Early Learning Race to the Top \$60 million grant. We made the best decisions for our K-12 system, and despite the challenges we still face, our public schools are serving our kids in ways that this century demands if they are to succeed in the world economy. We put more money and muscle into science, technology, engineering and math, or STEM, so our children are ready for the jobs of the future. We are implementing a model evaluation system so our teachers can excel and win the confidence of parents. We have innovative schools with targeted, creative approaches to learning. We have Launch Year to prepare seniors for jobs or college. We have College Bound scholarships to give kids who do well in school and stay out of trouble a path to college. Let's build more schools and fewer prisons! We made the best decisions for our two- and four-year colleges to keep the doors open to more students and more opportunity. We increased enrollment in our community and technical colleges by 31,000 students and launched online learning. Today, we are building the workforce of tomorrow: Twenty-four of our colleges provide training for aerospace jobs. We provided branch campuses to serve more Washingtonians, and today the UW has campuses in Tacoma and Bothell. WSU has campuses in Vancouver, the Tri-Cities and Spokane, and offers four-year degrees at Everett Community College. We expanded enrollment at our universities, and today we are educating 12,000 more students a year. The bottom line: 50,000 more students are getting a college education because we believe in them and our future. We significantly increased financial aid for all our college students even in tough times. We created the Student Achievement Council to focus on our students' success from high school to higher education. We created a public-private partnership the Opportunity Scholarship so smart young people can afford a

college education. The Great Recession has severely tested our higher education system. We had tuition increases because we had to. We had no choice. We had to maintain our values, quality and access. And we did. Now the challenge is clear. Our future is at stake. We must fully fund a seamless education system from early learning through higher education. We made the best decisions for transportation. In 2005, we passed a historic construction package, and voters ratified it because we made our case. And we have delivered on our promise. From the 2005 voter-endorsed gas tax we are close to completing all 421 statewide projects. Eighty-eight percent have been completed early or on time, and 91 percent are on or under budget. Those projects provided thousands of good-paying jobs at a time we needed them most. And importantly, those projects move millions of people every single day. They move moms and dads to work, their kids to school and soccer practice, and products to and from our thriving ports. We are building a world-class infrastructure. In 2015, we will open the two-mile-long tunnel under the heart of Seattle to replace the crumbling, dangerous Alaskan Way Viaduct and give Seattle a world-class waterfront. I'll be at the ribbon cutting with my granddaughter! We are building the new 520 Bridge across Lake Washington to replace the 50-year-old structure that could fall in the next bad windstorm. I'll be at that ribbon cutting too maybe with two grandchildren! Today, that part of our future that relies on passage over Snoqualmie Pass is faster and safer for freight and motorists. We have built half of Spokane's critical North-South Freeway. And we are on our way to building the new Columbia River Crossing to replace the current one built for horse and buggy. Ladies and gentlemen, within the past eight years, we undertook the largest transportation construction package in state history: more than \$16 billion. And we – not the next big earthquake or windstorm – are knocking down the old Viaduct, the 520 Bridge and the Columbia River Crossing Bridge and building for our future. We made difficult decisions for our social safety net and health care. We were tested, but I believe we maintained the health and safety of our most vulnerable our seniors, our mentally ill, our developmentally disabled, and our abused and neglected children. We made sure every child in Washington has access to health care, certainly one of our proudest accomplishments. We have built one of the best long-term care systems in the nation, a system of choices for our seniors to live out their lives in dignity. AARP [Association of American Retired Persons] rates our system the second-best in the country. We just became the second state in the nation to assure better, safer health care for our poorest seniors and disabled. We will merge and manage their care under Medicare and Medicaid for better-quality care at a lower cost. In 2005, we set out to cut costs, increase access and provide higher-quality health care. We did, we are, and we lead the nation. While the vast majority of other states are struggling with rising Medicaid-inflation costs, our growth rate is projected to be minus one percent. You heard me right: minus one percent. We are employing evidence-based medicine to ensure better health outcomes for Washingtonians. And because we were already reforming health care, we are among the first states in the nation to implement the Affordable Care Act! This morning I ask you to embrace this historic opportunity to give every Washingtonian the health care coverage they deserve and you will save \$140 million in the next biennium. Every Washingtonian deserves an open door to the doctor when they need one! We made the best decisions for public safety. Washingtonians have a right to be safe in their homes and on the streets. We took action in good times and bad, and the crime rate has fallen every year since I took office. Every jurisdiction now has the resources to verify that sex offenders are living where they say they are. We closed

