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With control of both legislative chambers in the balance, the Washington State November 6 general election is attracting significant interest. As noted in prior reports, there are 25 of 49 Senate seats and all 98 House positions up for election. Currently, both chambers are controlled by Democrats: 50-48 in the House and 25-24 in the Senate. Primary results suggest the Democrats will maintain control and possibly add seats in both chambers. In this [article](#) the Associated Press highlights some key competitive races in each chamber of the Washington State Legislature.

There are also several high profile initiatives on the ballot. Please find below an outline of the initiatives followed by a summary of political, legislative and regulatory highlights in Washington State over the past month.

Initiatives on the Ballot

Following are updates on several initiatives that voters will be deciding on in the general election. Please keep in mind that Washington State utilizes an all-mail ballot system and ballots can be postmarked as late as election day. As a result, it is not unusual for clear election results in close races to take several days (sometimes weeks) to emerge.

- I-1639 proposes enhanced gun-responsibility laws such as enhanced background checks and raising the purchase age for semi-automatic firearms from 18 to 21. The initiative was featured in this *Seattle Times* [article](#).
- I-940 addresses “use of deadly force” by police and would, among other things; remove the requirement that prosecutors must prove an officer acted with evil intent or malice to show wrongdoing. As explained in this [article](#), it is anticipated the 2019 Legislature will attempt to find some form of compromise to what the initiative proposes regardless of the outcome of the election.
- I-1631 would implement the nation’s first carbon fee, if passed by voters. As reported by this *Bloomberg News* [article](#), the initiative would raise an estimated \$2.3 billion for clean energy by 2025 by imposing a fee on major carbon dioxide emitters starting in 2020.
- I-1634 would prohibit future taxes on grocery items. As explained in this *Seattle Times* [article](#), the initiative was launched in response to a recently implemented sugary drinks tax in Seattle.

Budget

Economic & Revenue Forecast

The September 2018 Economic & Revenue [forecast](#) indicated revenue is up by \$275 million for the 2017-19 biennium. It also projects revenues to be up by \$355 million for the 2019-2021 biennium and up \$295 million for the 2021-23 biennium.

Governor's Proposed Budgets Being Prepared

During this time of year, the governor's office is preparing proposed budgets (operating, capital and transportation) for the 2019-2021 biennium. The proposals will be released in mid-December. Leading up to this, state agencies have been asked to submit their budget requests. State Superintendent of Public Schools Chris Reykdal has stated his belief that a new revenue source is needed in order to fully fund K-12 public education. As explained in this Associated Press [article](#), Reykdal is recommending the state adopt a capital gains tax projected to provide \$2 billion in revenue over two years. It is anticipated the governor will include a capital gains tax as a revenue source in his proposed 2019-21 biennium operating budget.

Court Rulings

Charter Schools

The Washington State Supreme Court ruled in October that funding charter schools using state funds from lottery revenue is in line with the state constitution, as explained in this *Seattle Times* [article](#).

Court Ruling Regarding Tribes Collecting Sales Tax

Also in October, a federal court ruled in favor of Washington State by holding that the Tulalip Tribe must collect state and county sales tax at the Quil Ceda Village shopping area. The ruling stated the tribe must remit over \$40 million in yearly taxes to the state and county. The tribe has indicated it will evaluate options, including an appeal of the decision.

Business & Labor

Economic Development

The Department of Commerce announced the newest leads for strategic economic development in aerospace and life science/global health sector development. Robin Toth, a former board member of the Aerospace Futures Alliance, will lead the state's \$69-billion aerospace sector. Additionally, Toth was the vice president of business development for the Greater Spokane, Incorporated, the city of Spokane's chamber of commerce. Julia Terlinchamp takes the lead for economic development in the state's life science/global health industry sector. Before joining Commerce, Terlinchamp worked as Gov. Inslee's Northwest Regional Representative, serving Snohomish, Skagit, Whatcom, Island and San Juan counties.

