



POLICY BRIEF

Policy victories in the 2023 legislature

By Paul Guppy,
Senior Vice-President of Research

May 2023

Key Findings

1. The Washington legislative session started on January 9th and ended on April 23rd. Democrats held a majority of 58-40 in the House and 29-20 in the Senate.
2. WPC experts were a key source of timely research throughout the session, being invited to testify at committee hearings 35 times and being cited in news coverage 642 times.
3. WPC's work helped keep new taxes out of the 2023-2025 budget.
4. Bills passed which cut regulations to open access to jobs and affordable housing.
5. Lawmakers adopted WPC's recommended positions on charter school funding, reducing the nursing shortage, promoting open and honest government, and protecting rural property rights.
6. WPC's work informed opposition to legislation which led to stopping a ban on private health insurance, preventing cuts in classroom instruction, and defending tax-limitations for small businesses and homeowners.
7. WPC's objective policy research provided the intellectual framework to legislators who prevented the passage of a mileage tax, rent control, Critical Race Theory mandates and other harmful policy.



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- 3 *Introduction*
- 3 *Legislative victories that reflect Washington Policy Center recommendations*
- 8 *Bad bills that did not pass, in accord with Washington Policy Center recommendations*

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Introduction

The 2023 Washington state legislative session convened on January 9th and adjourned on April 23rd. In this session Democrats controlled the House and the Senate and the governor's office. Democrats held a 58-40 majority in the House and a 29-20 majority in the Senate.

WPC experts testified by invitation 36 times before legislative committees, published 17 Legislative Memos, appeared on radio, TV news and online news shows 642 times, distributed 166 blogs on social media and produced 16 WPC On The Go live virtual events. In addition, WPC provided weekly video updates of legislative actions. WPC experts also worked with individual lawmakers in response to requests for research.

Following are several examples, presented in random order, of policy decisions made by the legislature that either adopted reforms reflecting policies recommended by WPC or defeated proposals reflecting policies that WPC had recommended against. These examples also include WPC positions adopted by the judiciary.

Legislative victories that reflect Washington Policy Center recommendations

1. No new taxes.

One of WPC's primary recommendations to state leaders is to not increase the financial burden they place on the people of Washington. Our research shows the state has plenty of money, made possible by healthy yearly revenue increases under existing tax laws. In December 2022, for the first time, Governor Inslee announced a proposed budget that included no general tax increase. A WPC analysis released on March 20th showed that legislators could expect at least a 7.1% revenue increase with no new taxes. The final operating budget, passed by the legislature in April 2023, adopted this recommendation – it imposed no major tax increase on Washington residents. The governor signed the budget bill, SB 5187, on May 16th.

Summary: The legislature passed a no-new-taxes budget for 2023-25.

2. Provided fair funding for charter school children.

WPC has consistently argued against the state's discriminatory policy that cuts funding for charter school children compared to the per-student funding other public schools receive. On February 9th WPC's education expert, Liv Finne, presented findings to the legislature in support of SB 5442, a bill to provide enrichment funding for public charter schools to partially make up for the shortfall. Provisions of the bill were included in the 2023-25 operating budget (SB 5187), and provided an additional \$8.3 million, or roughly \$1,550 more per student, for the state's charter school families.

Summary: Increased state funding for charter school students by \$8.3 million, or an average of \$1,550 per student.

3. Tutoring funding to help children recover from COVID learning loss.

SB 5248 included WPC recommended policy, to direct unused federal COVID relief funds to provide tutoring service to children in public schools. WPC's education expert presented findings at a public hearing of the Senate Education Committee showing that direct tutoring for students, rather than general money added to district budgets, was the most effective way to make up for learning loss caused by Governor Inslee's school shutdowns. The bill did not pass, but its provisions were put into SB 5187, the operating budget bill, adding a total of \$196 million for additional tutoring services. The governor signed the bill on May 16th.

Summary: Directed \$196 million in unused federal relief funding to tutoring services to help children make up for COVID-related learning loss.

4. Accountability for imposing taxes.

WPC recommended the creation of an easy-to-use Tax Transparency Website so that citizens can enter an address and see which public officials impose taxes on their homes and business. Voters could then hold their elected representatives accountable for the tax burden these officials impose on the public. On January 10th WPC released an analysis in support of a bi-partisan bill, SB 5158, to provide "transparency in state and local taxation" for the state's 1,740 taxing districts. The bill was included in the operating budget and signed by the governor. The policy victory directly benefits the state's 316,106 business owners, and the homeowners and renters living on the state's 3,473,194 property tax parcels.

