

2014

LEGISLATIVE AGENDA



East King County
Chambers of Commerce
Legislative Coalition

The Coalition Represents 10 Chambers of Commerce

Bellevue • Bothell • Issaquah • Kirkland
Maple Valley-Black Diamond
Newcastle • Redmond • Sammamish
Snoqualmie Valley • Woodinville

www.eastkingchambers.org

COALITION EVENTS & PROGRAMS

www.eastkingchambers.org

Legislative Breakfast

January 7, 2014

Our premier annual event, where members from each chamber and our legislative delegation come together to discuss the upcoming session.

Chamber Day in Olympia

January 29, 2014

Chamber members and Coalition delegates engage legislators on the legislative priorities of the Eastside.

Legislative Wrap Up

Post-Session 2014

Legislators discuss session highlights and provide insight into next year's priorities.

Legislative Report Card

Post-Session 2014

See how legislators voted on the issues that matter most to the Eastside business community.

To our Legislative Delegation and Chamber Members:

The Eastside is an economic hub that is excited about growing jobs in 2014. The East King County Chambers of Commerce Legislative Coalition (EKCCCLC) advocates for business priorities. The Coalition is comprised of ten Chambers of Commerce. We appreciate the public servants who represent our communities and the challenges that they confront on our behalf each year. We believe the most effective way our legislators can confront those challenges is by listening to the business voice.

We look forward to working with our legislative delegation to develop a sustainable supplemental budget that funds our top priorities, provides a framework for economic growth, continues to focus on governmental and programmatic reforms, and builds reserves for a rainy day. We are an entrepreneurial-based economy that will be the top place for talent with the right investments. We look forward to working with our legislative delegation to discover innovative solutions to Washington's most pressing issues.

Focusing the 2014 Legislative session on the top priorities listed below will help the Eastside and Washington toward economic prosperity, high performing schools, and an efficient system of transportation. Each year, the EKCCCLC speaks in unison with a legislative agenda. As was the case last year, we believe the following should be the top policy priorities of the Legislature.

1. Transportation
2. Economic Development
3. Education

Effectively handling these three priorities – and all the issues highlighted in our full legislative agenda – will help Washington and the Eastside compete in a highly competitive global marketplace.

Whether directly involved with the EKCCCLC or not, business people need to have their voice heard in public affairs. Legislators want to hear from you. We encourage you to familiarize yourself with our positions and reach out to legislators via telephone or email when you have a moment or two and send a business-minded message to Olympia. We look forward to working with legislators in 2014 and believe the Eastside can compete with any other region in the world if the collective wisdom and experience of business leaders is applied to our most pressing legislative challenges.

Sincerely,



Pamela Hughes
2013-2014 Chair
East King County Chambers of Commerce Legislative Coalition

ECONOMIC DEVELOPMENT

2014 SESSION PRIORITY

Economic development and job creation must be a priority for Washington's legislature. A healthy and stable private sector ensures continued job growth and funding for the quality of life and public services that our citizens – and the Eastside of King County – have come to expect.

Washington businesses operate under one of the heaviest tax burdens in the nation¹. High taxes, coupled with other high employment costs, impair the ability of Washington employers to create and retain jobs. Absent significant taxation and regulatory reform, Eastside businesses will operate at a competitive disadvantage in a highly competitive global economy. Lowering and reforming business taxation while preserving tax incentives that spur entrepreneurship and job growth would ensure a healthy and competitive economic foundation for our region and state.

Additionally the legislature must be bold and proactive in streamlining the State's burdensome infrastructure improvement systems by enacting proven "lean" management tools that can reduce costs and increase efficiency.

We would like to see the legislature:

- Expand upon the sustainable – no new revenue measures – biennial budget passed in 2013 by passing significant business tax reform legislation to spur economic growth and entrepreneurship.
- Streamline the assessment and collection of B&O taxes to provide consistency throughout Washington.
- Provide tools for infrastructure funding through tax increment financing (or value capture financing).
- Identify innovative solutions to the Workers Compensation program that will reduce costs on employers, including allowing workers under the age of 55 to receive structured settlements as well as allowing private companies into the workers compensation system to increase choice and competition and reduce costs.
- Make the Washington estate tax exemption the same as the federal exemption and modify rates to be competitive with other states.

The Eastside is home to a robust, entrepreneurial, and ever-expanding technology sector – a sector that serves as a lynchpin for the region's long-term economic and workforce competitiveness. Across the Eastside, 150,000 people work among a sea of information technology businesses². The legislature can help foster that continued growth by:

- Renewing the high technology research and development tax incentives to help Washington and the Eastside compete nationally as a hot bed of information technology talent.
- Oppose unnecessary regulatory restrictions on emerging technologies.
- Support policies that encourage private sector investment infrastructure and development of advanced communications technologies to increase broadband availability and adoption, including public-private-partnerships in underserved areas.
- Encourage fair and robust competition to create greater consumer choice.

