

Washington Policy Center's Top Legislative Issues for 2015

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February 2015

Introduction

In the 2014 mid-term elections, the people of Washington elected a Republican majority to the state Senate and increased the representation of Republican House members, while retaining a Democratic majority in the House. The new legislature is in session working on a new two-year budget to fund essential public services and to consider how to spend \$3 billion in extra revenue the state will receive in 2015-17.

At over 30 years, Washington has gone the longest of any state continuously served by a Democratic governor. The divided nature of state government means lawmakers and the Governor will have to work together to pass a budget and enact other reforms that improve public policy to serve the needs of the people of Washington.

The purpose with this publication is to help lawmakers “think outside the box” and consider fresh ideas for solving our state’s pressing problems, especially in promoting jobs, economic growth, a balanced budget and a better public education for children.

This Legislative Memo present specific policy recommendations in policy areas that are most important to the people of our state. Further detail and supporting data on many of these proposals are available in the latest edition of Washington Policy Center’s *Policy Guide for Washington State*, available online at policyguide.org. Additional research on each recommendation is available at washingtonpolicy.org.

Following are practical proposals that benefit the people of our state. In recent years lawmakers and voters have enacted over 30 policy ideas recommended by Washington Policy Center.

These recommendations are designed to provide the Governor, members of the House and the Senate with the facts and ideas they need to expand what is possible, and to enact practical solutions to our state’s most urgent public problems.

Policy Recommendations

General Budget

- No general tax increases. Keep the state-imposed tax burden stable and predictable by not enacting new ways to tax people. Many households are struggling, and lawmakers should not increase the financial burden they place on Washington families and businesses.
- Do not impose a new way to tax by enacting the Governor’s proposed capital gains tax.

- Do not impose a new way to tax by enacting the Governor’s \$12 billion cap-and-trade proposal.
- Follow Governor Inslee’s earlier advice that a tax increase is the wrong direction for Washington, and his previous intention to veto any tax increase that arrives on his desk.
- Fund spending increases in the 2015-17 budget, including inflation, higher education and K-12 education increases, with the \$3 billion (an 8.6% increase) in extra tax money being provided by citizens under current taxes.
- Say “Thank you.” Lawmakers should express appreciation to working families and businesses for providing state leaders with an 8.6% increase in revenue with no changes in tax policy.

Government Reform

- Enact a supermajority for taxes vote requirement (beyond the new rule already adopted by the Senate that applies to new taxes).
- Provide for citizens to give remote testimony from locations around the state on bills pending before the legislature.
- Improve legislative transparency by following openness and hearing notice requirements.
- Reform collective bargaining for state employees to put the legislature back in charge of spending decisions.

Healthcare Reform

- Medicaid should not be expanded in Washington state. Use the legal principal recognized by the U.S. Supreme Court that allows a state the option of not expanding its Medicaid program, as many other states have done. Studies now confirm that Medicaid patients do not have better clinical outcomes than people without health insurance. It is not fair to force thousands of low-income individuals into a poor quality insurance program that, in addition, will be very costly for state taxpayers.
- Do not expand the Innovation Health Plan beyond the all-payer claims data base.
- Encourage the federal government to allow Washington residents to gain access to affordable health coverage by buying insurance across state lines, as is allowed with other types of insurance.
- Enact malpractice reform to discourage needless tests and litigation to help control the rise in health care costs.
- Allow Medicaid enrollees the option of choosing premium support or personal vouchers, to increase patient control and let enrollees shop competitively for health coverage that meets their needs.

Improving Education

- Re-define basic education. The legislature's paramount duty to fund education should be defined as a yearly dollar amount provided for every student. The definition would include the knowledge and skills every school should teach, with more resources directed to classroom instruction.
- Reduce union control in schools. Currently every public school teacher must pay the WEA union about \$1,000 a year or be fired. Ineffective teachers are retained due to seniority, while effective younger teachers are let go. Reducing union control in schools would direct resources to improving teacher quality and learning outcomes for students, rather than to preserving the union's status-quo position in the system.
- Expand charter schools. Charter schools are free public schools that operate separately from central district regulations and restrictive union rules. Charter schools are popular with parents, and provide a positive alternative in communities where traditional schools consistently fail to educate children.
- Allow family choice in education. Give parents a greater voice through family choice in education. Currently, public education operates as a monopoly in which officials assign children to a school. Giving families direct scholarships would allow parents to select their children's school, and would help end the repeated cycles of political controversy, labor strikes and disruptions in public education.

Protecting the Environment

- Reduce wasteful climate subsidies and regulation, such as limiting or eliminating electric vehicle tax breaks that direct most of the benefit to wealthy households.
- Direct environmental funding to policies that provide the benefit for protecting the environment, such as removing barriers to fish passage, or the state program to replace home wood-burning stoves and reduce air pollution.
- Do not enact the Governor's costly and ineffective cap-and-trade proposal.

Small Business

- Job opportunities. Encourage more job openings for young and low-skilled workers by not increasing the statewide mandatory minimum wage to levels that put people out of work, or make it impossible for them to find a job in the first place.
- Youth employment. Allow the youngest workers to gain valuable skills and life experience by allowing a teen training wage.
- Reform the Workers Compensation System. Washington should emulate the Oregon experience, where private insurers compete for business, driving workers compensation prices down, or, at the very least, control costs so long-term rate increases more closely track the modest increases in neighboring Idaho.

Improving Transportation

- Reduce the cost of state transportation projects by ending the practice of state officials charging themselves sales tax for their own construction projects.
- Add traffic congestion relief as a top policy priority for state transportation officials.
- Streamline the state permitting process and end the practice of adding inflated Davis-Bacon costs to state road projects.
- Encourage the use of cost-saving public-private partnerships to gain the benefit of private investment in road projects.
- Do not impose a Vehicle Miles Traveled (VMT) tax on the public. Many drivers are concerned about double taxation, bond markets are not sure it is a stable revenue source, and the broader public is concerned about lawmakers creating a new way to tax.
- Do not allow Sound Transit officials to increase regressive taxation in the urban areas of King, Pierce and Snohomish counties. Sound Transit's light rail system is billions of dollars over budget and ten years behind schedule, and officials consistently fail to meet promised ridership levels. Given poor performance, it would be unfair for lawmakers to vote to allow increases in regressive taxes on people to give more funding to officials whose public promises have proved unreliable.

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