



# WASHINGTON STATE LEGISLATURE



## Legislative Digest No. 58

### SIXTY-SECOND LEGISLATURE

Friday, April 15, 2011

96th Day - 2011 Regular Session

<b>SENATE</b>	SB 5742-S	SB 5932	SB 5933	SB 5934	SB 5935	SB 5936	SB 5937
	SB 5938	SB 5939	SB 5940	SB 5941	SB 5942	SB 5943	SB 5944
	SB 5945	SB 5946	SB 5947	SJM 8009			
<b>HOUSE</b>	HB 2026-S	HB 2078	HB 2079	HB 2080	HB 2081	HB 2082	HB 2083
	HB 2084	HB 2085	HB 2086	HB 2087	HB 2088	HB 2089	HB 2090
	HB 2091	HB 2092	HB 2093	HB 2094	HB 2095	HB 2096	HB 2097
	HB 2098	HB 2099					

This publication includes digest and history for bills, joint memorials, joint resolutions, concurrent resolutions, initiatives, and substitutes. Engrossed measures may be republished if the amendment makes a substantive change.

Electronic versions of Legislative Digests are available at <http://apps.leg.wa.gov/billinfo/digests.aspx?year=2011>.

### House Bills

**HB 2026-S** by House Committee on Labor & Workforce Development (originally sponsored by Representatives Sells and Reykdal)

Creating the industrial insurance rainy day account.  
(AS OF HOUSE 2ND READING 4/12/11)

Creates the industrial insurance rainy day account.

Requires the director of the department of labor and industries to, before proposing premium rates, determine whether the combined assets in the accident fund and medical aid fund are more than ten percent greater than funded liabilities, and if so notify the treasurer of the excess.

Requires the treasurer to transfer the amount of the excess to the industrial insurance rainy day account.

-- 2011 REGULAR SESSION --

Mar 22 Public hearing in the House Committee on Labor & Workforce Development at 10:00 AM.

Apr 6 LWD - Majority; 1st substitute bill be substituted, do pass.  
Minority; do not pass.

Executive action taken in the House Committee on Labor & Workforce Development at 12:00 PM.

Apr 9 Placed on second reading.

Apr 12 1st substitute bill substituted.  
Floor amendment(s) adopted.  
Rules suspended. Placed on Third Reading.  
Third reading, passed; yeas, 50; nays, 47;  
absent, 0; excused, 0.

-- IN THE SENATE --

Apr 14 First reading, referred to Ways & Means.

**HB 2078** by Representatives Jinkins, Reykdal, Lytton, Billig, Frockt, Moscoso, Fitzgibbon, Tharinger,

Ryu, Ladenburg, Stanford, Sullivan, Green, Van De Wege, Moeller, Springer, Pettigrew, Maxwell, Dickerson, Kagi, Ormsby, Upthegrove, Hasegawa, Appleton, Rolfes, McCoy, Carlyle, Liias, Kenney, Eddy, Darneille, Pedersen, Orwall, Hunt, Cody, Kirby, Roberts, Takko, Blake, Seaquist, Goodman, Haigh, Hudgins, Dunshee, Sells, Finn, Clibborn, and Morris

Funding K-3 class size reductions by narrowing and repealing certain tax exemptions.

Narrows a tax deduction for banks and other financial institutions and eliminates a sales tax exemption for nonresidents to fully fund critical K-3 class size reductions.

Requires the department of revenue to annually estimate the increase in state revenue for the current fiscal year resulting from the changes made in the act.

-- 2011 REGULAR SESSION --

Apr 12 First reading, referred to Ways & Means.

**HB 2079** by Representative Morris

Concerning the Washington state ferry system management and ferry construction.

Modifies provisions relating to Washington state ferry system management and ferry construction.

Requires performance targets to be established by an ad hoc committee with members from and designated by the office of the governor.

Requires the department of transportation to complete a performance report that provides a baseline assessment of current performance using final 2009-2011 data.

Requires the marine employees' commission to sever all captains from the masters, mates, and pilots bargaining unit.

Merges the marine employees' commission with the public employment relations commission and directs the public employment relations commission to evaluate the merger and provide recommendations on alternative organizational structures.

Requires the transportation commission to impose a vessel replacement surcharge of twenty-five cents on every ferry fare sold.

Creates the capital vessel replacement account.

