



32nd District

2011

Legislative Wrap-up



Rep. Ruth Kagi



Rep. Cindy Ryu

Dear Neighbors:

As seatmates in the state House of Representatives, we are joining together to send you this Legislative Wrap-up. Together, we are honored to serve the people of the 32nd Legislative District.

The 2011 Session has concluded. It took the full 105-day regular session and one 30-day special session to complete the extremely challenging task of balancing a new two-year budget for our state. Demand for state services continues to rise while state sales tax collections – our primary source of revenue – are declining. The result was a revenue shortfall in the 2011-2013 state budget that had to be closed.

Lawmakers balanced the budget, but made \$4.5 billion in cuts to get there. The box on the right shows details of the final budget. New revenue was not an option this year, due to the inability to achieve the 2/3 majority vote required under Initiative 1053.

There is no painless way to cut \$4.5 billion from our state budget. Programs end and services are cut. We're deeply concerned about the cuts to public education, higher education, and human services. However, the final budget is responsible given the constraints legislators had to work within. Every attempt was made to protect funding for basic education and the most vulnerable in our communities. It was also important to ensure that the cuts made do not impede economic recovery.

We hope you find the information in this Legislative Wrap-up useful, and please don't hesitate to contact us if you have any questions, comments, or concerns.

Sincerely,

Rep. Ruth Kagi

Rep. Cindy Ryu

Budget Details

With a \$5.1 billion projected shortfall, Washington was one of 44 states facing a budget deficit this year.

The legislature closed the shortfall through cuts (\$4.5 billion) and fund transfers (\$459 million)

Examples of cuts made to balance budget:

- \$1.2 billion saved by suspending of voter-approved class size and teacher pay initiatives
- \$535 million cut from state colleges and universities
- \$344 million saved by eliminating automatic cost-of-living increases for retired teachers and public employees
- \$177 million saved by cutting state employee salaries 3 percent
- \$179 million saved by cutting K-12 employee salaries 1.9 percent
- \$129 million cut from the state's Basic Health Plan by tightening eligibility requirements and freezing enrollments
- \$116 million cut from Disability Lifeline, which provides assistance to those who cannot work due to a severe mental or physical disability
- \$97 million saved by reducing personal care hours for long-term care and developmentally-disabled clients

What lawmakers saved:

- Levy-equalization funding for K-12 public schools
- State Need Grant funding for higher education
- All-day kindergarten
- Health care coverage for low-income children (Apple Health)

Toll Free Legislative Hotline:

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- 2011 Committees:**
- Early Learning & Human Services (Chair)
 - Health & Human Services Appropriations & Oversight
 - Ways & Means

Bolstering Early Learning

Washington is a national leader in recognizing the importance of early learning to children's success in school and life. The legislature kept its commitment to our youngest learners by maintaining preschool funding for low income children, full-day kindergarten, child care for low income parents, and creating WAKIDS – a method for teachers to assess kindergartners' needs as they enter school, and engage parents early on in their child's educational journey. We're also leveraging private and federal dollars to fund home visiting programs, supporting high risk parents with very young children.

Budget Cuts Stretch Safety Net

As more and more families seek help in this tough economy, the state's resources have been greatly diminished. We worked hard to keep the safety net intact, but it is tattered and frayed.

Over 5,000 Washington families with 12,000 children lost state assistance February 1 when they reached their five-year limit for cash assistance. An additional 280-300 families lose benefits each month. Our state has seen a 37% increase in the number of homeless children in Head Start programs.

Cash assistance for over 19,000 disabled individuals through the state Disability Lifeline program will terminate on November 1, although

housing assistance will still be provided for some. Community agencies and churches have already seen a dramatic increase in those seeking help.

Reforms were made to state welfare programs (**Senate Bill 5921**) to stretch the limited resources available, and assure they are well spent. Restrictions on the use of electronic benefit cards will help prevent fraud and misuse, and DSHS resources to investigate and prosecute fraud and abuse are bolstered.

State Parks – New User Fee

Budget cuts hit our state parks system hard, with \$60 million cut from the State Parks budget (approximately two-thirds of their funding). Over 100 parks faced closure.

To keep parks and recreational lands open and accessible to the public, Washington now joins 41 other states that charge park access fees, including neighboring states Idaho and Oregon.

New access fees go into effect July 1, 2011. Here is some important information you should know:

Cost/Where to Buy

- An annual "Discover Pass" providing access to state parks and recreational lands can be purchased online or by phone (see below) and at sporting goods or retail stores that sell hunting and fishing licenses. The cost is \$35, including transaction and dealer fees.
- A one-day vehicle pass for state parks is \$11.50 including all fees.

You **do not** need a Discover Pass or day pass if:

- You have a campground reservation stub or camping fee receipt
- You hold a hunting or fishing license and are in a recreational area managed by the state Department of Fish and Wildlife
- You have a Sno-Park permit (Nov. 1 – Mar. 31 only)
- You are using a state parks boat launch and hold an annual Natural Investment Permit

Need more info about the new fee?

