

WASHINGTON BUSINESS

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THE VOICE OF WASHINGTON BUSINESS

AWB
100
years
Official Publication of the
Association of
Washington
Business

July / August 2004

What the Legislature did this year.

2004 Session Review
AWB Report Card

www.awb.org \$3.95



2004 Legislative Report Card

Compiled by AWB Staff

It is that time of the year again, where the Association of Washington Business shares the results of closely tracked bills that would impact Washington's business community. With the 2004 Legislative Session over, AWB presents its annual assessment of each and every legislator, as well as the governor.

The Legislative Voting Record is compiled from AWB's Government Affairs Council's list of the most important bills to our state's businesses. The record reveals legislators' level of support for AWB's positions on key legislation and amendments.

AWB has opposed some bills, but supported amendments to make these bills less onerous and closer to AWB's positions. Such amendments are noted.

AWB's legislative objectives determine whether we will support or oppose a bill. Our legislative objectives are drafted and approved by AWB's members prior to the start of a legislative session.

New for 2004

This year's Report Card includes scores from other organizations as well. These scores were included to help readers determine the legislative leanings for each representative. Scores from the Washington State Labor Council (WSLC) and the Washington Conservation Voters (WCV) are provided for informational purposes next to AWB's 2004 score.

Additionally, a "Combined Score" column has been added, which is the average AWB

score for each legislator when the 2003 and 2004 voting records are combined. Keep in mind that it isn't simply an average of percentages, but the final score when all bills from both sessions have been aggregated and the proper point values have been assigned.

Since this is the "2004 Legislative Voting Record," the tables are sorted by the 2004 scores; however, when you visit www.awb.org, you will be able to sort the tables in a number of ways, including: by district; by last name; by combined score; etc.

For more information on the bills described in the 2004 Legislative Report Card, please read through AWB's 2004 Legislative Session Review inserted into this issue of *Washington Business Magazine*.

Gov. Gary Locke's 2004 Voting Record Percentage: 75%

<u>Bill</u>	<u>Description</u>	<u>AWB Position</u>	<u>Governor's Action</u>
HB 2295	Charter Schools	Supported	Signed
HB 2460	Small Group Ins. Reform	Supported	Signed / Partial Veto
HB 2485	Tort Interest rate	Supported	Signed
HB 2488	Electronic Waste	Supported	Signed
HB 2546	R&D Tax Incentives	Supported	Signed
HB 2573	Capital Budget	Opposed	Signed
SB 6211	School District Levy	Opposed	Signed
SB 6237	AG Land Use	Supported	Signed
SB 6240	Tax Incentives in Rural Counties	Supported	Signed
SB 6415	Storm Water	Supported	Signed
SB 6428	Provider Suspension	Supported	Signed
SB 6489	Unfair Compensation	Supported	Signed

Bill Descriptions

► TAX & FISCAL POLICY

HB 2546 ► High Technology and Research and Development Tax Incentives Boldt Amendment

Rep. Marc Boldt (R-Hockinson) offered an amendment to HB 2546, which would have prevented the Dept. of Revenue from disclosing to the public proprietary data when a taxpayer claims the high technology research and development tax credit. In particular, the amendment deleted the requirement that the agency disclose the amount of B&O tax credit taken. AWB supported the amendment so that businesses would not be forced to reveal competitive and proprietary information. By a House vote of 45-53, the amendment failed. A “Y” vote reflects AWB’s support for this amendment.

HB 2546 ► High Technology and Research and Development Tax Incentives Final Passage

By a vote of 86-12, the House extended the business and occupation tax (B&O) credit for research and development (R&D) spending from Dec. 31, 2004, to Jan. 1, 2015. The bill extends the sales and use tax exemption for new, expanded or diversified operations in R&D or pilot scale manufacturing from July 1, 2004, to July 1, 2015. This legislation limits the R&D credit calculation to the amount of R&D expenditures in excess of 0.92 percent of taxable income and computes the credit for firms other than non-profits using the firm’s average tax rate rather than 1.5 percent. A “Y” vote reflects AWB’s support for this bill.

HB 2573 ► Capital Budget McMorris Amendment

Rep. Cathy McMorris (R-Colville) proposed an amendment to remove from the capital budget a \$6 million appropriation for the Employment Resource Center (ERC). AWB supported the amendment because the capital budget funded the ERC with Reed Act money. Reed Act funds reside in the state’s unemployment insurance account and are viewed by Washington state businesses as a resource to maintain consistent rates during times of high unemployment. By a House vote of 46-51, the amendment failed. A “Y” vote reflects AWB’s support for this bill.

