Despite facing the most challenging economic times in many decades, the 2012 Legislature concluded its work on a positive note in April. As your representatives, we focused on five key goals, and by the end of sometimes contentious deliberations, we achieved several objectives:

**Education**
- Approved a budget for Early Learning, Basic Education and Higher Education with no cuts to our schools, colleges, and universities.

**Jobs**
- Enacted the Jobs Now Act, a $1 billion effort that will create over 20,000 jobs, putting the unemployed to work constructing and renovating schools, housing, local public works, environmental and community projects, all across the state.

**Security**
- Saved the safety net:
  - Apple Health for all kids,
  - Basic Health Plan for low-wage working people,
  - Disability Lifeline for the mentally ill and others with disabilities,
  - Home Security Fund for housing and support for the homeless,
- and many other critical services for the people of our Washington.

- Created a new Health Care Exchange, to help implement the federal Affordable Care Act.
- Protected funding for Family Planning.

**Equality**
- Enacted Marriage Equality in Washington State, a historic achievement.

**Opportunity**
- Sustained student financial aid, State Need Grants and Opportunity Grants, which we increased last year to help students in our colleges and universities.
- Began to implement the Opportunity Scholarship Fund, to provide awards to low and middle income students, matching millions of dollars in private contributions.
2012 LEGISLATIVE REVIEW

MARRIAGE EQUALITY FOR WASHINGTON

In 2012, the Washington legislature made history. We became the first legislature in the history of our country to repeal a so-called “Defense of Marriage Act” and to permit gay and lesbian couples to marry. Now, same-sex couples and their families will have the right to express their love and commitment the way that different-sex couples do – through civil marriage.

We are very proud of the collaborative work that our delegation did over the last few years to help get our state to this point. After the disappointing 2006 decision from our state supreme court, we passed a series of domestic partner laws culminating in the “everything but marriage” bill in 2009. When opponents put that bill on the ballot, Washington voters became the first state in history to give rights and responsibilities to same-sex couples by approving Referendum 71. In 2011, the legislature clarified that legal parentage can be created not only by biology or adoption, but also by intent through assisted reproduction.

And after many months of intensive preparation, in January we introduced marriage equality bills in the House and Senate at the request of Governor Gregoire. Throughout the legislative process, we heard from families, children, and religious and business leaders who supported recognizing the loving relationships of same-sex couples for what they are: marriages. Our colleagues from around the state took courageous stands in favor of equality and the bill was signed into law on February 13th.

Opponents immediately filed a referendum challenge to the bill and are collecting signatures to place it on the ballot as Referendum 74. We have always assumed that this issue would be decided by Washington voters. Although it will not be easy, we feel optimistic that Washington voters will favor equality.

This year Rep. Pedersen introduced a bill requested by the state Bar Association to create a new type of business entity in Washington: a social purpose corporation. That’s a corporation whose shareholders decide that the corporation can have purposes other than maximizing profits. For example, the corporation and its board of directors may be charged with making sure that its actions protect its workforce or the environment.

That is a subtle but profound change from existing law. Currently, for example, if a board of directors is evaluating an offer to purchase a corporation, it has a duty to shareholders to choose the highest-priced offer. This has led corporate boards to conclude that they could be held liable for preferring offers that might, for example, keep all of the corporation’s factories open but include a lower purchase price. The social purpose corporation avoids this problem by allowing shareholder to decide in advance that they share values other than maximizing their financial best interests.

The Governor signed this bill into law last month. We think that when the law goes into effect this summer, we will start to see more and more “SPCs” doing well and doing good throughout our state.

PROTECTING CORPORATE CITIZENSHIP:

ChALLENGING THE CONSTITUTIONALITY OF I-1053

In 2010 Washington voters approved Tim Eyman’s Initiative 1053, which requires a two-thirds majority vote of the state legislature to raise taxes. The initiative specifically includes repealing tax loopholes as “raising taxes”. This requirement has substantially interfered with the ability of the legislature to provide adequate – let alone ample – funding for public education and the safety net.

Over the last few years, we have had several bills come to the floor that would have raised revenue for public safety and public education. Last year, we tried to close a loophole for out-of-state banks to reduce class sizes in the early grades. This year, we considered a bill that would have closed an exemption from sales-tax for residents of other states, which would have gone a long way toward funding all-day kindergarten (it costs $26 million per year!). Those bills received majority votes, but not a 2/3 majorities, and were declared failed.

In July 2011, we worked with a group of colleagues in the House to organize a lawsuit challenging the constitutionality of the supermajority requirement. Rep. Pedersen is one of the named plaintiffs in the case, which is titled League of Education Voters v. State of Washington.

The state constitution clearly spells out the general rule that bills should pass by simple majority, and then enumerates a series of exceptions when higher vote thresholds are required (such as approving the sale of bonds). Raising taxes is not one of the exceptions. We had our oral argument in King County Superior Court on March 9 and expect a ruling from Judge Heller shortly. With any luck, the case could be before the state Supreme Court next fall – and we could finally be free to have real discussions about revenue as early as the 2013 session.

PROTECTING THE COMMUNITIES AROUND SR 520

Late last year, Washington State Department of Transportation (WSDOT) representatives approached us about continuing to build a bare-bones bridge westward to the Montlake interchange with minimal design or environmental mitigation. They promoted this idea as a way to draw down a low-rate loan from the federal government.

We did not believe that this was a fair proposal for our communities. We worried that the state might build these six lanes into Montlake and subsequently lose interest in funding the mitigation measures that had been promised to the west-side communities. We worked with Senator Murray to place in statute a prohibition on WSDOT from engaging in or entering into contracts for construction of the bridge west of Madison Park until the legislature has approved a plan to finance the entire SR 520 project. This change will mean at a minimum that our communities will get the mitigation measures that they have been promised, and should also give us at least one more opportunity to improve the proposal before construction on the west side begins.