three prisons to make better use of space, and did it without letting the serious offenders walk free. We strengthened community supervision and now we concentrate on the offenders who are high risk to reoffend. And I'm proud to say the Washington State Patrol is ranked the best state law enforcement agency in the country. We made the best decisions for our economy. One in three jobs in our state depends on international trade. We sold, traded and created innovative partnerships through 12 trade missions. This fall, we became the first state to establish a sister-state relationship with an Indian state, Andhra Pradesh. China is now our number one trading partner, with Canada, Japan and Korea close behind. Trade with China alone has grown at an average rate of nearly 20 percent a year since 2000, even during the global downturn. In the past eight years, we have recruited and retained shippers at our ports, most recently Hanjin, Korea's largest container line, at the Port of Seattle. Our export of goods has grown 119 percent, from about \$30 billion to \$65 billion. Export of services is up by an additional \$29 million. Make no mistake. Our trade economy kept us going through the hard times and it is our future. It unites Eastern and Western Washington, impacts every community and provides the jobs we need. We are the most trade-dependent state in the nation, and the fact is our work knows no boundaries. Like never before, we trade with the world! We made the best decisions for clean, renewable energy now and in the future. Our base is legacy hydropower. When I took office, we produced no wind power. Today we are among the top-five wind energy producers. We are pioneering the smart grid and have a strong presence in the solar power supply chain. Clean, renewable energy has been our unique history for 80 years. Today, we are number one in the nation in renewable energy. We made the best decisions for water. I believe a new era is finally here, when bitter wars over water are finally surrendering to partnerships that bring good, clean and new water to our farms, our fish and our growing cities. We've made the most progress with water in our history: more water to the Yakima Basin and our growing west side cities, innovative tools through water markets and banking to create flexibility, and protection for our fish-critical basins. Mark Twain said, 'Whiskey's for drinking and water's for fighting.' Well, no longer will our water policy be defined by who won and who lost. It's high time that we all win and we will! We made the best decisions for broadband. Today, 99 percent of Washingtonians have access to high-speed internet. We had a plan when the American Recovery and Reinvestment Act was looking to invest in broadband. Today we've been named the most-wired state in the nation. We made the best decisions to save the jewel and economic engine of Western Washington, our Puget Sound. We created a partnership among local, state and federal governments, tribes and stakeholders to get it done. We must meet our goal to make Puget Sound fishable, swimmable and diggable by 2020. Let's be the generation that saves Puget Sound! We made the best decisions to support our brave military men and women and veterans. In fact, you passed, and I signed, more legislation to help veterans than at any other time in our history! We are a step ahead in our efforts to make sure we keep Washington's second-largest employer, our United States military. I urge you to support our Washington Military Alliance and fund our proposal to maintain our military presence that adds \$13 billion a year to our economy. We made the best decisions to reset and reform state government. Our challenges in the past eight years were unprecedented. We said we would not waste this crisis, and we did not. Together, we achieved landmark pension and debt service reforms that will lead to billions of dollars in future savings. Ladies and gentlemen, we are the envy of states around the country. Our public pension system is now rated one of the strongest in the nation. We helped employees and employers