HB 2573 ► Capital Budget 3rd Reading and Final Passage

Rep. Hans Dunshee (D-Snohomish) sponsored HB 2573, the supplemental capital budget appropriations bill for fiscal years 2004-05. The Legislature approved additional capital appropriations of \$211 million to the \$2.6 billion construction budget. The supplemental budget does not require a bond bill to finance the additional projects. The Legislature considered three areas of investment in the supplemental capital budget: (1) prison expansion, (2) water-related projects, and (3) higher education projects. The Legislature decided to delay investment in prison expansion until 2005, approve a small water-related project package of \$46.7 million, and move forward with a significant higher education project list in the amount of approximately \$115 million. AWB supported HB 2573 with the McMorris Amendment. By a vote of 47-1, the Senate approved HB 2573. Although there were many good items in the capital budget, AWB was not able to support its passage as long as the diversion of Reed Act funds from the state’s unemployment insurance account to the ERC remained in the budget. This problem would have been prevented by the McMorris Amendment. An “N” vote reflects AWB’s opposition to this legislation without the McMorris Amendment.

SB 4204 ► Simple Majority for School Levy Passage Final Passage

By a vote of 68-29, the House voted to amend the state Constitution so that a simple majority of votes may authorize a school levy. Currently, school levies must have 60 percent supermajorities in order to pass. An “N” vote reflects AWB’s opposition to this bill.

SB 6211 ► School District Levy Base Calculation Final Passage

The House voted 68-25 and the Senate voted 35-14 to enact SB 6211, which revises school district levy base calculation. For excess levies and levy equalization allocations in calendar years 2005 through 2007, each district’s levy base is increased by (1) the difference between the amount the district would have received in the current school year under Initiative 728 as originally passed by voters and the amount the district actually receives in the current school year under I-728 as amended in 2003, and (2) the difference between the amount the district would have received in the prior school year under I-732 as originally passed by voters and the amount the district actually received in the prior school year under I-732 as amended in 2003. The increase in the levy base is offset by any additional amounts added to the levy base as a result of enactment of an initiative to the people subsequent to the effective date of the bill. An “N” vote reflects AWB’s opposition to this bill.



Photo courtesy of Senate Photography

Sen. Joe Zarelli (R-Ridgefield) discusses the capital budget with Sen. Steve Johnson (R-Covington).

SB 6239 ► Research and Development Tax Incentives 3rd Reading and Final Passage

The Senate voted 35-13 to extend high tech tax credits for six more years. SB 6239 allowed B&O tax credit for high technology research and development to be used until Jan. 1, 2011. The high technology deferral program was expanded to include the state research universities. SB 6239 would exempt high tech research and development projects for the federal government that would qualify for the deferral program if undertaken by a private entity from sales and use tax, and extended this deferral to July 1, 2010. The high technology deferral program was also made available statewide to businesses involved in high tech research and development and pilot scale manufacturing. The deferral program would allow these businesses to defer sales and use taxes on buildings, machinery and equipment, and installation labor. A “Y” vote reflects AWB’s support for this bill.

WASHINGTON SENATE

* Were not in the Senate in 2003.
 † Washington State Labor Council
 ‡ Washington Conservation Voters

	2004		Combined Percentage	2004		Bill Number Vote Count	AWB's Position →
	Percentage	2003 Percentage		WSLC [†]	WCV [‡]		
Sen. Benton	80%	93%	89%	27%	36%		
Sen. Berkey	50%	0%*	50%	91%	60%		
Sen. Brandland	90%	98%	95%	18%	36%		
Sen. Brown	26%	33%	31%	100%	86%		
Sen. Carlson	90%	93%	92%	27%	64%		
Sen. Deccio	90%	97%	94%	10%	15%		
Sen. Doumit	50%	61%	57%	82%	36%		
Sen. Eide	50%	44%	46%	91%	79%		
Sen. Esser	90%	95%	93%	18%	36%		
Sen. Fairley	21%	26%	24%	100%	86%		
Sen. Finkbeiner	89%	95%	93%	18%	50%		
Sen. Franklin	35%	29%	31%	100%	86%		
Sen. Fraser	25%	29%	28%	100%	85%		
Sen. Hale	90%	98%	95%	18%	21%		
Sen. Hargrove	60%	58%	58%	73%	36%		
Sen. Haugen	70%	70%	70%	55%	71%		
Sen. Hewitt	90%	98%	95%	18%	21%		
Sen. Honeyford	90%	95%	93%	18%	0%		
Sen. Horn	90%	98%	95%	18%	21%		
Sen. Jacobsen	35%	34%	34%	82%	71%		
Sen. Johnson	90%	95%	93%	18%	14%		
Sen. Kastama	50%	54%	52%	82%	79%		
Sen. Keiser	30%	28%	29%	98%	86%		
Sen. Kline	20%	25%	23%	100%	100%		
Sen. Kohl-Welles	35%	37%	36%	82%	100%		
Sen. McAuliffe	45%	37%	39%	91%	93%		
Sen. McCaslin	85%	94%	91%	18%	21%		
Sen. Morton	90%	98%	95%	18%	7%		
Sen. Mulliken	90%	93%	92%	18%	14%		
Sen. Murray	85%	0%*	85%	18%	20%		
Sen. Oke	90%	98%	95%	18%	21%		
Sen. Parlette	90%	98%	95%	18%	21%		
Sen. Pflug	90%	0%*	90%	18%	40%		
Sen. Poulsen	32%	33%	33%	90%	93%		
Sen. Prentice	30%	37%	34%	91%	79%		
Sen. Rasmussen	65%	83%	77%	64%	57%		
Sen. Regala	25%	27%	26%	100%	93%		
Sen. Roach	85%	95%	92%	18%	14%		
Sen. Schmidt	89%	98%	95%	18%	21%		
Sen. Sheahan	90%	98%	95%	18%	21%		
Sen. Sheldon, B.	35%	39%	38%	91%	71%		
Sen. Sheldon, T.	95%	98%	97%	18%	25%		
Sen. Shin	50%	59%	56%	91%	77%		
Sen. Spanel	30%	29%	30%	100%	86%		
Sen. Stevens	89%	95%	93%	18%	14%		
Sen. Swecker	90%	95%	93%	18%	21%		
Sen. Thibault	22%	23%	22%	100%	100%		
Sen. Winsley	70%	66%	67%	45%	71%		
Sen. Zarelli	90%	98%	95%	18%	21%		

