



# LegislLetter

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**April 17, 2009**

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## **Get Retro Bill Passes Senate, Flounders in House** *House Majority Leader Calls it Retribution*

[ESSB 6035](#), sponsored by [Sen. Jeanne Kohl-Welles](#) (D-Seattle), passed the Senate by the narrowest of margins, 25-24, but has thus far failed to gain traction in the House. In the Senate, six Democrats joined all Republicans in voting against this anti-business measure.

ESSB 6035 would force organizations like the Farm Bureau to publicly disclose financial records. The bill targets workers' compensation retrospective rating programs, which are voluntary programs where employer groups earn refunds if they can collectively produce better results -- safer workplaces and fewer on the job injuries -- than similar businesses who are not part of a group.

The bill is political retribution. It is aimed at the Building Industry Association of Washington, which strongly supports pro-business candidates. The bill does nothing to make workplaces safer, and there was no evidence that employers were seeking protection by the Legislature from trade associations which they join. House Majority Leader Lynn Kessler has called the bill political retribution, and Speaker Chopp has stated that it is not a priority of the House Democratic caucus.

Despite rumors that Senate Democrats are holding House legislation hostage in an attempt to break the Get Retro bill loose, ESSB 6035 remains sequestered in the House Rules committee. Let's hope it stays there.

## **Climate Change Bill Clears the House**

The House of Representatives passed the "Cap and Trade" bill [E2SSB 5735](#), sponsored by [Sen. Phil Rockefeller](#) (D-Bainbridge Island), by a vote of 59-37.

Nearly two dozen amendments were offered during consideration that would have improved the measure, but unfortunately none of the perfecting amendments were adopted.

As it now stands, the measure: keeps Washington engaged in the Western Climate Initiative (WCI) process; continues the state's march toward implementation of emission reporting by emitters of greenhouse gases; directs some additional reports by Ecology related to emissions, offsets, and other measures necessary to meet greenhouse gas emission reduction standards established last year; and directs creation of an alternative fuels corridor pilot project and a project to provide public infrastructure for electric cars.

Along with this list of actions, two troubling public policy matters have been included in the bill. First is a move to target the state's coal-fired power plant in Centralia. At a time when we need to ensure a stable power grid, measures that could harm a major power production facility are ill-conceived. As we continue to bring "renewable" power generation on line we cannot forget that we need "firm" power production facilities (those not subject to the vagaries of sufficient wind or sun) to ensure a stable power supply.

The other troubling measure is that of requiring regional transportation planning organizations to develop and implement plans to reduce greenhouse gas emissions including vehicle miles traveled (VMT) benchmarks. This proposal runs ahead of the process by setting in place a planning/regulatory structure prior to the state providing the necessary guidance to allow such a process to succeed. The state needs to complete the homework tasks assigned by the Legislature before any additional programs are etched in stone. VMT may well need to be addressed, but let's get our facts in order before giving a regional entity the unfettered ability to make policy and regulate without direct state oversight. In addition, we foresee this policy creating a whole new venue for litigation related to growth management act planning.

We remain greatly concerned that this measure fails to get at the key issue that must be addressed this session -- the economics of carbon policy. We need to know if actions such as VMT reductions and carbon emission reductions will impact the environment and at what cost to the citizens of our state. We strongly urge Legislators to count the costs before proceeding.

As such, we oppose passage of E2SSB 5735.

## **Unemployment Insurance Benefits Rise -- This Time Permanently**

[SB 5963](#), sponsored by [Sen. Jeanne Kohl-Welles](#) (D-Seattle), was supposed to be a bill that fixed our state's unemployment insurance system so that it would conform to federal mandates. But a series of amendments in the House have permanently increased benefits, and undone all the other positive changes to our state's unemployment insurance laws that occurred in 2003.

Farm Bureau and other business organizations are asking the Senate to **not concur** with the House amendment which provides the new benefit increases.

In 2003, when Washington had the most expensive U/I system in the nation, Boeing threatened to leave the state unless the system was reformed. Legislators adopted the reforms and now a large chunk of the U/I cost has been shifted to small and seasonal employers.