¹) Council on State Taxation

²) Washington Technology Industry Association

TRANSPORTATION**2014 SESSION PRIORITY**

The Coalition believes that the legislature should pass a statewide transportation package as soon as possible to provide funding for cost-effective transportation projects that allow continued economic expansion, increase personal mobility, reduce congestion, improve travel time reliability, implement the Growth Management Act, and enhance our natural environment. The emphasis of investments should be preservation of existing transportation assets and finishing incomplete projects that are critical to the State's primary economic corridors, such as I-90, SR-520 and I-405 serving East King County.

We believe effective investments in transportation infrastructure are best developed by adhering to the following basic principles:

Performance

- Primary emphasis must be placed on the maintenance and preservation of existing transportation assets.
- For new project investments, priority should be placed on congestion relief and travel time reliability for all users, by adding capacity and improving management. Projects should be prioritized based on safety, operational efficiency, market demand, contributions to economic development, improvement of freight mobility, and location in heavily populated and fast-growing urban and suburban areas.
- Legislative authority for High Occupancy Toll (HOT) lanes should only be provided if they: 1.) provide additional new capacity; 2.) generate positive revenue net of construction and operating costs; and 3.) increase overall through-put when compared to general purpose lanes.

Funding

- The transportation system must be understood holistically. In areas in which transit services complement roadway investments to allow for the efficient movement of employees and goods, local authority should be provided to allow transit investments and maintenance of local roads as needed.
- Financing plans necessary to fund the capital, operating, and maintenance costs of our transportation system should be weighted toward user fees as the primary source (e.g. gas tax).
- Revenues from tolling should be collected and spent on projects for the benefit of those who pay them and considered as a funding source only for specific high-cost facilities and additional highway capacity.
- All traditional and new transportation taxes and fees on automobiles and trucks (e.g. all road user taxes such as fuel taxes, weight fees and toll revenues) should remain and be dedicated to street and highway uses and be protected under the 18th Amendment of the Washington State Constitution.
- Any additional funding sources should be efficiently collected and have low administrative costs.

EDUCATION

2014 SESSION PRIORITY

Washington is confronted with a serious challenge that threatens the State's economic future. Too many students are leaving our education system without the skills needed to pursue higher education or compete for 21st century jobs. This education gap is particularly acute for Eastside businesses that need qualified employees in STEM (science, technology, engineering, and math), information technology, finance¹, health care, and skilled trade fields. It is estimated that by 2018, two-thirds of jobs in Washington will require post-secondary training. Our high school graduation rate (77.2%)² ranks 30th³ in the nation, our funding per K-12 student ranks 49th in the nation⁴ and we rank 36th in the nation in the production of bachelors' degrees⁵. Therefore, we urge the Legislature to support interaction, collaboration, and partnership between businesses and schools, and:

As it pertains to Early Learning through Grade 12 Education, we urge the Legislature to:

- Provide ample and reliable funding, combined with accountability, toward the desired results of:
 - Compliance with the McCleary Decision to fully fund basic education
 - More students graduating from high school on-time and ready for college and career
 - Enhanced math and science programs linked with career and college planning.
- Ensure reliable funding for school construction, including updating funding formulas to reflect current construction costs and allowing for needed construction of schools within districts that currently straddle Urban Growth Areas.
- Develop and review metrics and reports on the implementation of the new teacher and principal evaluation system with regard to its impact on desired outcomes.

As it pertains to Higher Education, we urge the Legislature to:

- Increase higher education funding so as to restore it to previous levels.
- Provide support to higher education institutions to help close the skills and education gap between graduates with two year, four year, and advanced degrees and the state's job market, especially in the engineering and computer science fields.
- Continue to provide colleges and universities with tuition-setting authority and operating flexibility to pursue efficiency and enhance performance outcomes deemed critical to the academic and workforce development mission of the institution.⁶
- Maintain commitments to the State Need Grant Program and the Washington Opportunity Scholarship Fund.
- Provide funding for necessary infrastructure projects at Eastside higher education institutions, including University of Washington Bothell, Bellevue College, Lake Washington Institute of Technology, Cascadia Community College, Renton Technical College, and Green River Community College.
- Identify and eliminate duplicative or unnecessary reporting requirements.