	Capital Budget Final Passage	School District Levy Final Passage as Amended by the House	R&D Tax Incentive Provisions Final Passage	Tax Incentives in Rural Counties Final Passage as Amended by the House	Electronic Waste Final Passage as Amended by the Senate	Agricultural Land Use Final Passage	Stormwater Final Passage	Small Group Reform Deccio Striker	Delay of Rules Final Passage	Federal Rules Final Passage
	2573 47-1 N	6211 35-14 N	6239 35-13 Y	6240 49-0 Y	2488 48-0 Y	6237 49-0 Y	6415 33-13 Y	2460 25-23 Y	5052 38-10 Y	5053 26-23 Y
	Tax & Fiscal				Environmental			Health Care	Regulatory Reform	
Sen. Benton	Y	Y	Y	Y	Y	Y	Y	N	Y	Y
Sen. Berkey	Y	N	Y	Y	Y	Y	Y	N	Y	N
Sen. Brandland	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Brown	Y	Y	N	Y	Y	Y	N	N	Y	N
Sen. Carlson	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Deccio	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Doumit	Y	N	Y	Y	Y	Y	Y	N	Y	N
Sen. Eide	Y	N	Y	Y	Y	Y	Y	N	Y	N
Sen. Esser	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Fairley	Y	Y	N	Y	Y	Y	N	N	N	N
Sen. Finkbeiner	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Franklin	Y	N	N	Y	Y	Y	N	N	Y	N
Sen. Fraser	Y	Y	N	Y	Y	Y	N	N	N	N
Sen. Hale	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Hargrove	Y	N	N	Y	Y	Y	Y	N	Y	N
Sen. Haugen	Y	N	Y	Y	Y	Y	Y	Y	Y	N
Sen. Hewitt	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Honeyford	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Horn	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Jacobsen	Y	N	N	Y	Y	Y	N	Y	N	N
Sen. Johnson	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Kastama	N	N	N	Y	Y	Y	Y	N	Y	N
Sen. Keiser	Y	Y	N	Y	Y	Y	E	N	Y	N
Sen. Kline	Y	Y	N	Y	Y	Y	N	N	N	N
Sen. Kohl-Welles	Y	Y	Y	Y	Y	Y	N	N	N	N
Sen. McAuliffe	Y	N	Y	Y	Y	Y	N	N	Y	N
Sen. McCaslin	Y	Y	Y	Y	Y	Y	E	Y	Y	Y
Sen. Morton	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Mulliken	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Murray	Y	Y	Y	Y	Y	Y	Y	N	Y	Y
Sen. Oke	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Parlette	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Pflug	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Poulsen	Y	Y	N	Y	Y	Y	N	N	Y	N
Sen. Prentice	Y	N	N	Y	Y	Y	N	N	N	N
Sen. Rasmussen	Y	Y	Y	Y	Y	Y	Y	Y	Y	N
Sen. Regala	Y	Y	N	Y	Y	Y	N	N	N	N
Sen. Roach	Y	Y	Y	Y	Y	Y	Y	N	Y	Y
Sen. Schmidt	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Sheahan	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Sheldon, B.	Y	N	Y	Y	Y	Y	N	N	N	N
Sen. Sheldon, T.	Y	N	Y	Y	Y	Y	Y	Y	E	Y
Sen. Shin	Y	N	Y	Y	E	Y	Y	E	Y	N
Sen. Spanel	Y	N	N	Y	Y	Y	N	N	N	N
Sen. Stevens	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Swecker	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Sen. Thibault	E	Y	E	Y	Y	Y	E	N	N	N
Sen. Winsley	Y	Y	Y	Y	Y	Y	Y	N	Y	Y
Sen. Zarelli	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

WASHINGTON HOUSE OF REPRESENTATIVES

* Were not in the House in 2003.
 † Washington State Labor Council
 ‡ Washington Conservation Voters