Summary: Longtime WPC recommended, bipartisan Tax Transparency Website to hold elected officials accountable for the taxes they impose was included in the new budget.

5. Delayed imposition of the Long-Term Care payroll tax.

Due to WPC's work, the legislature delayed implementation of the planned Long-Term Care payroll tax for 18 months, from January 2022 to July 2023,

resulting in \$970 in savings for the average household in Washington state, and total savings of \$28.1 million.

Summary: Delay of the new payroll tax for 18 months, saved working families an average of \$970 each, or a total of over \$28 million.

6. Fair and honest lawmaking.

WPC has long recommended ending the use of “title-only bills,” the introduction of legislation with blank pages, with the text of new laws being filled in at the last minute before the public has a chance to see it. On January 9th the Senate adopted SR 8601, requiring that 100% of legislative proposals must be spelled out completely and giving citizens at least five days’ notice before any public hearing or legislative action.

Summary: “Title-only” (blank) bills were banned in the senate, with the full text of the bill required to be given to the public with at least five days’ notice before any legislative action can be taken.

7. Preserved access to private health insurance.

Health Care policy expert Elizabeth Hovde was the primary source of independent analysis of a ballot initiative pushed by an activist group, Whole Health Washington, to impose a socialist health care system. The initiative would have effectively banned private health insurance in Washington state. WPC’s research findings explained to the public how the proposal would restrict access to health care coverage, contributing to the sponsors being able to collect only 80,000 signatures, or less than one-fifth of the number they needed.

Summary: Preserved access to private health insurance by exposing the deficiencies of a socialist health care ballot initiative.

8. Promoted open government.

WPC’s research and media activity helped the legal advocacy group Citizens Action Defense Fund win a major court victory for honest government. A ruling on March 31st in Thurston County Superior Court requires state labor unions and the governor to reveal the secret negotiations behind spending millions of dollars in pay raises and public employee benefits. Information about the negotiations must be posted online as public records. The ruling will require the governor to inform the public about his budget decisions in giving out over \$997 million in salary and benefits.

Summary: Promoted open government in how the governor decides to spend over \$997 billion in publicly funded pay raises and benefits.

9. Allowing remote testimony at public hearings.

On January 9th the Senate adopted a rule to make remote testimony services permanent, implementing a long-standing WPC recommendation. On January 11th Democrats in the Senate touted their support for the idea in an online announcement. The new policy makes the legislature more transparent and accountable to the public. Thousands of ordinary citizens use remote testimony to appear before legislative committees every year.

Summary: Helped ensure the legislature provided over 1,000 opportunities for people to testify remotely on bills at public hearings.

10. Reduced the nursing shortage.

On March 22nd WPC's Health Care policy expert Elizabeth Hovde published an analysis recommending that Washington join the 37-state Nurse Licensure Compact. In addition, she testified in support SB 5499, which enacted that policy, in public hearings on SB 5499, which ultimately enacted that policy, informing lawmakers that cutting regulations and accepting the qualifications of nurses in Washington hospitals and clinics. The bill passed and the governor signed it on April 20th.

Summary: Lawmakers cut regulations to allow nurses trained in other states to work in Washington hospitals and clinics.

11. Reduced barriers to in-state nurse training programs.

On January 26th, SB 5582 was introduced to expand nurse training opportunities and to provide high school students with direct access to nurse training programs. WPC strongly supports reducing barriers to getting professional licenses and released an analysis of this policy on March 22nd. The bill passed and the governor signed it on April 20th.

Summary: Helped expand access to nurse training programs to high school students.

12. Cut occupational licensing regulations.

HB 1301 requires the Department of Licensing to conduct a full review of professional license requirements and report to the legislature on which ones should be continued, modified or repealed. WPC has long recommended cutting occupational license restrictions. On January 25th WPC's Vice President for Research testified on the bill before the House Committee on Consumer Protection

and Business, noting that cutting burdensome license requirements would create jobs and attract professional talent to the state. The bill passed and was signed by the governor on May 11th.

Summary: Aided efforts to reduce occupational licensing regulations to help create jobs and attract talent to the state.

13. Reduced job barriers for military spouses.

WPC-supported policy was included in HB 1009, a bill to cut licensing regulations to make it easier for military spouses to find work in Washington state. Normally state accreditation for out-of-state professionals takes months. This bill instructs state agencies, boards and commissions to cut that time to days or weeks, in part by recognizing credentials earned in other states. WPC expert Todd Myers released an analysis in support of this policy on January 9th, and noted that the idea is supported by Democrat leaders in the House. The bill passed on April 17th and was signed by the governor the following day.