1) *Talent Pipeline Study, March 2012, Workforce Development Council for STEM, information technology, and finance.*

2) *Office of Superintendent of Public Instruction, Class of 2012 On-Time Graduation Rate*

3) *National Center for Education Statistics*

4) *State Higher Education Finance: FY 2012, State Higher Education Executive Officers (SHEEO), March 2013*

5) *US Department of Commerce, 2006, compiled by the Puget Sound Regional Council*

6) *The University of Washington has the fifth lowest undergraduate resident tuition and fees (\$12,383 for 2012/13) of peer institutions in the Global Challenge states.*

EMPLOYMENT AND BENEFITS

2014 SESSION POSITION

The Legislature can help Washington businesses create jobs and help our economy get back on track by doing the following:

- Maintain the right of employers to discuss work-related issues with employees; resist all efforts to eliminate or restrict employee choice and privacy with respect to secret ballot union elections; and do not impose state-level collective bargaining obligations on State employers or those employers who receive payments from the State.
- Repeal Family Leave Insurance Act of 2007 as an unfunded, unworkable mandate.
- Reduce wages and benefits for State employees to be consistent with average levels and types provided in the private sector, ensuring long-term budget sustainability.
- Privatize Worker's Compensation insurance to move the system towards greater choice and competition, thereby reducing costs.
- Do not expand Unemployment Insurance benefits and do not transfer UI funds to unrelated State programs. Freeze voluntary quits.

ENVIRONMENT

2014 SESSION POSITION

We must reassess our environmental priorities to ensure that we are receiving the most environmental benefit in a way that truly promotes long-term job creation and prosperity. Mandates tend to drive costs up and a blanket approach on environmental policy often creates undue or extreme hardships in local jurisdictions.

We urge the legislature to:

- Give local jurisdictions more flexibility on environmental mandates to determine what is best for their local conditions.
- Insist that environmental regulations, especially in urban areas, are market and incentive-based (not mandated) and that they have clearly defined, measurable outcomes. Focus on the financial/economic impacts of environmental regulations and sustainability initiatives – not just the environment and social impacts. Maintain a healthy balance among these three pillars of sustainability.
- Require State agencies with broad environmental mandates to have more accountability to the private sector by requiring an economic analysis to accompany significant regulatory proposals. Have clearly defined outcomes and designate clear areas of authority for achieving the desired outcomes.
- Oppose implementation of "Cap and Trade" at the state and local levels.
- Eliminate the State mandate to reduce per capita vehicle miles traveled.
- Repeal the 2012 Phase II Municipal Stormwater Permit for Western Washington requiring Stormwater Management Program.

ENERGY

2014 SESSION POSITION

A reliable, sustainable and affordable energy supply is vital to the economic growth and strength of Washington State.

We urge the Legislature to:

- Facilitate utilities' ability to comply with the requirements of the Energy Independence Act (I-937). Consider changes that clarify obligations, ease reporting and facilitate acquisition of all cost-effective conservation resources. Ensure the economic development and environmental benefits of the Initiative are balanced with appropriate cost caps to protect electric utility ratepayers.
- Encourage development of a diverse portfolio of cost-effective energy resources including but not limited to hydroelectric, geothermal, solar, wind, biomass, fuel cells, and tidal/wave power for electric and thermal generation. This would include energy storage technologies and smart grid investments for the transmission and distribution infrastructure necessary to deliver these energy resources to Washington's load centers.
- Recognize and support land-use planning requirements in a manner that will continue to protect the environment and ensure the reliability of energy services, including the necessity to upgrade existing and add new energy infrastructure and equipment to meet energy needs of businesses and residents. Allow cities to protect vital infrastructure information for security purposes.

GROWTH MANAGEMENT

2014 SESSION POSITION

As a State, we need to be prepared for anticipated growth by ensuring that there is an adequate supply of economically feasible buildable land with the infrastructure to support it. Our State must do no further harm to the construction industry and prepare for the future growth of our region. We must provide predictability, consistency and flexibility in our regulatory structure.

We urge the legislature to:

- Reduce State regulations to lower cost and/or improve predictability for construction that might conflict with impending national regulations.
- Require losing appellants to bear the actual costs created by private challenges to land development.
- Tie State infrastructure funding to cost-effective local investments.
- Enforce legislation that requires impact fees and infrastructure revenue from excise taxes to remain restricted to currently designated capital infrastructure and to be invested in a timely fashion.
- Ensure property owners are given a predictable process and just compensation for property takings and do not deprive owners of reasonable use.

HEALTH CARE

2014 SESSION POSITION

The Coalition believes the legislature must ensure that the private health insurance market is allowed the freedom and flexibility provided in The Patient Protection and Affordable Care Act (PPACA) to offer products that meet the needs of businesses and employees.