	2004 Percentage	2003 Percentage	Combined Percentage	Bill Number Vote Count		AWB's Position ▶									
				2004 WSLC [†]	2004 WCV [‡]	2546 45-53	2546 86-12	2573 46-51	4204 68-29	6211 68-25	6240 93-3	2488 97-0	6237 95-0	6415 95-1	4419 64-31
						Tax & Fiscal				Environmental					
Rep. Ahern	100%	85%	90%	8%	11%	Y	Y	Y	N	N	Y	Y	Y	Y	N
Rep. Alexander	87%	91%	90%	8%	22%	Y	Y	Y	Y	Y	Y	Y	Y	Y	N
Rep. Anderson	87%	94%	92%	8%	56%	Y	Y	Y	Y	Y	Y	Y	Y	Y	N
Rep. Armstrong	80%	94%	90%	25%	11%	Y	Y	Y	Y	N	Y	Y	Y	Y	N
Rep. Bailey	87%	91%	90%	8%	33%	Y	Y	Y	Y	Y	Y	Y	Y	Y	N
Rep. Benson	93%	85%	88%	17%	22%	Y	Y	Y	N	Y	Y	Y	Y	Y	N
Rep. Blake	53%	57%	56%	83%	44%	N	Y	N	Y	N	Y	Y	Y	Y	Y
Rep. Boldt	93%	94%	94%	8%	22%	Y	Y	Y	Y	N	Y	Y	Y	Y	N
Rep. Buck	93%	91%	92%	8%	44%	Y	Y	Y	N	Y	Y	Y	Y	Y	N
Rep. Bush	93%	83%	86%	25%	22%	Y	Y	Y	N	N	Y	Y	Y	Y	Y
Rep. Cairnes	80%	89%	86%	25%	22%	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Rep. Campbell	53%	59%	57%	67%	38%	N	Y	N	Y	N	Y	Y	Y	Y	Y
Rep. Carrell	87%	86%	86%	17%	22%	Y	Y	Y	N	Y	Y	Y	Y	Y	N
Rep. Chandler	93%	91%	92%	8%	11%	Y	Y	Y	N	Y	Y	Y	Y	Y	N
Rep. Chase	33%	29%	30%	100%	100%	N	N	N	Y	Y	N	Y	Y	Y	Y
Rep. Chopp	57%	51%	53%	75%	78%	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Clements	87%	89%	88%	25%	11%	Y	Y	Y	N	N	Y	Y	Y	Y	Y
Rep. Clibborn	60%	54%	56%	83%	78%	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Cody	47%	31%	36%	100%	78%	N	N	N	Y	Y	Y	Y	Y	Y	Y
Rep. Condotta	87%	88%	88%	25%	11%	Y	Y	Y	N	N	Y	Y	Y	Y	N
Rep. Conway	40%	37%	38%	100%	78%	N	N	N	Y	Y	Y	Y	Y	Y	Y
Rep. Cooper	47%	34%	38%	92%	100%	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Cox	87%	91%	89%	17%	11%	Y	Y	Y	N	Y	Y	Y	Y	Y	N
Rep. Crouse	100%	83%	89%	17%	22%	Y	Y	Y	N	E	Y	Y	Y	Y	N
Rep. Darneille	40%	37%	38%	100%	89%	N	N	N	Y	Y	Y	Y	Y	Y	Y
Rep. DeBolt	93%	88%	90%	8%	22%	Y	Y	Y	N	Y	Y	Y	Y	Y	N
Rep. Delvin	87%	90%	89%	17%	22%	Y	Y	Y	N	Y	Y	Y	Y	Y	N
Rep. Dickerson	53%	31%	38%	83%	100%	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Dunshee	53%	37%	42%	92%	89%	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Edwards	50%	32%	34%	75%	67%	N	Y	E	Y	E	E	E	E	E	E
Rep. Eickmeyer	50%	53%	52%	92%	75%	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Ericksen	86%	97%	94%	25%	11%	Y	Y	Y	Y	N	Y	Y	Y	Y	E
Rep. Flannigan	33%	40%	38%	100%	75%	N	N	N	Y	Y	E	Y	Y	E	E
Rep. Fromhold	60%	49%	52%	75%	89%	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Grant	60%	54%	56%	75%	67%	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Haigh	53%	43%	46%	93%	78%	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Hankins	67%	74%	72%	42%	22%	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Rep. Hatfield	60%	54%	56%	83%	44%	N	Y	N	Y	N	Y	Y	Y	Y	Y
Rep. Hinkle	100%	89%	92%	8%	22%	Y	Y	Y	N	E	Y	Y	Y	Y	N
Rep. Holmquist	93%	86%	88%	8%	22%	Y	Y	Y	N	N	Y	Y	Y	N	N
Rep. Hudgins	47%	29%	34%	92%	100%	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Hunt	47%	31%	36%	92%	100%	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Hunter	60%	51%	54%	75%	89%	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Jarrett	73%	83%	80%	33%	67%	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Rep. Kagi	47%	37%	40%	92%	89%	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Kenney	47%	37%	40%	92%	89%	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Kessler	60%	54%	56%	75%	67%	N	Y	N	Y	N	Y	Y	Y	Y	Y
Rep. Kirby	47%	39%	42%	92%	78%	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Kristiansen	93%	94%	94%	17%	11%	Y	Y	Y	N	N	Y	Y	Y	Y	N



Sen. Alex Deccio (R-Yakima) and Sen. Linda Evans Parlette (R-Chelan) discuss health care.

