





REPRESENTATIVE Mark Klicker



REPRESENTATIVE Skyler Rude

16th District Legislative Report

Dear Friends and Neighbors,

This year's legislative session was historic for two reasons. First, the people of Washington sent six initiatives to us, using the power reserved to them by our state constitution. Second, the Legislature approved three of them. Under Washington's constitution, the remaining three initiatives will appear on the November general-election ballot. Keep reading for more information on what was passed and what happens next.

Had it not been for the initiatives, the Legislature's focus would have been on the tasks that are traditional for a "short" 60-day session like this one. That begins with agreeing on mid-course revisions and updates to the set of two-year budgets adopted a year ago. Before adjourning for the year on March 7, we joined in the unanimous approval of the supplemental budgets for capital (construction) and transportation projects.

Adjustments to the operating budget also were approved, and while we did not agree with all the spending choices, we were successful in defending against proposals that would have increased taxes.

Beyond the budgets, we continued our efforts to fix the public-safety and affordability crises in our state, address the housing and homelessness situations and build a better life for Washington's children. Along the way we also succeeded in heading off some attempts to take our state in the wrong direction.

If you have questions or concerns after reading through this report, please remember we want to hear from you. While the session is over for this year, we represent you throughout the year, and your comments help us to be your voice. Our contact information is below.

It is an honor to serve you.

Sincerely,

Sen. Perry Dozier

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Three initiatives passed, three more to be decided

While legislative authority belongs to the Senate and House of Representatives, our state's constitution (in Article II, Section 1) continues with this very important language: "The people reserve to themselves the power to propose bills, laws, and to enact or reject the same at the polls, independent of the legislature."

This power is exercised either as an initiative to the people, which if certified goes straight to the ballot, or an initiative to the Legislature. The latter comes to us as legislation which may be enacted, just like any other bill. If it isn't enacted, an initiative to the Legislature also goes to the ballot.

A record six initiatives to the Legislature were certified to us by the secretary of state during the first part of this year's session. The previous high was three, set all the way back in 1972.

Under Washington's constitution, legislators are supposed to give the initiatives "precedence" over all other proposals, except bills to appropriate money. We would have voted for all six. Unfortunately, the majority Democrats dragged their feet and waited until the next-to-last week of our time at the Capitol before holding committee hearings, then chose to ignore three of the six initiatives completely.

The public opinion captured at the committee hearings about the initiatives was overwhelmingly in favor of approval. On March 4, we were glad to help pass three of the six initiatives:

 I-2113 ends a mistake made by the majority in 2021 by repealing the criminal-friendly restrictions put on vehicular pursuits by law enforcement. Washington officers are trained to decide whether a pursuit is appropriate, and if so, minimize the risk posed to innocent bystanders. Auto thefts and other property crimes jumped in our state after criminals learned they would no longer be pursued; restoring the option to pursue should serve as an important deterrent.

- I-2111 bans any local or state government in our state from imposing an income tax. The voters of Washington have opposed an income tax through 11 votes over the past 90 years. Now we will have a law which is in line with their long-held view.
- I-2081 creates a bill of rights for parents who want more information about what their children are doing at school. This expands on the legislation introduced by Senator Dozier each of the past four years, which never received more than a committee hearing.

We were not allowed to vote on the other three initiatives. They are:

- I-2109, to repeal the state tax on income from capital gains that took effect in 2023.
- I-2124, which targets the mandatory payroll tax behind the staterun WA Cares long-term care program. It would allow workers the option to opt out of paying the tax, which has been collected since mid-2023.
- I-2117, to repeal the cap-and-trade law officially called the Climate Commitment Act. Like the capital-gains tax, this took full effect at the start of 2023.

Because they were not enacted, these measures will go to the ballot in November.

Supplemental capital and transportation budgets to invest nearly \$13 million more in local projects

The capital budget, which funds various construction projects and capital acquisitions throughout the state, is typically developed with strong bipartisan collaboration. The same thing can be said for the adjustments made through the supplemental capital budget (Senate Bill 5949) we adopted just before the Legislature adjourned.

These updates do a good job of addressing a wide variety of needs, including significant investments in K-12 school construction, behavioral health and substance abuse treatment facilities, housing, early learning facilities, infrastructure, and other projects in local communities across the state.

