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Washington State's general election results were certified November 27th. Three state legislative races will go to automatic recount. The races undergoing automatic recount include two Senate seats and one House seat. In the 26th District open Senate seat vacated by retiring Republican Jan Angel, Emily Randall (D) leads Marty McClendon (R) by 104 votes. In the 42nd District, incumbent Senator Doug Ericksen (R) leads challenger Pinky Vargas (D) by 46 votes. Over in the House and also in the 42nd District, incumbent Representative Luanne Van Werven (R) leads challenger Justin Boneau (D) by 80 votes. These three races by state law will have a mandatory manual recount and final certification is anticipated by mid-December.

If the current leads hold up in the three recount elections, Democrats will pick up 7 seats in the House and hold a 57-41 margin of control. The Senate Democrats will add 3 seats and control the Senate with a 28-21 majority.

Below is a summary of political and legislative highlights in Washington State over the past month.

Legislature

On December 3rd and 4th, the House will hold committee days in Olympia. The 2019 legislative session begins January 14th.

Senate & House Republican Leadership Chosen

Republicans in both chambers have elected leadership positions for the upcoming session. In the Senate, Sen. Mark Schoesler (Ritzville) was again elected the Senate Minority Leader. Other Senate leadership positions are outlined in this [statement](#) by the Senate Republicans. Similarly, in the House, Rep. JT Wilcox (Yelm) was re-elected as the House Minority Leader. A full list of the Republican House leadership positions is outlined in this House Republican [statement](#).

Senate & House Democratic Leadership Coming Together

Sen. Andy Billig (Spokane) was chosen as the new Senate Majority Leader. The former leader, Sen. Sharon Nelson (Maury Island), did not seek re-election. Billig immediately assumed the leadership role. As noted in this Senate Democrat [statement](#), Billig was elected to the House in 2011 and has served in the Senate since 2013. Other Senate leadership positions will be chosen after all election outcomes are determined. Most notably, Speaker of the House Frank Chopp (Seattle) announced 2019 will be his last year serving in this role, as explained in

this *Seattle Times* [article](#). Also House Democrats elected Rep. Stonier (Vancouver) to serve as the Majority Floor Leader. As noted in this House Democrat [statement](#), Stonier is currently serving her second term as a State Representative. More House leadership positions are anticipated to be announced soon.

House & Senate Committees

The caucuses will now be undertaking their organizational work, including finalizing the committee structure, selecting committee leadership and identifying committee membership.

Budget

Revenue Forecast Update

The Economic & Revenue Forecast Council (Council) published its latest [quarterly revenue forecast](#) on November 20th. The Council adjusted the state's Near General Fund-State (NGF-S) revenue estimates up by \$163.4 million for the 2017-19 biennium, and \$195.5 million for the 2019-21 biennium. Overall, the estimated baseline budget for the 2017-19 biennium is \$45.6B, and \$49.8B in 2019-21. The next revenue forecast will be released on March 30, 2019.

Tax Reforms Discussed

Newly appointed Senate Majority Leader Andy Billig recently stated in this *Inside Olympia* [episode](#) that he expects significant deliberations surrounding the issue of "tax fairness and about different solutions." Billig went on to say a capital gains tax could be part of that discussion. In the same episode, Senator Minority Leader Mark Schoesler stated that he views tax fairness as reducing the state sales tax and cautioned against new taxes. During the episode, Schoesler also shared his expectation that a carbon tax proposal will be proposed in the 2019 session, because the carbon fee initiative did not pass in November.

K-12 Education

State Superintendent & Levy Requests

Superintendent of Public Instruction Chris Reykdal (D) recently stated he will be asking the 2019 Legislature to consider revising some parts of HB 2242 (passed during the 2018 session), dealing with levy funding limits. Beginning in 2019 levies are capped at \$1.50 per \$1000 of assessed property value. As noted in this GoSkagit.com [article](#), Reykdal also noted he will be lobbying the Legislature to change the passage requirement for capital bonds from a supermajority to a simple majority vote.

Special Session for Special Ed Funding?