SECOND DAY, JANUARY 15, 2013

weather the recession. Together, we reformed our workers' compensation and unemployment insurance systems. We saved our businesses including small businesses billions of dollars in the years to come. We held workers' comp[ensation] rates flat again this year. And over the past eight years, we had little or no increases in workers' comp premiums. In two of those years, the Department of Labor and Industries returned \$350 million. At the same time, we reformed the way we serve injured workers, and we're getting them back on the job faster or trained for new careers. While 36 states' funds are bankrupt, we have the most stable unemployment insurance (UI) trust fund in the nation and record-low UI rates. Together, we ripped out the walls and pulled up the floors to remodel our 123-year-old house of government. We consolidated and merged all or part of five agencies' back-office operations under one director at the new Department of Enterprise Services. This has already saved taxpayers \$18 million and is expected to save another \$27 million in the next biennium. We closed six institutions. The last time even one was closed was four decades ago. Since 2008, our general government workforce has shrunk by nearly 11 percent. The number of state employees is the lowest since 1996, and they serve 1 million more people. Our public servants have met the challenge and they have sacrificed with furloughs and pay cuts, with higher health care premiums and pension payments. They helped make my favorite four-letter word GMAP, for Government Management Accountability and Performance, successful. Now they're doing Lean management to serve Washingtonians in better and more efficient ways. Today let's recognize the caseworker called out at midnight to save a battered child, the snowplow driver clearing Snoqualmie Pass at 3 a.m., the agriculture inspector making sure our food is safe, the legislative lawyer who works through the night to get the bills just right, the person at the front desk whose phone is lit up all day long. Today I ask you to stand and join me in well-deserved recognition for our dedicated state employees! Finally, we made the best decision for our gay and lesbian citizens, and the people of Washington agreed. We clearly saw that separate but equal is not equal. We gave all couples the right to marry and to help us build a better Washington and a better world. I'm proud that our gay and lesbian couples became the first in the country to marry because their friends and neighbors stood up at the ballot box and said they should have that right. I'm proud that our citizens passed marriage equality by the widest margin of any state. And I'm proud of my daughters for showing the way and helping me realize that their generation understands that who you are is not about who you love. Thank you. So thanks for taking this walk with me today. It's my last one, and I appreciate your company. Tomorrow at noon, I will be the former Governor of the Great State of Washington. And you will be writing new history with Governor Jay Inslee. I know this won't surprise you but before I go, I have two recommendations for you about the future of the Great State of Washington. First, this Legislature must give our children what we were given: good schools, good teachers and the chance to be part of the world economy. We cannot falter. Education is the heart of everything we do and it is our future. Second, if education is the heart of our economic future, transportation is the backbone. Our state will remain strong only if our roads, highways, bridges and ferries are effectively getting our people to work and our goods to market. Remember our competition. China isn't waiting. India isn't waiting. Korea isn't waiting. We can't wait either. The decision of the Supreme Court in McCleary told us we are failing in our paramount duty. Our moral and legal responsibility is to give every child in Washington the chance for a good basic education, the same one you and I got. There is no free lunch. We cannot cut our way out of this. We cannot save our way out of this. To meet

2013 REGULAR SESSION

the McCleary ruling, we will need at least a \$1 billion down payment in the next biennium and \$3.4 billion by 2018. Today is the day. Now is the time. We must invest in our children and their future! We must also have the transportation infrastructure for our economic corridors to get employees to work and goods to market if we want to remain a vibrant economic competitor in the years to come. These projects and more demand funding: The Columbia River Crossing; Spokane's North-South Freeway. Snoqualmie Pass; State Route 167 between Tacoma and Puyallup; the 40-mile I-405 corridor; a new 144-car ferry; and I-5 at Joint Base Lewis-McChord. Freight-dependent businesses account for nearly 45 percent of our jobs. Companies move nearly \$40 million worth of freight on our roads every single hour. We must maintain our very valuable transportation system, from highways and bridges to ferries and city streets. If we step up to our commitment to build a new Columbia River Crossing with Oregon this year, the federal government will too. I urge you to invest the \$450 million to make certain that this critical West Coast economic corridor moves forward. Now is the time to build the future of Washington! In the end, these two challenges are only that challenges. You've met tougher ones in the past eight years, and you delivered for the people of Washington. I know you will deliver again. You will do what you always do. You will keep the state of our state strong! Finally, today, in my last appearance as governor I still feel the need to pinch myself a little to make sure the past eight years weren't just a dream. My mother was a short-order cook at the Rainbow Café in Auburn for so many years, a single mom who worked so hard and kept a watchful eye on her daughter, Chris O'Grady, sitting on a stool in the kitchen doing her homework. I always believed what my mom said. 'You can make it in America if you work hard enough. If you respect yourself and serve those around you. If you keep the faith and don't give up.' That's what I did. I was just a Washington girl who loved to play basketball, pick blueberries, ride horses in the summer. I was just a young Washington woman who became the first in her family to graduate from college. I was just a Washington woman who got that gift of education, who admired John F. Kennedy and who chose a career of public service as a clerk typist, a caseworker, an Assistant Attorney General, a Director of Ecology, an Attorney General and then the ultimate privilege: to serve as Governor of the state I love, the Great State of Washington. And on my last full day as Governor, I can speak from experience and say we still live in the greatest state in the nation and the greatest country in the world. Thank you to the people of Washington, for the pleasure of serving you. And thank you, ladies and gentlemen of the Legislature, for hearing me one last time. I appreciate it. I will miss governing and I will miss all of you. Please accept my deepest thanks for your public service. Farewell, God bless you and God bless the great State of Washington."