Summary: Worked successfully to cut occupational license regulations to make it easier for military spouses to find work in Washington state.

14. Protected rural property rights.

WPC's agriculture policy expert, Pam Lewison, worked to support expanding enrollment in the state's Voluntary Stewardship Program. The program provides incentives for farmers to protect sensitive environmental areas and fish-spawning habitats based on respect for private property rights. WPC's analysis showed that a voluntary approach to environmental protection is better than the usual top-down model of using eminent domain, property takings and other forms of government coercion. A bill containing this policy, SB 5353, passed on April 11th and was signed by the governor on April 25th.

Summary: Voluntary environmental protection incentives were expanded in a way that respects property rights.

15. Speeding up ferry construction.

In April WPC's transportation policy expert, Charles Prestrud, published research showing how the Washington State Ferry system (WSF) could speed up contracting and delivery of new ferries by cutting mandates and regulations. This approach was adopted by the sponsors of HB 1846, a bill designed to bring new ferries into service years earlier than planned. The bill passed on April 18th and was signed by the governor on May 11th.

Summary: Helped cut mandates and regulations to speed up the delivery of new state ferries.

16. Streamlined permitting to make housing more affordable

WPC has long supported policies to cut regulations and make housing more affordable by streamlining permitting and applications. SB 5058 exempts apartment buildings with 12 or fewer units from the complicated large building permit process. SB 5290 consolidates local building permits to speed up home construction projects. Both bills passed and were signed by the governor on May 4th (SB 5058) and May 8th (SB 5290).

Summary: Exemptions and consolidation of permitting were passed to make housing more affordable.

17. Helped end vaccine mandate for state workers.

Due to the governor's strict COVID vaccine mandate policy, more than 2,000 healthy and experienced state workers were fired. WPC strongly supported legislative proposals to end the mandate because data showed it did nothing to reduce the spread of COVID-19. In particular, WPC's Health Care expert, Elizabeth Hovde, provided analysis and worked with the prime sponsor of HB 1801 to repeal the mandate. The bill did not pass, but less than three weeks after the session closed on April 23rd the governor issued an executive order ending the vaccine mandate.

Summary: Provided objective research showing the governor's vaccine mandate did not stop the spread of COVID-19. The governor repealed the mandate on May 10th.

18. SB 5156, a bipartisan bill to allow farmers to hire interns.

WPC consistently recommends that lawmakers reduce barriers to work in agriculture communities. SB 5156 allows owners of small farms to hire up to three interns a year without imposing the restrictions of full-time work rules mandated by the Department of Labor and Industries. The internships must include an educational component and specifically teach the skills of running a farm. The bill passed with strong bipartisan support. The governor signed it on May 4th.

Summary: Supported passage of a bipartisan bill to allow small farmers to employ and train up to three agriculture interns a year.

Bad bills that did not pass, in accord with Washington Policy Center recommendations

1. Preserved local school independence.

WPC's work informed opposition to SB 5237, a bill to cut a school district's funding by 20% if state officials decide a local school is not pushing "woke" ideology and Critical Race Theory in classrooms. On January 16th education expert Liv Finne testified on the bill at a public hearing, and WPC sent a Legislative Memo analysis to lawmakers in February. The bill died in the Senate Ways and Means Committee. The failure of the bill protected the independence of 295 school districts, 2,200 local schools, and 1.06 million students.

Summary: Protected 2,200 public schools from punitive funding cuts if teachers refuse to promote harmful Critical Race Theory in class.

2. Protected the academic integrity of school curriculums.

WPC's education research revealed the problems with three controversial bills that would have imposed radical DEI (Diversity, Equity and Inclusion) ideology in public schools. SB 5441 would have imposed a DEI classroom curriculum. HB 1376 would have imposed DEI professional rules on teachers. HB 1239 would have required attendance at DEI "ethics" training for teachers. WPC's education expert testified on one bill (HB 1239) before the House Education Committee on January 23rd, and provided lawmakers with detailed analysis of the other two bills. All three bills died in committee.

Summary: Protected public school classroom curriculum and teacher training from radical DEI ideology mandates.