Mental Health Parity Final Passage	Unfair Competition Final Passage as Amended by the House	Tort Interest Rate Final Passage as Amended by the Senate	Provider Suspension Final Passage as Amended by the House	Charter Schools Final Passage
1828 64-33 N	6489 94-0 Y	2485 70-27 Y	6428 96-0 Y	2295 51-46 Y

Human Resources		Education		
N	Y	Y	Y	Y
N	Y	Y	Y	Y
N	Y	Y	Y	Y
Y	Y	Y	Y	N
N	Y	Y	Y	Y
N	Y	Y	Y	Y
Y	Y	N	Y	N
N	Y	Y	Y	Y
N	Y	Y	Y	Y
Y	Y	N	Y	N
N	Y	Y	Y	N
N	Y	Y	Y	Y
Y	Y	N	Y	N
Y	E	Y	Y	Y
N	Y	Y	Y	N
Y	Y	Y	Y	Y
Y	Y	Y	Y	N
Y	Y	Y	Y	N
Y	Y	N	Y	N
Y	Y	Y	Y	N
Y	Y	Y	Y	N
Y	Y	N	Y	N
N	Y	Y	Y	Y
N	Y	Y	Y	Y
Y	Y	N	Y	N
Y	Y	N	Y	N
Y	Y	Y	Y	Y
Y	Y	Y	Y	Y
Y	Y	N	Y	N
Y	Y	N	Y	N
Y	Y	Y	Y	Y
Y	Y	N	Y	N
Y	Y	N	Y	N
Y	Y	N	Y	N
N	Y	Y	Y	N

SB 6237 ▶ Commercial and Retail Uses on Agricultural Lands Final Passage

The House voted 95-0 and the Senate voted 49-0 to pass SB 6237, which allows for commercial and retail uses on designated agriculture lands that are compatible with and help sustain the state’s agriculture economy. Compatible uses are defined as storage; production, sales and marketing of value-added agriculture products; sources of supplemental on-farm income that support agricultural uses; support services for production, marketing and distribution of products; and locally made arts and crafts. A “Y” vote reflects AWB’s support for this bill.

SB 6415 ▶ Industrial and Construction Stormwater Permits Final Passage

The House voted 95-1 and the Senate voted 33-13 to pass SB 6415, which resulted in a dismissal of the AWB-led appeal of the August 2003 Pollution Control Hearings Board decision, requiring more stringent modifications to DOE’s Industrial Stormwater General Permit. The bill reaffirms that Best Management Practices (BMPs) are the most appropriate method of controlling stormwater pollution, and when BMPs are properly applied, a permittee is presumed to be in compliance with state water quality standards. The bill encourages an adaptive management approach and flexibility in permitting industrial and construction stormwater discharges to help ensure cost effective storm water management. Effluent limits for discharges to impaired waterbodies cannot be imposed until 2009, following a report to the Legislature regarding the need for numeric limits. DOE’s inspection and technical assistance program for industrial and construction stormwater general

permits, which must be supported by an increase in permit fees, is also expanded. DOE is required to submit a report to the Legislature by Dec. 31, 2006, regarding methods to improve the effectiveness of permit monitoring requirements in construction and industrial stormwater general permits. A “Y” vote reflects AWB’s support for this bill.

▶ HEALTH CARE

HB 2460 ▶ Small Group Reform Deccio Striker

By 25-23, the Senate passed an amendment offered by Sen. Alex Deccio (R-Yakima) that would have established that health carriers may offer to small employers a plan with a limited schedule of benefits that is not subject to any of the mandates that apply to other group plans, including the requirement that every category of provider must be covered. Carriers offering this plan would have also been required to offer at least one other plan. When rates are renewed, rate increases may have varied by plus or minus ten percentage points if the variation was based on deductible leveraging, benefit design, or provider network characteristics. A “Y” vote reflects AWB’s support for this bill.

HB 1828 ▶ Mental Health Parity Final Passage

By 64-33, the House passed HB 1828, which proposed a requirement to provide a level of coverage for mental health for large companies. Limitations on mental health services would be imposed by an insurance plan only if the same limitations were imposed on medical and surgical services. An “N” vote reflects AWB’s opposition to this bill.

WASHINGTON HOUSE OF REPRESENTATIVES

* Were not in the House in 2003.
 ** Rep. Rodne had not yet been appointed to his seat.
 † Washington State Labor Council
 ‡ Washington Conservation Voters

