



# Capitol Update

November 2006

Published by the UW Office of State Relations

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## 2006 Election Recap

Democrats strengthened their majorities in both the Senate and House of Representatives and an initiative to repeal the state's estate tax was easily defeated in the general election held on November 7. Election results are not official until certified by the Secretary of State in early December.

In the state Senate, Democrats increased their majority to a 32-17 lead over Senate Republicans. A total of seven new Senators were elected (six Democrats and one Republican) including:

- ✓ **Chris Marr-D**, a Spokane auto dealer and Washington State University Regent who defeated incumbent Senator Brad Benson-R in the 6<sup>th</sup> district.
- ✓ **Rep. Janea Holmquist-R** who won the 13<sup>th</sup> district seat vacated by Senator Joyce Mulliken who stepped down earlier this year for a seat on the Eastern Washington Growth Management Hearings Board.
- ✓ **Rep. Derek Kilmer-D** who won the 26<sup>th</sup> district senate seat vacated by the retiring Senator Bob Oke-R.
- ✓ **Steve Hobbs-D**, a UW employee who defeated incumbent Senator Dave Schmidt-R in the 44<sup>th</sup> district.
- ✓ **Eric Oemig-D**, a former Microsoft employee who won the 45<sup>th</sup> district seat vacated by the retiring Senator Bill Finkbeiner-R.
- ✓ **Claudia Kaufman-D**, who works for the Muckleshoot Indian Tribe who won the 47<sup>th</sup> district seat of Senator Steve Johnson-R who stepped down to make an unsuccessful run for the Supreme Court.
- ✓ **Rep. Rodney Tom-D** who defeated incumbent Senator Luke Esser-R in the 48<sup>th</sup> district.

In the House of Representatives, majority Democrats increased their lead over the Republicans by five seats, now holding a 62 to 36 edge. Overall, there were 12 new House members elected to office (nine Democrats and three Republicans) including:

- ✓ **Don Barlow-D**, a Spokane School Board member who defeated incumbent Rep. John Serben-R in the 6<sup>th</sup> district.
- ✓ **Steve Hailey-R**, a farmer and rancher from Mesa who won the seat of retiring Rep. Don Cox in the 9<sup>th</sup> district.
- ✓ **Judy Warnick-R**, a Moses Lake small business owner who won the seat of Senator-elect Janea Holmquist-R in the 13<sup>th</sup> district.
- ✓ **Charles Ross-R**, the Mayor of Naches who won the seat of retiring Rep. Jim Clements in the 14<sup>th</sup> district.
- ✓ **Christine Rolfes-D**, a member of the Bainbridge Island City Council and UW Evans School alum who defeated incumbent Rep. Beverly Woods-R in the 23<sup>rd</sup> district.

- ✓ **Kevin Van De Wege-D**, a firefighter and paramedic from Sequim who defeated incumbent Rep. Jim Buck-R in the 24<sup>th</sup> district.
- ✓ **Larry Seaquist-D**, a former U.S. Navy warship captain from Gig Harbor who won the seat of Senator-elect Derek Kilmer in the 26<sup>th</sup> district.
- ✓ **Troy Kelley-D**, a Tacoma educator who won the seat of retiring Rep. Gigi Talcott-R in the 28<sup>th</sup> district.
- ✓ **Christopher Hurst-D**, a former state representative and police detective from Pierce County who defeated incumbent Rep. Jan Shabro-R in the 31<sup>st</sup> district.
- ✓ **Jamie Pedersen-D**, a Seattle attorney who won the seat of Senator-elect Ed Murray-D.
- ✓ **Roger Goodman-D**, a Kirkland attorney and former director of the state Sentencing Guidelines Commission who won the seat of Rep. Toby Nixon who made an unsuccessful run for the Senate in the 45<sup>th</sup> district.
- ✓ **Deborah Eddy-D**, the former mayor of Kirkland who won the seat of Senator-elect Rodney Tom-D in the 48<sup>th</sup> district.

Initiative 920, which would have repealed the state's estate tax which is dedicated to funding a variety of public education programs, was defeated by a margin of 62 percent to 38 percent. The controversial property rights measure Initiative 933 was defeated by a margin of 58 percent to 42 percent. Only Initiative 937, which requires utility companies to meet certain renewable energy requirements, passed by a margin of 51 percent to 49 percent.

## Washington Learns Releases Final Report

Governor Gregoire unveiled her long-awaited Washington Learns report at a gala event in Seattle on November 13. The report establishes ten goals for a world-class education system in Washington from early learning to K-12 to higher education and outlines five major initiatives in early learning, math and science, personalized learning, college and workforce training and quality and accountability that are intended to achieve the Washington Learns goals.