Call toll-free (866) 320-9933

On the web: www.discoverpass.wa.gov



Retired admirals and generals join Rep. Kagi in advocating for the importance of early learning.

Protecting Kids

Studies reveal that when young children experience prolonged abuse and/or neglect, chemicals are released that can alter brain development. The damage correlates with serious health problems later in life, such as heart disease, diabetes, obesity, mental health problems and substance abuse.

In response to interest from the philanthropic community, I sponsored legislation (**House Bill 1965**) authorizing a public-private partnership supporting community-based efforts to prevent and address the effect of Adverse Childhood Experiences (ACEs). Washington is fortunate to have generous private donors and foundations supporting our efforts to build a healthier society.



Helping Businesses Create Jobs

As a former Shoreline Chamber of Commerce President, I know we can do more to help businesses create good jobs. This philosophy helped me pass two of my first laws. One (**HB 1916**) ensures that our Department of Commerce will put more emphasis on helping *small* businesses—including small local businesses that have often been neglected in the past. The other (**HB 1937**) enables communities to use local economic development tools to invest in job growth in Innovation Partnership Zones.

I'm also happy that we enacted new regulatory reforms that will reduce business costs without compromising the values that rules serve.

- New Unemployment Insurance reforms supported by business *and* labor will save Washington businesses \$300 million in this year alone.
- Small businesses will now get seven days (up from just two days) to fix rule violations before state regulators can issue fines or citations. Contractors will also get 10 additional days to appeal Labor & Industry infractions.
- We listened to small businesses and strengthened the Regulatory Fairness Act and Office of Regulatory Assistance to reduce regulatory costs and hassles.

I promise to continue my work to help businesses and our workforce. If *you* have any ideas on this or any issue, please let me know. Your idea might make a great law in 2012!

Even though a majority of the House of Representatives voted for our bill to help schools, it died because I-1053 requires a two-thirds *super*-majority to close tax loopholes. We think it's wrong that the will of the majority to support schools can be blocked by a minority that opposes closing any tax loopholes whatsoever. In fact, under I-1053 a mere 17 Senators can override the principle of majority rule and the will of all 130 other lawmakers. This is why many private citizens and groups that support public schools are questioning the constitutionality of I-1053. For the sake of our schools and our values, we'd like these constitutional questions cleared up as soon as possible.

Protecting Homes and Homeowners

Home foreclosures and mortgage fraud are tragic byproducts of the Great Recession. They can take a family's home—which is often their life savings—overnight. I wanted to help and was honored to lead the effort to save Washington's Mortgage Fraud Prosecution Account (**HB 1191**). This key tool for protecting homeowners and prosecuting criminals was set to expire in June. Fortunately, prosecutors helped me to save the program for at least five more years.

To help homeowners facing possible foreclosure, Ruth and I proudly co-sponsored the Foreclosure Fairness Act (**HB 1362**). It will give thousands of homeowners the right to meet with housing counselors, lenders and *independent* mediators—and makes a lender's failure to negotiate in good faith during mediations a violation of the Consumer Protection Act.

The Foreclosure Mediation Program officially begins on July 22. **To find a counselor right now, please call Washington State's foreclosure prevention hotline: 1-877-894-HOME (1-877-894-4663).**

Supporting Our Schools

Education is our state's paramount duty because good schools and teachers have always been the key to prosperity and the American Dream. That's why we worked so hard to raise \$100 million for schools by shrinking an expensive tax loophole for banks. Washington is the *only* state to give this tax preference to out-of-state banks, and even bank lobbyists admitted that ending this \$100 million loophole would have *no effect* on mortgage rates in Washington.



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2011 Committees:

- Business & Financial Services
- Community Development & Housing
- Rules
- Transportation



Rep. Ryu and state Transportation
Secretary Paula Hammond

Rep. Ruth Kagi



Rep. Cindy Ryu



Point Wells:

Legislation proposed; tentative agreement reached

Earlier this year, we sponsored a bill to ensure that cities impacted by the proposed Point Wells development would have a voice in determining mitigation of traffic, safety, and other concerns. The bill came out of concern expressed

by constituents about the development's impact on the Richmond Beach neighborhood, and affected residents feeling shut out of the planning process.

We are pleased to report that officials from Snohomish County and the City of Shoreline reached a tentative agreement in March to work cooperatively on mitigation efforts and public outreach. Because the agreement was reached locally, we withdrew our legislation. However, we will be closely monitoring the process to make sure the terms of the agreement are upheld by all parties.



Community Investments

Lawmakers approved transportation funding for a Lake Forest Park park and ride, SR 522 safety improvements in Kenmore, and an SR 523 corridor study. We hope this study will propel much-needed improvements on SR 523. These investments – and new capital budget investments to improve Shoreline Community College and add ten acres to St. Edward State Park – will serve our communities for many years to come.

Please visit our websites:

www.housedemocrats.wa.gov/roster/rep-ruth-kagi

www.housedemocrats.wa.gov/roster/rep-cindy-ryu