The 2003 changes resulted in employers being overcharged and as a result, the U/I trust fund has grown rapidly. This summer, businesses big and small came together on a plan to correct the federal conformity issue and 'right size' the fund.

Businesses even agreed to give unemployed workers a \$250 million U/I stimulus payment. Beginning May 1, 2009, workers who file for unemployment will receive an extra \$70 per week, and the minimum unemployment benefit will increase from \$129 per week to \$225 per week.

Under current law, unemployment insurance is a straight 50 percent wage replacement. But under SSB 5963, as amended in the House, unemployed workers will receive an across the board 4 percent increase.

Additional costs in the U/I system and other anti-business measures like this will virtually guarantee that the recession will be deeper, and last longer, in Washington than elsewhere in the country.

## **Progress Slow on Budget**

On a party-line vote, the Senate Ways & Means Committee reported its budget bill out of committee Wednesday. [SSB 5600](#), sponsored by committee chair [Sen. Margarita Prentice](#) (D-Renton), is now eligible for consideration by the full Senate.

The House Ways & Means Committee approved [SHB 1244](#), on party lines, on April 7. The bill, sponsored by Reps. [Kelli Linville](#) (D-Bellingham) and [Mark Ericks](#) (D-Bothell), the committee chair and vice chair respectively, contains both supplemental appropriations for the current biennium as well as the House's 2009-11 spending plan. It has been sent to the House Rules Committee for referral to the entire House.

More information about the Senate budget plan is available on the [Senate Ways & Means Committee](#) website. Comparison information about the Senate, House and Governor's proposals is available at the [LEAP Committee](#) website.

An interesting development Thursday was the introduction of [HB 2377](#), "funding health care and the working families' tax rebate with a voter-approved temporary sales tax increase." If approved by voters, the bill would authorize a three-tenths of one-percent sales tax increase, generating nearly half a billion dollars for selected health care programs and the working families' tax rebate enacted, but not funded, last year.

The bill is sponsored by Reps. [Eric Pettigrew](#) and [Mary Lou Dickerson](#), both (D-Seattle). Rep. Pettigrew chairs the House Health & Human Services Appropriations Committee, which is scheduled to hear testimony and take executive action on the bill today. Rep. Dickerson chairs the House Human Services Committee and serves on the Health & Human Services Appropriations Committee. It appears that this bill is primed for swift passage by the appropriating committee.

## **Paid Leave Fiasco -- Will Employers Get Stuck with this Program?**

[SB 6158](#), sponsored by [Sen. Karen Keiser](#) (D - Des Moines) would delay implementation of the unfunded, unimplemented Paid Family Leave program for three years until 2012. A hearing on the bill was held on Thursday, April 16 in the Senate Ways and Means Committee.

The Paid Leave law was passed in 2007, with a promise of benefits starting October 1, 2009.

Guess what? It is now 2009, and no agency has been designated to run the program, and more importantly, there is no funding for the program.

The Governor has told business groups that she intends to kill the program because there is no funding source, and has told labor groups that she supports the program but is looking for a funding source.

Whenever small business owners hear the words "new worker benefit" and "funding source" in the same paragraph, they should get mad, or scared, or a little of both. There are undoubtedly some legislators who would like to slap another payroll tax on employers to fund this program. It won't happen in this economic climate, but it might happen in 2012. Who knows?

Paid Leave was a marginal program in 2007, and nothing has happened in the meantime to change that outlook; it's only gotten worse. What the Legislature should do is repeal the program outright.

## Senate Passes Open Space Tax Legislation

On April 13 the state Senate passed [HB 1733](#), sponsored by [Rep. Roger Goodman](#) (D-Kirkland), which would clarify and protect the eligibility of commercial horse operations for the Open Space Tax program. In addition, the bill would protect all farms from penalties if they are removed from the open space tax program through no fault of the owner.

In some cases, farms have been notified of a decision to remove them from the program, despite the fact that the farms have not changed the nature of their operations since entering the program.

Washington Farm Bureau supports the legislation, which now goes to the Governor for signature.

The Open Space Tax Program was adopted by the voters in the early 1970s through the passage of a ballot measure aimed at preserving open space lands and agricultural lands in particular.