The support for local investments includes:

- \$1.5 million for the Columbia Valley Center for Recovery, on top of the \$5 million allocated for it in 2023;
- \$2.55 million for the Lions Park Community Center;
- \$175,000 for the YWCA Walla Walla Childcare Center;
- \$105,000 for the new Prosser Clubhouse, operated by the Boys and Girls Clubs;
- \$98,000 for resurfacing and revitalizing the Prescott public pool;
- \$100,000 for the new Waitsburg Childcare Center;
- \$1.13 million for College Place Fire Department energy-efficiency upgrades;
- \$4.6 million for fire protection and smoke dampers at the Washington State Penitentiary's Intensive Management Unit; and
- \$196,000 for designing the Mill Creek fish passage from Colville Street to Third Avenue in Walla Walla.

Highlights of the supplemental capital budget overall include:

- \$148.8 million for behavioral health and substance abuse treatment, new community capacity, institutional or state-run capacity, and upgrades and maintenance to existing facilities;
- \$183.64 million for housing with maintenance and upgrades for new housing units and upgrades to existing units;
- \$128.64 million for new housing projects;
- \$335.2 million for K-12 school construction, not including reduction in SCAP for projects that did not materialize or move forward;
- \$127.86 million for higher education; and
- \$210.87 million for natural resources.

Transportation budget update should complete important local project

In addition to the nearly \$11 million from the capital budget, we also secured an additional \$2.2 million for the SR 224/Red Mountain vicinity improvement project.

When we left the Capitol after the 2023 session, with a \$5 million appropriation for this very important project, we viewed it as shovel-ready – until the state Department of Transportation balked and said no, that's not enough.

This transportation funding is crucial for our district. With this additional money in hand, we expect it will finally be time to cut the ribbon and get to work.

The final version of the supplemental transportation budget also includes language for the Department of Licensing to recommend improved rural access to driver education. Representative Klicker was responsible for this request and hopes it will lead to bigger things.



No new taxes, but updated spending level is still too much

The operating budget is by far the largest of state government's three budgets. Also, compared to the capital and transportation budgets, it typically does more to show the differing priorities between Republicans and Democrats.

Coming out of the Senate, the supplemental operating budget included some good adjustments in support of public safety and K-12 education – although it still reflected a spending increase of nearly \$2 billion.

In the House, the majority – which shut Republicans out of initial budget discussions – added even more spending on questionable items, such as: \$345,000 for free naloxone (overdose reversal) for high-school students, \$250,000 to study the creation of a state "Department of Housing" (after the bill to do so failed), and \$247,000 for the state attorney general to create a task force to combat "extremism and mass violence." There's even \$962,000 for enforcement of the capital-gains tax, even though Democrats knew Initiative 2109, to repeal that tax, will be on the November ballot.

The cap-and-trade law shows up in the budget in two places. There's \$150 million for bill credits for lower-income electricity customers to help with the "clean energy transition," which tells us the cap-and-trade law (officially, the Climate Commitment Act) is affecting household budgets in ways the sponsors didn't disclose when passing it in 2021.

There is also \$30 million for tier-based reimbursements to buyers of farm diesel, which costs more because of cap-and-trade. That doesn't come close to offsetting what those surcharges really cost farmers and others in our agricultural sector, but we see this appropriation as a belated and inadequate acknowledgement that the Department of Ecology dropped the ball on upholding the promise that agriculture would be exempt.

Outside of the budget but in the tax-policy category, our colleagues in the majority tried to overturn the 1% cap on the rate of annual property-tax growth. This had been set by Washington voters in 2001 and confirmed by a Democrat-controlled Legislature in 2007, at the request of a Democrat governor. To be clear, the cap applies only to "councilmanic" tax increases, meaning they are approved by the local council rather than voters. Nothing in the law prohibits local governments from asking voters for permission to raise property-tax rates by more than 1%.

The proposed tax hike would have allowed up to a 3% annual hike in the tax rate without voter approval. Amazingly, the prime sponsor made the ridiculous argument that giving voters less say over tax rates would be an example of more democracy! Once the public learned what this bill would actually do, they helped us pressure the majority into pulling the legislation. It was the right decision, but this legislation never made good fiscal sense in the first place. We suspect it was more about helping our state's largest county make up for some poor budgeting decisions.

Senator Dozier:



I came into this year's session looking for new ways to help make living and working in our state more affordable... and found one, in the state's list of property-tax exemptions. An exemption that was created in 2005 to benefit the widows and widowers of honorably discharged veterans had not kept pace with similar exemptions over the years, so I introduced Senate Bill 6238 to make things right.

My bill attracted

bipartisan sponsorship and ended up winning unanimous legislative approval. While it's not the broad sort of tax relief the people of our state deserve, the money it saves will be very important to those who are eligible.