	2004	2003	Combined	2004	2004	Bill Number	Vote Count	AWB's Position
	Percentage	Percentage		Percentage	WSLC†			
Rep. Lantz	60%	46%	50%	83%	78%	2546	45-53	Y
Rep. Linville	67%	57%	60%	75%	78%	2546	86-12	Y
Rep. Lovick	53%	49%	50%	83%	78%	2573	46-51	Y
Rep. Mastin	93%	88%	90%	17%	43%	4204	68-29	N
Rep. McCoy	53%	37%	42%	83%	100%	6211	68-25	N
Rep. McDermott	47%	31%	36%	100%	89%	6240	93-3	Y
Rep. McDonald	73%	84%	81%	25%	33%			
Rep. McIntire	53%	40%	44%	83%	89%			
Rep. McMahan	93%	89%	90%	8%	22%			
Rep. McMorris	92%	97%	96%	18%	13%			
Rep. Mielke	100%	86%	91%	8%	14%			
Rep. Miloscia	60%	40%	46%	75%	89%			
Rep. Moeller	40%	48%	46%	100%	78%			
Rep. Morrell	53%	43%	46%	92%	100%			
Rep. Morris	60%	69%	66%	64%	78%			
Rep. Murray	47%	37%	40%	92%	100%			
Rep. Newhouse	93%	94%	94%	17%	22%			
Rep. Nixon	87%	83%	84%	17%	67%			
Rep. O'Brien	60%	51%	54%	83%	89%			
Rep. Orcutt	100%	89%	92%	8%	11%			
Rep. Ormsby	33%	0%*	33%	100%	100%			
Rep. Pearson	93%	94%	94%	17%	11%			
Rep. Pettigrew	53%	43%	46%	83%	89%			
Rep. Priest	73%	83%	80%	25%	67%			
Rep. Quall	60%	61%	60%	67%	78%			
Rep. Roach	100%	77%	85%	17%	29%			
Rep. Rockefeller	60%	49%	52%	75%	78%			
Rep. Rodne	86%	0%*	86%	17%	75%			
Rep. Romero	40%	31%	34%	100%	100%			
Rep. Ruderman	50%	51%	51%	75%	89%			
Rep. Santos	53%	40%	44%	92%	78%			
Rep. Schindler	93%	85%	88%	8%	11%			
Rep. Schoesler	93%	85%	88%	17%	38%			
Rep. Schual-Berke	47%	29%	35%	100%	100%			
Rep. Sehlin	100%	93%	95%	8%	38%			
Rep. Shabro	80%	91%	88%	25%	44%			
Rep. Simpson, D.	47%	0%*	47%	92%	100%			
Rep. Simpson, G.	40%	29%	32%	100%	100%			
Rep. Skinner	80%	91%	88%	27%	13%			
Rep. Sommers	60%	39%	46%	83%	89%			
Rep. Sullivan	43%	49%	47%	91%	89%			
Rep. Sump	93%	91%	92%	17%	11%			
Rep. Talcott	87%	85%	86%	8%	22%			
Rep. Tom	80%	89%	86%	17%	67%			
Rep. Upthegrove	53%	32%	39%	83%	100%			
Rep. Veloria	50%	34%	39%	92%	88%			
Rep. Wallace	53%	48%	50%	83%	100%			
Rep. Wood	40%	37%	38%	100%	100%			
Rep. Woods	80%	89%	86%	17%	33%			

	B&O Tax Credit Disclosure Boldt-Amendment	R&D Tax Incentives Final Passage	REAC Money McMorris Amendment	School District Levies	School Levy Base Calculation Final Passage as Amended by the House	Rural Economic Final Passage as Amended by the House	Electronic Waste Final Passage as Amended by the Senate	Agricultural Land Use Final Passage	Stormwater Final Passage as Amended by the House	Outsourcing Study
	2546	2546	2573	4204	6211	6240	2488	6237	6415	4419
	45-53	86-12	46-51	68-29	68-25	93-3	97-0	95-0	95-1	64-31
	Y	Y	Y	N	N	Y	Y	Y	Y	N
	Tax & Fiscal						Environmental			
Rep. Lantz	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Linville	N	Y	N	Y	N	Y	Y	Y	Y	Y
Rep. Lovick	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Mastin	Y	Y	Y	N	E	Y	Y	Y	Y	Y
Rep. McCoy	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. McDermott	N	N	N	Y	N	Y	Y	Y	Y	Y
Rep. McDonald	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Rep. McIntire	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. McMahan	Y	Y	Y	N	Y	Y	Y	Y	Y	N
Rep. McMorris	Y	Y	Y	N	N	Y	Y	E	Y	Y
Rep. Mielke	Y	Y	Y	N	N	Y	Y	Y	Y	N
Rep. Miloscia	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Moeller	N	N	N	Y	Y	N	Y	Y	Y	Y
Rep. Morrell	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Morris	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Murray	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Newhouse	Y	Y	Y	N	N	Y	Y	Y	Y	N
Rep. Nixon	Y	Y	Y	N	Y	Y	Y	Y	Y	Y
Rep. O'Brien	N	Y	Y	Y	Y	Y	Y	Y	Y	Y
Rep. Orcutt	Y	Y	Y	N	N	Y	Y	Y	Y	N
Rep. Ormsby	N	N	N	Y	Y	N	Y	Y	Y	Y
Rep. Pearson	Y	Y	Y	N	N	Y	Y	Y	Y	N
Rep. Pettigrew	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Priest	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y
Rep. Quall	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Roach	Y	Y	Y	N	N	Y	Y	Y	Y	N
Rep. Rockefeller	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Rodne	Y	Y	Y	**	Y	Y	Y	Y	Y	N
Rep. Romero	N	N	N	Y	Y	Y	Y	Y	Y	Y
Rep. Ruderman	N	Y	N	Y	Y	Y	Y	E	Y	Y
Rep. Santos	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Schindler	Y	Y	Y	N	Y	Y	Y	Y	Y	N
Rep. Schoesler	Y	Y	Y	N	N	Y	Y	Y	Y	N
Rep. Schual-Berke	N	N	N	Y	Y	Y	Y	Y	Y	Y
Rep. Sehlin	Y	Y	Y	N	N	Y	Y	Y	Y	N
Rep. Shabro	Y	Y	Y	N	Y	Y	Y	Y	Y	Y
Rep. Simpson, D.	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Simpson, G.	N	N	N	Y	Y	Y	Y	Y	Y	Y
Rep. Skinner	Y	Y	Y	Y	N	Y	Y	Y	Y	Y
Rep. Sommers	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Sullivan	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Sump	Y	Y	Y	N	N	Y	Y	Y	Y	N
Rep. Talcott	Y	Y	Y	Y	Y	Y	Y	Y	Y	N
Rep. Tom	Y	Y	Y	Y	Y	Y	Y	Y	Y	N
Rep. Upthegrove	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Veloria	N	Y	N	Y	E	Y	Y	Y	Y	Y
Rep. Wallace	N	Y	N	Y	Y	Y	Y	Y	Y	Y
Rep. Wood	N	N	N	Y	Y	Y	Y	Y	Y	Y
Rep. Woods	Y	Y	Y	Y	Y	Y	Y	Y	Y	Y