Collective Bargaining

Governor Inslee (D) submitted proposed 2019-21 collective bargaining agreements for state employees. An estimated 32,327 Washington State employees are impacted by these agreements. The proposal's total general fund cost impact for the 2019-21 biennium is approximately \$548 million. During 2019 as part of the budget process, the Legislature will either approve or reject without amendment the negotiated contract proposals. If approved, they will then be incorporated into the next biennium's operating budget. Some highlights of the negotiated proposals include the following.

- Provides a 3% general wage increase each year for a 6% total increase
- Increases minimum wages for state employees earning \$50,004 or less annually

- Provides a 5% wage adjustment for King County employees
- Maintains the 85/15% employer/employee premium cost split

Agriculture Requesting \$6M Appropriation for 2019-21 Biennium

The Washington State Department of Agriculture has requested \$6 million in the 2019-21 biennium operating budget. As reported in this Washington Ag Network [blog](#), the money would be used to assist the state's farming community by offsetting problems that have developed due to trade tariffs. Specifically, the funding would be used to expand market access overseas by creating a strong state marketing program.

Pay Equity

A recent national ranking by the American Association of University Women listed Washington State women as earning 78 cents for every dollar men make. As reported in this [Seattle Times article](#), Washington State ranks in the bottom 50% of the nation for pay equality.

Overtime Pay

Washington State may update its existing rules regarding salaried workers and overtime pay eligibility. As noted in this [Seattle Times article](#), the rules were adopted in 1976. The current overtime threshold for Washington State salary has been the same for 42 years at \$250 per week or \$13,000 per year. The state is being asked to raise the existing overtime salary threshold so that more people qualify for the enhanced pay. Washington State hopes to have new proposed rules released in late 2018 or early 2019.

Law & Justice

Stating that capital punishment is imposed in an "arbitrary and racially biased manner," the Washington State Supreme Court ruled to end the death penalty in Washington State. As noted in this [KOMO news story](#), Washington State is the 20th state in the nation to ban the death penalty.

Natural Resources

Southern Resident Killer Whale Recovery Task Force

The governor's Southern Resident Killer Whale Recovery Task Force released an [updated draft of recommendations](#) to help save orca whales. The plan includes 36 draft suggestions with the intent of increasing orca food supply (Chinook salmon), reducing noise and disturbance as well as reducing harmful pollutants. As noted in this [MyNorthwest article](#), the task force will meet in Puyallup on November 6 and issue a final report on November 16.

Plastic Recycling Market Narrows

Due to China no longer purchasing certain plastics, Washington State has requested counties to consider rejecting some plastics in their recycle programs. In a related development, as explained in this Associated Press [article](#), companies have approached state regulators asking it to approve higher consumer solid waste rates.

Green Power for State Operations

Governor Inslee announced Washington State's largest purchase of green power for state operations in this October 16 [press release](#). The governor's office outlined that eight state agencies will purchase over one hundred million kWh of wind and solar project electricity by 2021. These sources will come from within Washington State.

Health Care & Behavioral Health

In-Person Assistance Sites Being Launched

The Washington Healthplanfinder is providing in-person assistance sites for the 2019 open enrollment period. There will be ten full-service enrollment centers that will provide in-person assistance to those signing up for health and dental coverage during the November 1 to December 15 open enrollment period for 2019 coverage. You can view [here](#) where the sites will be located within Washington State.

Joint Committee on Aging & Disability

The Washington State Joint Committee on Aging & Disability met in Olympia during late-September to review guardianship laws and strategize options for long-term care financing. During the meeting, the committee was updated on Washington State's [plan](#) to address Alzheimer's disease.

WSU Medical School Accreditation for Residency Programs

In October, the Washington State University (WSU) medical school announced it has received initial accreditation for graduate medical education. As explained in this WSU [blog](#), there are 170 accredited training programs in Washington State, but only 12 of them are located in Eastern Washington.

Transportation

Elected officials in Oregon, Washington State and British Columbia are in the very early stages of looking into the feasibility of a bullet train that could travel from Portland to British Columbia in under two hours. As reported in this *MyNorthwest* [article](#), the train route would include a stop in Seattle and has a 2035 target date for completion.