-- 2011 REGULAR SESSION --

Apr 13 First reading, referred to Transportation.

**HB 2080** by Representatives Hasegawa and Moscoso

Modifying tax refund and interest provisions.

Modifies provisions relating to tax refunds and interest.

-- 2011 REGULAR SESSION --

Apr 13 First reading, referred to Ways & Means.

**HB 2081** by Representatives Pedersen and Hudgins

Providing support for judicial branch agencies by extending surcharges on court fees.

Extends surcharges on court fees to provide support for judicial branch agencies.

-- 2011 REGULAR SESSION --

Apr 13 First reading, referred to Ways & Means.

**HB 2082** by Representatives Darneille, Goodman, Dickerson, Roberts, Pettigrew, Appleton, Ryu, Fitzgibbon, Finn, Orwall, Ormsby, Ladenburg, Kenney, and Moscoso

Making changes to the disability lifeline program.

Declares an intent to: (1) Provide transitional financial and health care support to persons who, by reason of age or disability, are likely to meet federal supplemental security income disability standards;

(2) Focus funding upon meeting basic needs for medical and behavioral health care services, and for housing and essential needs, as an alternative to cash grants, for persons who are incapacitated from gainful employment, but whose incapacity may not meet the level of severity necessary to qualify for federal supplemental security income benefits; and

(3) Increase opportunities to use limited public funding, combined with private charitable and volunteer efforts to serve disability lifeline recipients.

-- 2011 REGULAR SESSION --

Apr 13 First reading, referred to Ways & Means.

**HB 2083** by Representatives Rolfes and Moscoso

Concerning funding for the construction of a ferry boat vessel with a capacity of at least one hundred forty-four cars.

Provides funding for the construction of a ferry boat vessel with a capacity of at least one hundred forty-four cars.

-- 2011 REGULAR SESSION --

Apr 13 First reading, referred to Ways & Means.

Apr 15 Scheduled for public hearing in the House Committee on Ways & Means at 3:30 PM. (Subject to change)

**HB 2084** by Representatives Hasegawa and Moscoso

Evaluating the impacts of budget decisions.

Requires fiscal notes to include an estimate of the impact of expenditure reductions or increases on other state or local program expenditures.

-- 2011 REGULAR SESSION --

Apr 13 First reading, referred to Ways & Means.

**HB 2085** by Representatives Hunter and Hurst

Relating to adopting legislation that raises revenue by modifying the state liquor system.

Introduced by title and introductory section only.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Ways & Means.

**HB 2086** by Representatives Pettigrew, Hunter, and Roberts

Reducing the department of agriculture's reliance on the general fund.

Reduces the department of agriculture's reliance on the general fund.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Ways & Means.

**HB 2087** by Representatives Dickerson, Kenney, Darneille, Goodman, Santos, Pettigrew, Dunshee, Ormsby, Lias, Rolfes, Hudgins, Kagi, Roberts, Upthegrove, Fitzgibbon, Finn, Seaquist, Ryu, Eddy, Orwall, Stanford, Jinkins, Haigh, Kirby, Appleton, Ladenburg, Green, Lytton, Tharinger, Springer, Billig, Sullivan, Cody, Pedersen, Frockt, Carlyle, Sells, Hunt, Morris, McCoy, Maxwell, Reykdal, Moscoso, and Van De Wege

Funding mental health services by repealing the nonresident sales tax exemption.

Eliminates the nonresident sales tax exemption to fund mental health services.

Provides for submission of the act to a vote of the people.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Ways & Means.

**HB 2088** by Representatives Probst, Haler, Frockt, Zeiger, Tharinger, Asay, Orwall, Armstrong, Carlyle, Maxwell, Springer, Kenney, Seaquist, Finn, Haigh, Dammeier, Smith, Goodman, Lytton, Stanford, Dahlquist, Ladenburg, Wylie, and Rivers

Creating the opportunity scholarship board to assist middle-income students and invest in high employer demand programs.

Establishes the opportunity scholarship act.

Creates the opportunity scholarship program and the opportunity expansion program to: (1) Help mitigate the impact of tuition increases;

(2) Increase the number of baccalaureate degrees in high employer demand and other programs; and

(3) Invest in programs and students to meet market demands for a knowledge-based economy while filling middle-income jobs with a sufficient supply of skilled workers.