Mental Health Parity Final Passage	Unfair Competition Final Passage as Amended by the House	Tort Interest Rate Final Passage as Amended by the Senate	Provider Suspension Final Passage as Amended by the House	Charter Schools Final Passage
1828	6489	2485	6428	2295
64-33	94-0	70-27	96-0	51-46
N	Y	Y	Y	Y

Human Resources				Education
Y	Y	Y	Y	Y
Y	Y	Y	Y	Y
Y	Y	Y	Y	N
N	Y	Y	Y	Y
Y	Y	Y	Y	N
Y	Y	N	Y	N
Y	Y	Y	Y	Y
Y	Y	Y	Y	Y
N	Y	Y	Y	Y
N	E	Y	Y	Y
N	Y	Y	Y	Y
Y	Y	Y	Y	Y
Y	Y	Y	Y	N
Y	Y	Y	Y	N
Y	Y	Y	Y	Y
Y	Y	N	Y	N
N	Y	Y	Y	N
N	Y	Y	Y	Y
Y	Y	Y	Y	N
N	Y	Y	Y	Y
N	Y	Y	Y	Y
Y	Y	Y	Y	Y
Y	Y	Y	Y	Y
Y	Y	Y	Y	Y
N	Y	Y	Y	Y
Y	Y	Y	Y	Y
Y	Y	Y	Y	Y
Y	Y	N	Y	N
Y	Y	N	Y	N
N	Y	Y	Y	N
Y	Y	Y	Y	Y
Y	Y	N	E	N
N	Y	Y	Y	N
N	Y	Y	Y	Y
Y	Y	Y	Y	Y
Y	Y	N	Y	Y
Y	Y	N	Y	N
Y	Y	Y	Y	N
Y	Y	N	Y	N
Y	Y	Y	Y	N
N	Y	Y	Y	Y

▶ REGULATORY REFORM

SB 5052 ▶ Delaying the Effects of Significant Legislative Rules

By 38-10, the Senate passed SB 5052, which would have revised agency rule-making requirements to assure that the Legislature could carefully review agency rules that impose significant requirements on citizens before the agency rules take effect. A “Y” vote reflects AWB’s support for this legislation.

SB 5053 ▶ Rules That Exceed Federal Standards

By a vote of 26-23, the Senate passed SB 5053, which would have prohibited agencies from adopting rules that exceed federal standards without specific legislative authority. An agency requesting a rule exceeding federal standards would have been required to present to the Legislature a written justification detailing the unique reasons why Washington state policy must exceed federal policy and a cost-benefit analysis that clearly outlines the economic impacts for Washington’s business or other regulated entities. By July 1, 2004, each state agency would have been required to review existing rules that exceed federal standards and prepare a report that outlines the specific authority used to exceed federal standards. If the agency relied on a general grant of authority in adopting the rules, the agency would have had to either repeal the rules or seek specific authority from the Legislature. A “Y” vote reflects AWB’s support for this bill.

SB 6489 ▶ Fair Competition in Correctional Industries Final Passage

The House voted 94-0 and the Senate voted 48-0 to prevent unfair competition from occurring with businesses that are located inside a prison. SB 6489 establishes a more fair process for implementing prison industry programs. A “Y” vote reflects AWB’s support for this bill.