Meanwhile, the Senate Ways & Means committee has yet to pass out [HB 1815](#), sponsored by [Rep. Pat Sullivan](#) (D-Covington), to protect the eligibility of crops that take more than one year to mature to first harvest.

## More than 5,000 Participate in Tax Day Rally in Olympia *Thousands more attend nearly 30 similar events around the state*

Organized by the [Evergreen Freedom Foundation](#) and co-sponsored by [Washington Farm Bureau](#) and other organizations. According to the *The News Tribune* reported that the tax rally was the "[largest of the year](#)" in Olympia.

The Washington State Patrol estimated the crowd at more than 5,000 people.

Other tax day rallies took place around the state and across the nation. The media underreported crowd size, [even while their cameras showed the crowd overflowing from the capitol steps, sidewalks and parking lot.](#)

The bi-partisan event featured Republican [State Senator Janea Holmquist](#) and Democrat [State Auditor Brian Sonntag](#). They were joined by about 10 other speakers, including Farm Bureau local affairs director [Dan Wood](#).

Wood reminded the crowd that in recent years Washington Farm Bureau has fought a state Death Tax, filed a referendum to save spending limits, and most recently opposed a state Income Tax. And, our number one message to Olympia this session has been, "Do no further harm."

Observers noted that the crowd was very respectful and orderly, even cleaning the Capitol steps before going home.”

For additional information on the rally including video footage, visit:

[Senator Holmquist's remarks](#)

[KIRO News](#)

[Rallies around the Nation](#)

[An original song performed "Liberty Man"](#)

[The Olympia event.](#)

## **Ag Director Newhouse Spends the Day with Skagit Young Farmers**

April 9, Director Newhouse spent the day with Skagit young farmers. Organized by Don McMoran, Agriculture and Natural Resources Extension Educator, the day started with a breakfast meeting where the director heard from various young farmers on issues and struggles facing their operations. Newhouse then spent the day touring farms with the group and seeing first hand the diversity of Skagit agricultural land. The afternoon ended with a meet and greet with all Skagit county agriculturists at the research center.

## **April 22 Evening PIRT Meeting in Granger**

A public meeting on pesticide-related issues has been scheduled. Details are as follows:

[Pesticide Incident Reporting and Tracking \(PIRT\) Review Panel](#)

When: April 22, 2009, from 6 – 9 p.m.

Where: [Radio KDNA](#)

Northwest Communities Education Center  
121 Sunnyside Ave PO Box 800  
Granger, WA 98932

Spanish language translation will be available. There will be time for public comment after each topic and at meeting end.

### **Agenda Topics:**

- Welcome, Review Agenda and March Minutes, other PIRT Business, Dr. Cynthia Lopez, Department of Health
- The Work to Home Exposure Pathway -- Strategies to Protect Pregnant Women and Children, Helen Murphy, PNASH
- Science Corner -- Synergistic Toxicity of Pesticide Mixtures on Endangered Salmon Species, Vince Hebert, WSU
- Worker Protection Standard Rule Revision, Ann Wick, WSDA and Pam Edwards, L&I

- Comparison of WA Fees and Penalties for Pesticide Violations to Other States, Liesl Zappler, PIRT Public Member
- Washington State University Air Monitoring for MITC, Vince Hebert, WSU
- University of Washington Air Monitoring for Organophosphates, Michael Yost, UW
- 2009 - 2011 Washington Budget Update
- Public Comment
- Adjourn

For more information, or if an accommodation is needed for a disability, contact PIRT Review Panel Coordinator, [Fran McBride](#) at (360) 236-3367.

## **Bills of Interest**

Please note that since some bills have "died" there are two versions of bill tracking posted on our website. Please check the file name and date to distinguish between the two. Since there is always a chance a bill may be "revived" we judiciously keep a copy of bill tracking as it was before cutoff, in addition to the active bill tracking list. Both are available at:

<http://www.wsfb.com/issues/legisletter>.

## **Information Resources**

Washington Farm Bureau: [www.wsfb.com](http://www.wsfb.com)

Governor's Bill Actions: [www.governor.wa.gov](http://www.governor.wa.gov)

Legislative Information: [www.leg.wa.gov](http://www.leg.wa.gov)

Legislative Hotline: (800) 562-6000