Creates the opportunity scholarship board to provide oversight and guidance for the opportunity expansion program and the opportunity scholarship program.

Changes the name of the "state need grant" to the "opportunity award."

Creates the opportunity scholarship account and the opportunity expansion account.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Ways & Means.

**HB 2089** by Representatives Hasegawa and Roberts

Concerning the airplane excise tax.

Modifies airplane excise tax provisions.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Ways & Means.

**HB 2090** by Representatives Hasegawa and Roberts

Narrowing the business and occupation tax deduction for investment and related income.

Narrows the business and occupation tax deduction for investment and related income.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Ways & Means.

**HB 2091** by Representatives Hasegawa and Roberts

Funding the basic health plan through a tax on the windfall profits of financial institutions.

Imposes an additional tax on banking businesses each year for business activities conducted within this state and requires the taxes collected to be deposited into the general fund to be used exclusively for the basic health plan.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Ways & Means.

**HB 2092** by Representatives Hasegawa and Roberts

Funding the basic health plan through a tax on the windfall profits of pharmaceutical companies.

Imposes an additional tax each year for business activities conducted within this state on each person engaged in the manufacturing of drugs and requires the taxes collected to be deposited into the general fund to be used exclusively for the basic health plan.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Ways & Means.

**HB 2093** by Representatives Hasegawa, Reykdal, and Roberts

Concerning community reinvestment of oil windfall profits.

Imposes a tax for each taxable year on the taxable income of each petroleum business for the privilege of engaging in any business activity within this state.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Ways & Means.

**HB 2094** by Representatives Hasegawa, Reykdal, and Roberts

Implementing recommendations related to the tax preference review process conducted by the joint legislative audit and review committee and the citizen commission for performance measurement of tax preferences.

Implements recommendations with regard to the tax preference review process conducted by the joint legislative audit and review committee and the citizen commission for performance measurement of tax preferences.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Ways & Means.

**HB 2095** by Representatives Probst, Hinkle, Sells, Miloscia, and Fagan

Clarifying that meals sold by schools, colleges, and universities to certain students and faculty are exempt from sales and use tax.

Clarifies that meals sold by schools, colleges, and universities to certain students and faculty are exempt from sales and use tax.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Ways & Means.

**HB 2096** by Representatives Green, Kagi, Darneille, and Roberts

Regarding transition services for people with developmental disabilities.

Provides that it is the intent of the legislature that: (1) Community-based residential services supporting people with developmental disabilities should be available in the most integrated setting appropriate to individual needs; and

(2) An extensive transition planning and placement process should be used to ensure that people moving from a residential habilitation center to a community setting have the services and supports needed to meet their assessed health and welfare needs.

Requires the department of social and health services to begin operation of two houses located on the grounds of the Frances Haddon Morgan center as state-operated living alternatives.

Directs the Frances Haddon Morgan center to cease to operate as a residential habilitation center.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Ways & Means.

**HB 2097** by Representatives Sullivan, McCoy, Sells, Reykdal, Billig, Pettigrew, Tharinger, Van De Wege, Uptegrove, Rolfes, Goodman, Blake, Moscoso, Fitzgibbon, Lytton, Stanford, Liias, Hope, Hunt, Ladenburg, Appleton, Morris, Green, Hurst, Roberts, Kenney, Rivers, Eddy, Kirby, Ryu, Darneille, Finn, Maxwell, Seaquist, Carlyle, Dunshee, and Ormsby

Merging plan 1 and plan 2 of the law enforcement officers' and firefighters' retirement system.

Merges plans 1 and 2 of the law enforcement officers' and firefighters' retirement system.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Ways & Means.

**HB 2098** by Representatives Blake, Kretz, Hurst, Orcutt, Finn, Seaquist, Taylor, Dunshee, Shea, Van De Wege, Short, Takko, Moscoso, Tharinger, Liias, Sells, Schmick, Kirby, Ahern, Condotta, McCoy, Moeller, Goodman, and McCune

Concerning short-barreled rifles.

Allows a person to possess, transport, acquire, or transfer a short-barreled rifle that is legally registered and possessed, transported, acquired, or transferred in accordance with federal law.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Judiciary.