▶ HUMAN RESOURCES

HCR 4419 ▶ Task Force to Study Offshore Outsourcing Final Passage

By a vote of 64-31, the House passed HCR 4419, which would have established a joint task force to study offshore outsourcing. The 16 member joint task force, consisting of four legislators from each caucus of the Senate and the House of Representatives, was to have reported its findings and recommendations to nine legislative committees by Dec. 1, 2004. This bill was a one-sided effort by labor interests to make outsourcing look bad. The House even voted down an amendment that would have allowed one member of the Competitiveness Council to participate on the task force. An “N” vote reflects AWB’s opposition to this bill.

SB 5697 ▶ Minimum Wage Final Passage

By a vote of 27-22, the Senate passed SB 5697, which would have provided automatic minimum wage rate increases only when the state unemployment rate is less than the national unemployment rate. Currently, there is an automatic annual inflationary adjustment to the minimum wage. The bill died in the House Commerce and Labor Committee. A “Y” vote reflects AWB’s support of this bill.

HB 2485 ▶ Tort Interest Rates Final Passage

The House voted 70-27 and the Senate voted 43-3 to revise the interest rate of tort judgments after final judgment. HB 2485 requires that the interest rate accrues at four percentage points above the average. This legislation will allow appeal decisions be made more on the merits of the cases rather than interest rates. A “Y” vote reflects AWB’s support for this bill.



Sen. Mary Margaret Haugen (D-Camano Island) comments on proposed legislation.

Photo courtesy of Senate Photography



Rep. Janea Holmquist (R-Moses Lake) and Rep. Bev Woods (R-Poulsbo) discuss workers' comp with Rep. Kirk Pearson (R-Monroe).

**SB 5378 ▶ Workers' Compensation
3rd Reading and Final Passage**

By 25-23, the Senate passed SB 5378, to bring certainty back to a broken workers' compensation system, provide a more than \$141 million savings to the State Fund by simplifying the administration and addressing some recent court decisions (i.e. Cockle and Avundes) that are significant cost drivers while at the same time providing an increase of benefits to more than 70 percent of injured workers. The changes in SB 5378 would allow more quality claims management and dramatically reduce delays in delivering payments to injured workers. Specifically, this legislation would have brought Washington into line with all 49 other states by using a flat rate (65 percent) instead of a sliding scale to calculate benefits, reduced disputes by using "high four quarters" instead of wage at the time of injury, used a reasonable cost inflator for benefits and provided a consistent standard for closing claims by addressing the Cockle and Avundes decisions on wage replacement. A "Y" vote reflects AWB's support for this bill.

**SB 5728 ▶ Liability Reform
Final Passage**

The Senate voted 27-22 to pass SB 5728, which would have limited employer liability for disclosing information to an employee's subsequent employer; adjusted the interest rate for paying judgments; limited non-economic damages for health care injury to \$350,000, limited the amount of attorney contingency fees; shortened the statute of limitations and required 90-day advance notice for health care suits; raised the burden of proof in health care suits to require clear, cogent, and convincing evidence; made rules for payment of judgments by installments; limited construction liability based on acts of nature or others; limited the liability of social workers who use good faith judgments; limited the liability of local governments to gross negligence and disallowed lack of seat belt use to be proof of negligence. A "Y" vote reflects AWB's support for this bill.

**SB 6317 ▶ Self Insured Authority
Honeyford Striker**

By 26-23, the Senate passed the Honeyford Striker Amendment to SB 6317 after a series of procedural motions to put the debate on the bill down. The Striking Amendment made a number of changes to accommodate concerns raised by the Dept. of Labor and Industries. A "Y" vote reflects AWB's support for this bill.

**SB 6317 ▶ Self Insured Authority
3rd Reading and Final Passage**

By 29-20, the Senate passed SB 6317, which would have broadened the role of self-insurers in the workers' compensation system. Currently, the Dept. of Labor and Industries (L&I) duplicates the work done by the self-insurer. As a result, the backlog of self-insurer cases awaiting approval by L&I is growing. SB 6317 would have addressed this problem. A "Y" vote reflects AWB's support for this bill.

**SB 6414 ▶ Financial Criteria & Audits
3rd Reading and Final Passage**

By a vote of 35-14, the Senate passed SB 6414, which would have required L&I to have annual independent audits of the workers' compensation fund. This bill sought independent review analogous to that considered normal, prudent practice for any public company or insurance company. A "Y" vote reflects AWB's support for this bill.

**SB 6428 ▶ Provider Suspension
Final Passage**

The House voted 96-0 and the Senate voted 27-21 to pass SB 6428, which established that when an industrial insurance health care provider appeals an order to stop providing services, the state may petition to immediately suspend the provider's eligibility to participate as a provider. The state's petition will be granted if there is good cause to believe that workers may suffer "serious physical or mental harm" if the petition is not granted. A "Y" vote reflects AWB's support for this bill.

▶ EDUCATION

**HB 2295 ▶ Charter Schools
Final Passage**

The House voted 51-46 and the Senate voted 27-22 to pass HB 2295, which authorized charter schools in Washington. HB 2295 was an important bill for the employer community. Charter schools are public schools that are given a high degree of freedom in exchange for a high degree of accountability for improving student achievement. These institutions provide a new way for administrators, teachers, parents and community leaders to create high quality public education choices for children who need them. A "Y" vote reflects AWB's support for this bill.