3. Defeated a new wireless device tax.

HB 1793 would have imposed an added tax of \$2.00 each on the sale of each wireless device in the state. Sponsors said it was to tax cell phones. WPC was the only source that noted in public testimony that the tax would apply to all wireless devices, like kitchen appliances, wireless earbuds, laptops and tablets, gaming consoles, smart TVs, and electric bikes. The bill died in committee. WPC's analysis saved the people of Washington at least \$37 million over five years, according to official estimates on cell phone sales, but the true savings are much higher, likely over \$100 million a year. Also benefiting were the 96.7% of Washington households with access to mobile and fixed wireless services.

Summary: Saved Washington residents \$100 million by defeating a new tax on the sale of wireless technology devices.

4. Stopped undue union influence over transit agencies.

SB 5575 would have forced local transit agencies to put a union representative on their governing boards, with no election or input from the public. WPC transportation policy expert Charles Prestrud presented an analysis of the bill at public hearings on February 1st in the House and on February 7th in the Senate. WPC also published an in-depth analysis of the bill on February 6th. The bill died in the Senate Committee on Transportation.

Summary: Stopped unions from automatically getting seats on the governing boards of local public transit agencies.

5. Defeated call for federal socialized health care.

SJM 8006 would have made an official request to the federal government to ban private health insurance and impose a nationwide socialist health care system and grant a waiver so Washington state officials could do it on their own. WPC's health care expert presented public testimony at a Senate hearing on February 16th describing the measurable and harmful effects of the proposal. The measure later died in the Senate Rules Committee.

Summary: Defeated a state resolution asking the federal government to impose a socialist health care system on the United States.

6. Protected employers from unfair costs.

HB 1136 would have forced employers to pay employees for any personal losses, such as crime, damage, or theft, that the employee experienced during working hours or while traveling on business. Research from WPC pointed out the problems with the policy, noting especially that employers cannot control or be responsible for the harmful actions of criminals. As a result, Washington's 261,825 employers saved hundreds of millions of dollars in increased liability for potential personal losses.

Summary: Protected employers from paying unfair costs created by the irresponsible actions of others.

7. No mileage tax.

HB 1832 would have instituted a mileage tax of 2.5-cents-per-mile as a pilot project, then imposed the full tax on all drivers by 2030. WPC research noted it would create a new tax and would require daily driving habits to be reported to the state. The bill died in the House Transportation Committee. WPC's work helped protect the mobility privacy of 5.7 million licensed drivers and saved the public from shouldering the burden of an entirely new method of taxation. Democrats decided not to include a mileage tax in their 2023-25 Transportation budget proposal. Further, on May 16th, Governor Inslee vetoed funding in the Transportation budget for a mileage tax study.

Summary: Protected 5.7 million Washington drivers from paying an intrusive mileage tax.

8. No rent control.

SB 5615 would have allowed local governments to impose rent control. HB 1398 would have imposed rent control and yearly rent-increase limits statewide. HB 1124 would have required a six-month notice of rent increases and allowed tenants to break rental agreements without penalty. WPC's Small Business expert, Mark Harmsworth, released economic findings showing how rent control restricts the supply of housing and drives up rents over the long term. All three bills died in committee.

Summary: The legislature refused to implement rent control proposals that would drive up the cost of housing.

9. School bond levies.

HJR 4203 would have weakened taxpayer protections by lowering the vote threshold needed to take on more school bond debt from 60% to 50%. Research published by WPC showed that the current level of taxpayer protection is working well, that the higher levy threshold was popular, and that it was particularly effective at protecting the homes of older citizens living on fixed incomes. The resolution died in the House Education Committee.

Summary: Helped preserve school bond levy thresholds that protect homeowners from excessive property tax increases.

10. Cutting class instruction time.

SB 5054 would have cut four hours per week of classroom instruction time for students in public schools. WPC published a Legislative Memo analysis of the bill in February and education expert Liv Finne presented her findings at a public hearing on March 14th. Senate leadership had scheduled it for passage, but instead the bill died in the Senate Education Committee on March 27th.

Summary: Protected standards for class instruction time for students attending public schools.

11. Stopped a property tax increase.

HB 1244 would have lifted the operations levy cap for school districts and allowed local property tax increases from \$2.50 per thousand of assessed value to \$3.00 per thousand. At a public hearing on January 24th WPC's education expert presented findings showing schools already have ample funding and that the bill's tax increase would cost homeowners \$82 million in 2025-27. The bill was passed in the House Appropriations Committee, but later died in the House Rules Committee.

Summary: Saved homeowners \$82 million by providing the information key to stopping a property tax increase.