**HB 2099** by Representatives Blake, Kretz, Hurst, Liias, Orcutt, Dunshee, Taylor, Van De Wege, Shea, Kirby, Short, Takko, Moscoso, Tharinger, Finn, Seaquist, Schmick, Sells, Ahern, Condotta, McCoy, Hope, Moeller, Goodman, and McCune

Concerning short-barreled shotguns and short-barreled rifles.

Allows a person to possess, transport, acquire, or transfer a short-barreled shotgun or short-barreled rifle that is legally registered and possessed, transported, acquired, or transferred in accordance with federal law.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Judiciary.

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### Senate Bills

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**SB 5742-S** by Senate Committee on Transportation (originally sponsored by Senators Haugen, Ranker, and Shin)

Providing funding and cost saving measures for the Washington state ferry system.

(AS OF SENATE 2ND READING 4/11/11)

Provides funding and cost-saving measures for the Washington state ferry system.

Abolishes the marine employees' commission and transfers its powers, duties, and functions to the public employment relations commission.

Requires the transportation commission to impose a vessel replacement surcharge of twenty-five cents on every ferry fare sold.

Provides a sales and use tax exemption on fuel purchased by: (1) The Washington state ferry system for use in a state-owned ferry after June 30, 2013; and

(2) A county-owned ferry for use in ferry vessels after June 30, 2013.

Modifies provisions relating to public works contracts and collective bargaining.

Creates the capital vessel replacement account.

-- 2011 REGULAR SESSION --

Feb 17 Public hearing in the Senate Committee on Transportation at 3:30 PM.

Feb 24 Executive action taken in the Senate Committee on Transportation at 1:30 PM.

Feb 25 TRAN - Majority; 1st substitute bill be substituted, do pass. Passed to Rules Committee for second reading.

Mar 2 Placed on second reading by Rules Committee.

Apr 11 1st substitute bill substituted. Floor amendment(s) adopted. Rules suspended. Placed on Third Reading. Third reading, passed; yeas, 36; nays, 10; absent, 1; excused, 2.

-- IN THE HOUSE --

Apr 13 First reading, referred to Transportation. Public hearing in the House Committee on Transportation at 3:30 PM.

Apr 14 Scheduled for executive session in the House Committee on Transportation at 3:30 PM. (Subject to change)

**SB 5932** by Senators Kohl-Welles, Conway, Nelson, White, Murray, Keiser, Regala, Chase, Kline, and Harper

Clarifying the taxability of initiation fees and dues to provide funding for essential government services.

Clarifies the taxability of initiation fees and dues to provide funding for essential government services.

Makes an appropriation.

Provides a contingent effective date.

-- 2011 REGULAR SESSION --

Apr 12 First reading, referred to Ways & Means.

**SB 5933** by Senators Tom, Sheldon, Hobbs, Ericksen, and Litzow

Enhancing state revenues by reforming laws regulating the distribution and sale of spirits and wine.

Establishes a private licensee system of distribution of distilled spirits in place of purchase and resale of distilled spirits by the state.

Reforms outdated laws governing the distribution of wine which will lead to greater efficiencies for wineries, distributors, and retailers of wine.

-- 2011 REGULAR SESSION --

Apr 13 First reading, referred to Labor, Commerce & Consumer Protection.

**SB 5934** by Senators Rockefeller, Ranker, Chase, Fraser, and Nelson

Concerning funding and administering the processing of water rights permits and applications.

Modifies provisions relating to the processing of water rights permits and applications.

-- 2011 REGULAR SESSION --

Apr 13 First reading, referred to Ways & Means.

**SB 5935** by Senator Hargrove

Addressing adoption support payments for hard to place children.

Addresses adoption support payments for hard to place children.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Ways & Means.

**SB 5936** by Senators Honeyford, Ericksen, Carrell, Swecker, and Schoesler

Repealing unnecessary provisions concerning the Washington State Bar Association.

Eliminates statutes establishing the Washington state bar association and regulation of members of the bar.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Judiciary.