Ultimately, the legislature must support choice, competition, and affordability in the private health insurance market.

LIABILITY REFORM

2014 SESSION POSITION

The State's tort system places a repressive burden on businesses. The overall economy suffers when productivity and growth are slowed by excessive litigation, which discourages risk-taking and slows the introduction of new products and technologies. The cost of liability insurance is an increasing burden on the new business community.

We urge the legislature to:

- Defend against legislation that would create new causes of action and allow for further lawsuit abuse.
- Enact laws to limit lawsuit abuse and reduce the practice of using courts to regulate business.
- Advance proposals to help resolve cases faster and increase the fairness and predictability of the civil justice system.
- Support legislation that makes the reward proportional to the defendant's fault, limits defendants to only responsible parties and maximizes compensation for the plaintiff versus the lawyers



EAST KING COUNTY LEGISLATORS

District 1: Bothell • Woodinville • Kirkland • Kenmore



Sen. Rosemary McAuliffe
mcauliffe.rosemary@leg.wa.gov
360.786.7600



Rep. Luis Moscoso
luis.moscoso@leg.wa.gov
360.786.7900



Rep. Derek Stanford
derek.stanford@leg.wa.gov
360.786.7121

District 5: North Bend • Snoqualmie • Issaquah • Sammamish • Maple Valley



Sen. Mark Mullet
mark.mullet@leg.wa.gov
360.786.7608



Rep. Chad Magendanz
chad.magendanz@leg.wa.gov
360.786.7791



Rep. Jay Rodne
rodne.jay@leg.wa.gov
360.786.7852

District 32: Lake Forest Park • Kenmore • Kirkland



Sen. Maralyn Chase
chase.maralyn@leg.wa.gov
360.786.7880



Rep. Ruth Kagi
kagi.ruth@leg.wa.gov
360.786.7910



Rep. Cindy Ryu
cindy.ryu@leg.wa.gov
360.786.7121

District 41: Bellevue • Mercer Island • Issaquah • Renton • Newcastle



Sen. Steve Litzow
steve.litzow@leg.wa.gov
360.786.7641



Rep. Judy Clibborn
clibborn.judy@leg.wa.gov
360.786.7926



Rep. Tana Senn
tana.senn@leg.wa.gov
360.786.7894

EAST KING COUNTY LEGISLATORS

District 45: Kirkland • Woodinville • Redmond • Duvall • Carnation



Sen. Andy Hill
andy.hill@leg.wa.gov
360.786.7518



Rep. Roger Goodman
goodman.roger@leg.wa.gov
360.786.7878



Rep. Larry Springer
springer.larry@leg.wa.gov
360.786.7822

District 47: Maple Valley - Black Diamond



Sen. Joe Fain
joe.fain@leg.wa.gov
360.786.7518



Rep. Mark Hargrove
mark.hargrove@leg.wa.gov
360.786.7791



Rep. Pat Sullivan
sullivan.pat@leg.wa.gov
360.786.7858

District 48: Bellevue • Issaquah • Kirkland • Redmond • Medina • Clyde Hill • Yarrow Point • Hunts Point



Sen. Rodney Tom
tom.rodney@leg.wa.gov
360.786.7694



Rep. Cyrus Habib
cyrus.habib@leg.wa.gov
360.786.7121



Rep. Ross Hunter
hunter.ross@leg.wa.gov
360.786.7936

COALITION DELEGATES

Bellevue Chamber

*Betty Nokes, Irene Plenefisch
Kathy Putt, Ernie Simas

Bothell Chamber

Laurene Burton, *Lori Cadwell
Dick Paylor, Kelly Synder

Issaquah Chamber

*Matt Bott, Pam Hughes
Erin McCallum, Wright Noel

Kirkland Chamber

Jeff Cole, Walt Krueger
Patti Smith, *Bruce Wynn

Maple Valley-Black Diamond

Shane Davies, Tanya Neilson
Bryan Kelley, *Sue VanRuff

Newcastle Chamber

*Imelda Dulcich

OneRedmond

Bill Biggs, Tom Markl
*Bart Philips, Pat Vache

Sammamish Chamber

*Deb Sogge

Snoqualmie Valley Chamber

Gina Estep, *Nate Perea
Carolyn Simpson, Tom Watson

Woodinville Chamber

*David Witt

(*) denotes chamber executive



Legislative Hotline: 1-800-562-6000
Session Begins: Monday, January 13, 2014
www.leg.wa.gov

SPECIAL THANKS TO OUR COALITION SPONSORS