The *Seattle Times* published this [editorial](#) recommending Governor Inslee (D) call a special session to address identified needs that have emerged relating to special education funding. The editorial notes that 10 of the 14 approved enrichment levies for the February ballot include funding for special education. At this time, there has been no indication the governor will call a special session.

Business & Labor

New Rules on Overtime & Sick Leave Released

The Washington State Dept. of Labor & Industries (L&I) released preliminary draft rules regarding overtime workers. The draft rules include a proposal to increase the minimum pay allowed to consider a salaried worker exempt from overtime in Washington. Salaried employees

earning less than the salary threshold are required by law to receive overtime, minimum wage, paid sick leave and other protections of the Minimum Wage Act. As explained in this L&I [release](#), the changes, if adopted, would result in more employees qualifying for these benefits. Public comment is being accepted on the proposed draft rules via email and online through December 14. You can find more information about these proposed new draft rules in this KIRO News [article](#).

Washington State Exports Significantly Decreased

Between April and September, exports from Washington State farmers and other export-dependent producers have decreased by up to 28% compared to the same period a year ago. As explained in this *Seattle Times* [article](#), a recently released report indicates that cherry farmers are feeling the brunt of this negative impact. The decrease is linked to retaliation to US tariffs that went into effect six months ago against China and other nations.

Record-Low Washington State Unemployment Rate

Washington State reported a record-low 4.3% unemployment rate in October. As noted in this Associated Press [article](#), the unemployment rate has continued to decrease each month since May 2018.

Health Care & Behavioral Health

Open Enrollment Period Begins

The open enrollment period for Washington State residents to sign up for health and dental insurance through the Washington Health Benefit Exchange is underway and continues until December 15. As reported in this *Seattle Times* [article](#), an average of 400 to 600 people have been signing up daily since the November 1 open enrollment date. Overall, enrollment is up by nearly three percent from last year, with 195,000 people already enrolled for 2019.

New Psychiatric Facility?

The Dept. of Social & Health Services (DSHS) has announced an \$800 million plan to serve patients coming from the criminal justice system by building a new psychiatric facility on the Western State Hospital campus as a way to save the troubled 850-bed hospital. As noted in this *Seattle Times* [article](#), the DSHS request would use funding from the state capital construction budget to build a new 500-bed facility.

Foster Care

Nearly 200 high-needs foster youth in Washington State have spent over 1,000 nights in hotels over the last year due to lack of foster care availability. A new report is calling for foster care reforms in Washington State. As outlined in this *Northwest News Network* [article](#), the report documented that children who spent the night in a hotel were more likely to come into contact with police.

Cyber

New Director of WaTech Named

Governor Inslee named James A. Weaver the new director of WaTech. Formerly in this role was Vikki Smith who acted as interim director since July 2018. As noted in this [press release](#), Weaver is leaving his current role as the Commonwealth Chief Technology Officer in Pennsylvania.

Natural Resources

The governor's Orca Recovery Task Force recently released its first set of recommendations for saving endangered southern resident killer whales. As noted in this *Seattle Times* [article](#), implementing the recommendations, such as temporary moratoriums on whale watching and possible dam removals, would require hefty state funding and changes to state and federal laws.

Gun Responsibility

Extreme Risk Protection Orders & Minors

A state task force charged with reducing mass shootings has recently recommended clarifying state law to clearly state Extreme Risk Protection Orders can apply to minors. As noted in this MyNorthwest [article](#), the current state law is silent on this issue.

I-1639 Being Challenged in Court

Following the passage by voters of Initiative 1639, which gives Washington State some of the toughest firearm regulations in the country, legal challenges have been filed. As reported in this *Seattle Times* [article](#), a lawsuit to block implementation of the initiative was filed in federal court by the Second Amendment Foundation and National Rifle Association.

Initiatives

A professional initiative sponsor in Washington State, Tim Eyman submitted a \$30 car tab measure for which he is collecting signatures. If enough signatures are collected to qualify the initiative for the ballot, the measure would go to voters in 2019. As noted in this Northwest Public Broadcasting [article](#), if it passes a funding source for Sound Transit could be decreased by 12.3%.