- SB 5937** by Senator Shin  
Concerning a temporary sales and use tax rate increase to provide funding for essential government services.  
Imposes an additional tax on retail sales.  
-- 2011 REGULAR SESSION --  
Apr 14 First reading, referred to Ways & Means.
- SB 5938** by Senators Hargrove and Zarelli  
Changing disability lifeline programs.  
Modifies disability lifeline programs.  
Creates the disability lifeline account.  
-- 2011 REGULAR SESSION --  
Apr 14 First reading, referred to Ways & Means.
- SB 5939** by Senator McAuliffe  
Regarding copayments for the early childhood education and assistance program.  
Requires the department of early learning to establish copayments for eligible children for the sole purpose of funding the early childhood education and assistance program.  
Creates the early childhood education and assistance account.  
-- 2011 REGULAR SESSION --  
Apr 14 First reading, referred to Ways & Means.
- SB 5940** by Senators Hobbs, Ericksen, Keiser, Tom, Kastama, and Zarelli  
Regarding reforms to school employee benefits purchasing.  
Requires the office of the superintendent of public instruction to establish interagency agreements with the state health care authority, the office of the insurance commissioner, and the office of financial management to provide a system allowing for voluntary enrollment in a new statewide K-12 employees' health benefits pool, beginning with the 2012-13 school year.  
Requires the office of the superintendent of public instruction to convene a technical working group on K-12 employee benefits.  
Provides that the act is null and void if appropriations are not approved.  
-- 2011 REGULAR SESSION --  
Apr 14 First reading, referred to Ways & Means.
- SB 5941** by Senators Eide, Regala, Rockefeller, and Kline  
Concerning judicial branch funding.  
Modifies provisions relating to judicial branch funding.  
-- 2011 REGULAR SESSION --  
Apr 14 First reading, referred to Ways & Means.
- SB 5942** by Senators Hewitt and Zarelli  
Warehousing and distribution of spirits, including the lease and modernization of the state's spirits warehousing and distribution facilities and related operations.  
Requires the office of financial management, in consultation with the liquor control board and the spirits distribution advisory committee, to establish and conduct a competitive process for the selection of a private sector entity to lease and modernize the state's spirits warehousing and distribution facilities and related operations.  
-- 2011 REGULAR SESSION --  
Apr 14 First reading, referred to Ways & Means.
- SB 5943** by Senators Prentice and Zarelli  
Concerning transition services for people with developmental disabilities.  
Addresses transition services for people with developmental disabilities.  
Requires the department of social and health services to close Frances Haddon Morgan residential rehabilitation center and the Rainier school and relocate current residents.  
Creates the community residential investment account.  
-- 2011 REGULAR SESSION --  
Apr 14 First reading, referred to Ways & Means.
- SB 5944** by Senators Murray, White, Regala, Prentice, Rockefeller, Fraser, Harper, Ranker, Conway, Nelson, Kohl-Welles, Kline, and Chase  
Concerning revenue increases for purposes of imposing a supermajority voting requirement in the legislature.  
Requests that the people determine that existing tax exemptions should not be privileged under the law nor subject to a greater threshold required to modify or end them than are other expenditures provided for in the state general fund.  
Provides for submission of the act to a vote of the people.  
-- 2011 REGULAR SESSION --  
Apr 14 First reading, referred to Ways & Means.
- SB 5945** by Senators Rockefeller, Prentice, Eide, Kohl-Welles, Harper, Nelson, White, Ranker, Kline, Murray, Chase, Fraser, Conway, Keiser, Shin, and Regala  
Modifying excise tax laws to provide funding for essential government services.  
Modifies excise tax laws.  
-- 2011 REGULAR SESSION --  
Apr 14 First reading, referred to Ways & Means.
- SB 5946** by Senators Ranker, White, Rockefeller, Harper, Conway, Kohl-Welles, Fraser, Prentice, Hargrove, Kline, Chase, and Nelson  
Strengthening compliance measures for the collection of excise taxes from corporate officers responsible for tax payments to provide funding for essential government services.  
Strengthens compliance measures for the collection of excise taxes from corporate officers responsible for tax payments.  
-- 2011 REGULAR SESSION --  
Apr 14 First reading, referred to Ways & Means.
- SB 5947** by Senators Eide, Conway, Kohl-Welles, Rockefeller, Ranker, Shin, Nelson, White, Murray, Kline, and Chase  
Repealing certain tax exemptions to provide funding for essential government services.

Eliminates certain nonessential tax exemptions.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Ways & Means.

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### **Senate Joint Memorials**

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**SJM 8009** by Senators Regala and Nelson

Requesting respectfully for adoption of the federal main street fairness act.

Requests adoption of the federal main street fairness act.

-- 2011 REGULAR SESSION --

Apr 14 First reading, referred to Ways & Means.