



Olympia Report

Jim Honeyford

Serving all of Klickitat and Skamania counties, South Yakima county and southeast Clark county



State Senator • 15th District

FEBRUARY 20, 2009

This is the sixth week of the legislative session. As we move well past the one-third mark in this 105-day session we have yet to see sufficient action from the majority party to address the current budget deficit. After the November revenue forecast Senate Republicans urged majority Democrats to pass – in the session’s first week – a smaller, fiscally responsible supplemental budget for the remaining six months of the current biennium. We now have five months left in our current budget and the state is \$600 million in the hole. If we enact ongoing savings of \$600 million now, it will save us \$2.4 billion in the 2009-11 budget.

So what is the majority party waiting for? I am afraid that if this problem is not solved soon, they will turn to tax and fee increases. Below are just a few of the proposals that have been introduced by the majority party in Olympia.

Tax Watch

- SJR 8205 – State income tax
- SB 5393 – New tax on homeowner insurance policies
- SB 5432 – Raises I-747 limit on total property tax collections for some taxing districts
- SB 5518 – New tax on petroleum products
- SB 5626 – New tax on cigarettes
- SB 5608 – Hike in state property tax for school funding
- SB 5747 – New tax on plastic manufacturing businesses
- SB 5679 – New payroll tax to support paid family leave
- SB 5911 – B&O tax on farms, sales tax on farm auctions
- SB 5960 – Authorizes county governments to impose a new utility tax and increase the local sales tax without a vote of the people

Cap-and-tax scheme would lead to higher utility bills and fewer jobs

Over the last several weeks I have been warning you about how Senate Bill 5735, which would set up a regional cap-and-tax scheme, would cause the cost of electricity, natural gas, fuel – and any product made or transported in Washington – to skyrocket.

In the second round of public hearings on cap-and-tax we heard directly from one employer on how this bill would impact him. Robert Bleu, president of Shining Ocean, a food processing company in Sumner, testified that he strongly opposes cap-and-tax because it would make it more likely he will have to terminate a high number of his employees.

Mr. Bleu testified: “About five years ago, we moved our plant from Ballard to Sumner. If I were making that decision today, between the traffic problems, the highest minimum wage in America and this bill, I would seriously be considering taking our company out of this state. ... I am confident [the bill] will cost Washington jobs and cause some businesses to leave.”

I asked Mr. Bleu if he considered moving to Idaho to avoid cap-and-tax. He replied, “No. Texas.” If we want to keep employers like Robert Bleu in our state and attract others, we need to reject these risky environmental schemes like cap-and-tax.

If you would like to view the video of Mr. Bleu’s entire testimony, visit my website: www.senaterepublicans.wa.gov/honeyford.

Senate honors President Abraham Lincoln

February 12, 2009, marked the 200th anniversary of the birth of President Abraham Lincoln – our nation’s first Republican president and the courageous leader who helped bring about the end of slavery, while preserving the Union. To celebrate this great American hero and the principles he espoused that still guide us, I sponsored, and my colleagues unanimously adopted, Senate Resolution 8623.



Senate Republican Assistant Floor Leader

Committee assignments:

- Environment, Water & Energy, Ranking Member
- Labor, Commerce & Consumer Protection
- Ways & Means

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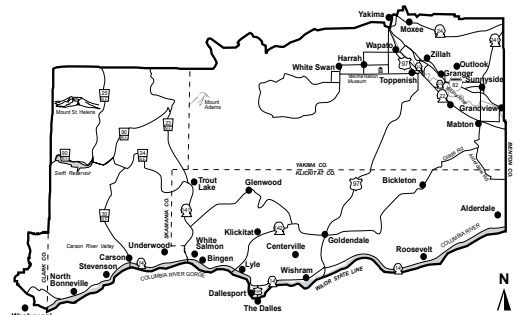
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15th District



Honeyford bill would provide year-round funding for school safety program

The 2007 Legislature directed the Superintendent of Public Instruction to convene a task force to examine how gangs are affecting school safety. One of the recommendations of this task force is to develop dedicated funding for schools to provide transition programs to help kids leave gangs. Some school districts have said that these programs are only effective if they can be operated year-round. I introduced Senate Bill 5715 to keep these residential educational programs for juvenile gang members open 220 school days per year. *SB 5715 received a public hearing in the Senate Early Learning and K-12 Education Committee.*

Proposal would ensure property tax rate keeps pace with modern agri-businesses

The state Department of Revenue recently discovered that the language in state law for levying property taxes on commercial agriculture properties is vague and may not include such agri-businesses as horse boarding. Property owners have become concerned that counties may try to collect back taxes from which they have been exempt. Senate Bill 5817 defines “commercial agricultural purposes” to capture modern agri-businesses and applies retroactively to taxes levied for collection in 2008 as well as to taxes levied in

the future. *SB 5817 received a public hearing in the Senate Agriculture and Rural Economic Development Committee on February 10.*

Senate approves increase in weekly unemployment benefits

House Bill 1906, which passed the House of Representatives on February 6, provides for a temporary increase in unemployment benefits by adding \$45 to the weekly benefit amount – making the minimum weekly benefit \$155. The increase would take effect in May, the earliest the state Employment Security Department could implement it, and would remain in place until January 3, 2010. The governor signed the bill on Feb. 16. Because of Washington’s high unemployment rate, the Employment Security Department is encouraging people to apply for benefits online at www.esd.wa.gov in addition to calling 800-318-6022. The phone system has automated features that may be helpful.

“Cut-off” deadline approaches in the Legislature

Feb. 25 is the last day for the House and Senate standing committees to act on their own bills, except those necessary to implement budgets (operating, capital, transportation). In the next *Olympia Update* I will be able to brief you on which major bills have cleared this important “cut-off” hurdle.

Please use this space for any comments, suggestions or problems you would like me to know about.
Or call the toll-free legislative hotline at 1-800-562-6000.



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