President Owen: "Thank you Governor for you very, very profound remarks. I can see why you are such an excellent politician, emphasized by a couple of our colleagues. For instance, Auditor Sonntag pulls out a grocery list during his remarks, as a prop. Okay. Sam Reed? A used up old briefcase. The Governor? A two-month old baby. Nice going. Governor you have been proven to be a very skilled mediator, a tough negotiator, and extremely effective leader in the toughest of times. We thank you very much and wish you all the best. Personally, I would like to thank you for your tremendous accessibility, your guidance and your friendship over the years that we've had. Thank you very much. We would also like to present you with a little remembrance of your time serving the great State of Washington."

On behalf of the people of the State of Washington and the Legislature, the President presented Governor Christine Gregoire with a gift of artwork created by Ms. Kim Merriman in gratitude for and recognition of her public service.

The President called upon the committee of honor to escort Governor Gregoire and the Gregoire family from the House Chamber.

The President called upon the committee of honor to escort the statewide elected officials from the House Chamber.

The President called upon the committee of honor to escort the Chief Justice and the Justices of the Supreme Court from the House Chamber.

On motion of Representative Sullivan, the Joint Session was dissolved. The Speaker (Representative Moeller presiding) assumed the chair.

The Speaker (Representative Moeller presiding) called upon the Sergeant at Arms of the House and the Sergeant at Arms of

the Senate to escort President of the Senate Brad Owen, President Pro Tempore Tim Sheldon, Senator Ed Murray and Senator Mark Schoesler and the Senate from the House Chamber.

The Senate was called to order at 12:22 p.m. by President Owen.

At 12:23 p.m., on motion of Senator Fain, the Senate adjourned until 10 o'clock a.m., Wednesday, January 16, 2013.

BRAD OWEN, President of the Senate

HUNTER GOODMAN, Secretary of the Senate

5011	Other Action.....2	5036	Introduction & 1 st Reading.....2
5025	Introduction & 1 st Reading1	5037	Introduction & 1 st Reading.....2
5026	Introduction & 1 st Reading1		Other Action2
5027	Introduction & 1 st Reading1	5038	Introduction & 1 st Reading.....2
5028	Introduction & 1 st Reading1	5039	Introduction & 1 st Reading.....2
5029	Introduction & 1 st Reading1	5040	Introduction & 1 st Reading.....2
5030	Introduction & 1 st Reading1	5041	Introduction & 1 st Reading.....2
5031	Introduction & 1 st Reading1	5042	Introduction & 1 st Reading.....2
5032	Introduction & 1 st Reading1	5043	Introduction & 1 st Reading.....2
5033	Introduction & 1 st Reading1	5044	Introduction & 1 st Reading.....2
5034	Introduction & 1 st Reading1	5045	Introduction & 1 st Reading.....2
5035	Introduction & 1 st Reading1	WASHINGTON STATE LEGISLATURE	
		Joint Session3	
		State of the State, Governor Christine Gregoire..... 10	