Significant recommendations related to higher education include:

- ✓ Establish a state tuition policy for higher education that caps undergraduate tuition at seven percent, but sets a 10-year goal of increasing general fund and tuition support for higher education to the 60<sup>th</sup> percentile of peer funding within the Global Challenge States.
- ✓ Strengthen accountability in higher education through performance agreements with individual institutions.
- ✓ Develop a ten-year plan for enrollments needed in colleges and universities.
- ✓ Increase access to workforce training for individuals with low incomes, limited basic skills or limited English proficiency.
- ✓ Providing college scholarships for low income and first generation students.
- ✓ Expand eligibility under the State Need Grant for low income adults who only take one college class per term.
- ✓ Promote public-private partnerships between businesses and community and technical colleges.

- ✓ Focus investments to generate more graduates of college and apprenticeship programs.
- ✓ Restructure and strengthen the Higher Education Coordinating Board.
- ✓ Create a P-20 council chaired by the Governor to track progress toward long-term goals and improve student transitions through the educational system.

The Governor also announced that the Washington Learns Steering Committee will continue to meet for the next two years to focus on issues of accountability and finance, particularly as it relates to the K-12 education system. The complete report can be downloaded at:

<http://www.washingtonlearns.wa.gov/FinalReport.pdf>

## **Prosperity Partnership Report Calls for Increased Funding for High Demand Degrees**

The Prosperity Partnership is a coalition of business, government, academic, labor and nonprofit organizations from King, Pierce, Kitsap and Snohomish counties that has developed and is implementing a common economic strategy for central Puget Sound. UW President Mark Emmert serves as a co-chair of the Partnership.

A major 2006 goal for the Partnership was the development of a consensus higher education proposal for the 2007 legislative session to increase the production of baccalaureate degrees in the state, particularly in "high demand" fields. A Higher Education Working Group (HEWG) was formed earlier this year to draft the proposal which included UW President Mark Emmert and Dr. Ed Lazowska, the Bill and Melinda Gates Chair in Computer Science and Engineering.

The \$90 million proposal developed by the HEWG was recently announced and contains seven major elements:

1. Fund current capacity in high demand, high impact bachelors and associate's fields in the 2007-09 biennial budget. (Note: the UW's 2007-09 biennial budget proposal includes funding for its portion of the FTE's associate with the Partnership's overall recommendation).
2. Study capital needs beyond current capacity, for reporting to the Legislature in the 2008 session.
3. Develop and implement a marketing pilot project to inform students, parents, and educators of opportunities in high demand fields and the relevance of math and science to these fields and motivate students to take these classes.
4. Provide more financial aid to encourage students to pursue degrees in high demand, high impact fields.
5. Fund FTEs at actual cost of institutions – approximately \$15,000 per year for high demand degrees.
6. Adopt accountability standards and outcomes-based management of higher education.
7. Commit to a sustainable level of general fund budget for higher education investment.

The proposal has been submitted to the Governor for her consideration in crafting the 2007-09 biennial budget recommendations to the legislature.

## Washington's Tax Revenues Up Again

Washington's economy continues to exhibit strong growth despite a cooling real estate market, as the forecast of general fund revenues has increased by \$57 million. On November 16, the Economic and Revenue Forecast Council met in Olympia to adopt the latest estimate of state tax collections for the current and future biennia. Revenues are now projected to be \$49 million higher between now and June 30, 2007, and about \$8 million higher in the 2007-09 biennium (which begins July 1, 2007) than previously forecast. The state has a budget reserve estimated to be almost \$2 billion.

The Forecast Council will meet again on March 15, 2007 to update the state general fund revenue projections.

## Olympia News and Notes

Long-time state senator **Alex Deccio-R** from Yakima announced he will retire from the legislature on January 1 due to health concerns. Deccio who is 85 was first elected to the House of Representatives in 1974 where he served three terms. He was elected to the Senate in 1980 and served two terms before being elected to the Yakima County Commission in 1988. He returned to the Senate following the 1992 election where he has remained since. Senator Deccio has served as chair of the Senate Health and Long Term Care committee. His retirement two years into his current term requires an appointment to the seat by the Yakima County Commissioners prior to the start of the 2007 legislative session.

**Brian Hatfield-D** of Raymond has been selected as the next state senator from the 19th legislative district, which includes Pacific, Wahkiakum and portions of Cowlitz and Grays Harbor counties. Hatfield, who serves as the liaison for legislative and community relations in the Office of the Lieutenant Governor, represented the 19th district in the state House of Representatives from 1994 to 2004. Before that, he was a legislative assistant to former state Senator Sid Snyder and the late Arlie DeJarnatt. Hatfield replaces Mark Doumit who resigned his seat earlier this month to serve as executive director of the Washington Forest Protection Association. Hatfield is expected to resign his position with the Office of the Lieutenant Governor.