12. Preserved voter-approved property tax limit.

Through a ballot initiative voters enacted a “growth limit” on state and local property taxes, restricting annual increases in total collections to 1% over the 12 previous years. SB 5770 sought to repeal the voter-approved limit and replace it with a 3% limit, tripling the amount officials could take in property taxes compared to the previous year. The bill was introduced in the closing days of the session in an effort to slip it through before the public noticed. WPC research and media work helped “blow the whistle” on this last-minute move to repeal tax limitations. Democratic lawmakers dropped their effort to pass the bill and it died quietly in the Senate Ways and Means Committee.

Summary: Stopped repeal of voter-approved property tax limit.

13. Defeated a state bank.

SB 5509 would have authorized state officials to compete against their own citizens in providing banking services. WPC’s Small Business expert published research on March 8th showing how government-controlled financing would harm the private sector. The bill died in the Senate Business and Financial Services committee. WPC’s position helped protect the private marketplace of 30 state chartered commercial banks, eight savings banks and 18 trust companies with nearly \$90 billion in assets under management. It also helped protect the private services of 50 state-chartered credit unions with a combined 4.1 million members.

Summary: Protected six million Washington taxpayers from the cost of an unnecessary and unaccountable state bank.

14. Real Estate Excise Tax (REET).

HB 1628 would have increased the highest state Real Estate Excise Tax (REET) rate from 3% to 4% and would have allowed local governments to add another .25% to the REET tax on property sales within their jurisdiction. Research published on April 20th by WPC business expert Mark Harmsworth found that, “HB 1628 will not solve housing affordability in either the ownership, rental or commercial real estate market.” The bill died in the House Rules Committee.

Summary: The legislature refused to implement an increase in the Real Estate Excises Tax (REET).

15. State "Truth Commission."

HB 1333, called the "domestic violent extremism committee," was introduced at the request of Attorney General Bob Ferguson. Testimony presented at a public hearing on January 24th by WPC expert Liv Finne showed how the bill would harm democracy, restrict freedom of speech and would likely be unconstitutional. She also noted that a similar effort by the Biden Administration to create a "Ministry of Truth" had already failed at the federal level. The bill died in the House State Government and Tribal Relations Committee.

Summary: Helped protect free speech rights by defeating creation of a state "Truth Commission."

16. Preserved tax-increase limit in the state constitution.

On January 20th, SJR 8206 was introduced to repeal the uniformity clause of the state constitution. This safeguard provides that all taxpayers of the same class (like property owners) must be treated fairly by being charged a single uniform tax rate. A Legislative Memo analysis published in March by WPC's budget expert Jason Mercier noted the decades-long success of the uniformity clause in ensuring the fair and equal treatment of all Washington residents under the state's tax laws. The measure died in the Senate Ways and Means Committee.

Summary: Successfully defended the state's constitutional uniformity clause, which ensures Washington residents receive fair and equal treatment under the tax code.

17. Impact on education policy.

On the first day of the legislative session, January 9th, the state's top public education official, Chris Reykdal, announced that education spending should be increased to equal at least half of the total state operating budget. Research by WPC noted that education spending was already at record-high levels, that funding should be based on student needs, not an arbitrary budget percentage, and that school districts already have plenty of money. On March 3rd, Reykdal retreated from his earlier policy position and, in an interview on TVW, dropped his initial budget proposal. As a result, the legislature fully funded schools using existing tax revenues.

Summary: Showed how a budget proposal to increase education spending was extreme and unnecessary because public schools already have ample funding.

18. Prevented abuse of constitutional rights through mandatory voting.

SB 5209 was introduced on January 9th and was intended to make voting mandatory by law. WPC released a Legislative Memo analysis in February that showed how that policy is undemocratic and would violate basic civil freedoms.

WPC's analysis showed lawmakers that no other state has such a law, that the bill violated democratic norms in principle, and that the right to vote always includes the right not to vote. The bill died in the Senate Rules Committee.

Summary: The legislature preserved citizen democratic rights by defeating a bill that would make voting mandatory.

19. Ethical fur farming was preserved.

HB 1034 would have banned the ethical raising of fur animals in Washington state. WPC research reported the proposal would wipe out an entire agricultural sector in the state and that humanely raising animals for fur products is no different than raising animals for food. The bill died in committee, preserving the jobs and livelihoods of dozens of Eastern Washington families. The bill's failure also helped reduce the broader attack on Washington's agricultural community by Seattle-based lawmakers.

Summary: Protected agricultural livelihoods by preventing the banning of ethical fur farming.

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