As Republican leader on the Senate Business, Financial Services, Gaming and Trade Committee, I also sponsored a narrowly focused and non-partisan piece of legislation that has to do with the banking industry. This was at the request of our state's Uniform Law Commission, and it too passed unanimously.

Another 10 bills I co-sponsored also were passed into law this session. These measures, which had Democrat and Republican prime sponsors and received solid bipartisan support, involved such diverse topics as supporting a new antifentanyl awareness campaign, simplifying the siting of rural fire stations, improving statewide tourism marketing efforts, and increasing the supply of certified registered nurse anesthetists.

One of the bills that troubled me most this year would have let a partisan state official dictate whether hospitals can merge or be acquired. **Senate Bill 5241** might have meant the end for smaller health-care facilities that are struggling financially, because it would allow a proposed merger or acquisition to be blocked if the attorney general decided the move might restrict access to specific kinds of specialized care.

This partisan proposal seemed to be aimed squarely at health-care systems with religious affiliations – but should you have a medical emergency, how much would you care if the facility treating you has such an affiliation, as long as it's located closer and can care for you sooner? I was relieved when this bill fell short of receiving final approval, because of how it could limit access to hospital-level care in our part of Washington.



Representative Rude:

As the Republican lead on the House Education Committee, I introduced two bills to help solve the learning deficiencies students are facing.

Financial education as a graduation requirement for high school students: Empowering students with personal finance education is vital to enhancing their opportunities. While some school districts have already prioritized financial education, many students aren't receiving any financial instruction before graduation. **House Bill 1915** was geared towards bridging the gap to ensure students receive this necessary instruction before stepping into post-graduation life.

This bill received unanimous support in the House but died in the Senate. I am committed to bringing the bill back next year.

Tackling learning loss: The decision to shut down in-class instruction during the pandemic led to learning loss and a drop in test scores for many students in our schools. I proposed legislation designed to address learning loss by emphasizing the placement of tutors in schools and increasing the presence of paraeducators in classrooms.

House Bill 2387 would improve student outcomes by funding two additional paraeducators per school in the funding model to deliver high-quality, personalized instruction for students in math and reading. It would also address COVID-related learning loss by funding a new temporary tutoring program that would provide high-dosage tutoring to students who have fallen furthest behind.

Although this bill did not advance through the legislative process, I will continue working on solutions to improve student outcomes, especially in math and reading, in our public schools.

My top priorities will continue to include improving our K-12 system so our students are well-equipped to succeed in life.



Representative Klicker:

As the ranking Republican on the Housing Committee, I continue to see the damaging effects of Washington's affordable-housing crisis. We passed a few good policies during session, but unfortunately, the Legislature still hasn't done enough to help struggling families and individuals. While the majority party pushed another rent-control bill, House Republicans offered real solutions that would fix the housing crisis and help renters now and in the future. Ultimately, none of these bills passed, leaving Washingtonians with more uncertainty going forward.

Additionally, my legislation, **House Bill 2008**, would've created a legislative task force to analyze housing-cost drivers to get to the root of the housing-crisis problem by determining what factors truly drive housing costs in Washington. We must understand the causes before we can resolve them. **HB 2008** had full bipartisan support in the Housing Committee but was never heard in the Appropriations Committee and didn't receive a vote.

I also introduced **House Bill 2428**, which the governor signed into law. This legislation allows cities and towns to voluntarily enter interlocal agreements to share a portion of general-purpose local-government sales and use tax revenue. This is a simple bill on paper, but it will be a big deal for our cities, towns, and communities.

Currently, cities rely heavily on sales tax, and neighboring cities and towns often compete for the same revenue. This bill removes that competition and allows for a joint pursuit of goals through voluntary interlocal agreements. This will help promote the combining of projects and the use of existing infrastructure and give a boost to smaller cities and towns throughout Washington.

I also introduced **House Bill 2252**, which would have required cities and towns to allow business establishments, such as cafes and small grocers that meet certain requirements, to be permitted in residential zones. This legislation would foster community engagement, create public gathering places, and make our neighborhoods and communities feel safer and more connected.

The House unanimously passed **HB 2252**, but unfortunately, the Senate gutted the bill with an amendment. Ultimately, both chambers could not come to an agreement, so the bill died. However, I plan to bring it back next session and work to get it over the hump.

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If we can be of any assistance during this time for our communities, please feel free to contact our offices. It is a pleasure and honor to serve as your 16th District legislators.

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Deputy Republican Whip

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