



Session Watch

Monday, March 27, 2023 (day 78 of the 120-day session)

This past week saw a full schedule of committee meetings as the legislature navigates the bills that are still standing. We also saw the release of the first operating budget proposal from the legislature on Thursday afternoon, which came on the heels of our state's latest revenue forecast. What's more, the State Supreme Court issued its ruling on the Capital Gains tax, which came down this Friday morning. Read on to discover how these three things go together.

Revenue Forecast

- Increase of \$194 Million for the 2021-2023 Biennium
- **Decrease of \$483 Million for 2023-2025 Biennium**
- **Decrease of \$541 Million for 2025-2027 Biennium**

Supreme Court Ruling on Capital Gains

On Friday morning our state supreme court issued a ruling on the constitutionality of a tax on capital gains income as it relates to our state's prohibition on income taxes. The court ruled with the legislature and upheld the Capital Gains tax in its current form. The significance of this is the Senate budget proposal relies on \$500 million from this revenue vehicle in 2023-2025 to balance the four-year outlook.

While we haven't had the ability to go through the entire 1200+ pages of the \$70 billion operating budget, we can report some of the highlights:

Operating Budget

- Balances on a four-year outlook with no new or increased taxes
- Assumes \$500 Million in revenue from Capital Gains Tax
- Uses \$200 Million in leftover Covid relief dollars.
- \$480,000 for agriculture stakeholders to participate in a process facilitated by an independent entity to develop recommendations on proposed changes in policy and spending priorities to improve riparian habitat to ensure salmon and steelhead recovery.

- \$2,256,000 to provide technical assistance to landowners to promote voluntary compliance, implement best management practices and assistance focused on protection and restoration of critical riparian management areas important for salmon recovery.
- \$4,424,000 of the general fund—provided solely for local food system infrastructure and market access grants.
- \$4 Million of covid relief dollars for grants to school districts to expand career and technical education graduation pathway options, including career-connected learning opportunities.
- Public Schools get largest slice of budget, \$30.7 Billion.
10.5% increase in K-12 Spending over and above the 2021-2023 biennium levels.

While this budget proposal came from the Senate Democratic Caucus, it has already received praise from Republican leaders across the aisle to show bipartisan support of the funding initiatives. Senate Republican Ways & Means ranking member Lynda Wilson said this budget is the “most inclusive budget proposal we have seen in years”.

This is only the first budget proposal of the session from the legislature. **House Democrats will release their operating budget proposal on Monday March 27th at 12:00pm.**

Riparian Grant Program

HB 1720 - The Riparian grant program bill has been one of the biggest issues for the agriculture community this session. The agriculture community, with several of our Washington State tribal nations, worked tirelessly over the interim to develop a voluntarily stewardship program around ecosystem habitat through riparian area improvements. The bill was supported by both sides of the isle and had both Democrat and Republican sponsors. The bill has failed to clear a critical cutoff and remains dormant in the House Capital Budget committee. The Governor's office opposed this bill from the beginning and worked on the inside to stop the bill from getting through the first half of the session.

Bill sponsors are working together to make this grant program a part of the Capital Budget. Tell your legislators to support this in the Capital Budget.

Agriculture Overtime

SB 5476 -Authorizing agricultural employers to select 12 weeks a year to employ workers for up to 50 hours a week before overtime applies. This bill has failed, and the current structure will remain that overtime hours must be paid after:

- 55 Hours in 2022
- 48 Hours in 2023
- 40 Hours in 2024

Pesticides

SB 5330 - Washington Pesticide Application Act Authorizes WSDA to conduct rulemaking to require noncertified applicators, working under the supervision of a certified applicator.

Increases the minimum age of all licensees to 18 years of age.

HB 1019 - Creating the pesticide advisory board. Creates an 11-member pesticide advisory committee with dedicated seats for industry stakeholders.

SB 5143 - Changing the name and membership of the commission on pesticide registration. Changes the name of the Commission on Pesticide Registration to the Commission on Integrated Pest Management. Adds a rep of the U.S. EPA as a non-voting member of the Commission.

Voluntary Stewardship

SB 5353 – Voluntary Stewardship Program

Opens the Voluntary Stewardship Program up to remaining counties who did not enter by 2012. Allows remaining counties to enter the program with no closing date. This bill is moving along and please let your legislature know that it has our support.

Drought Preparedness

HB 1138 – Concerning Drought Preparedness

- Provides that projects funded by grants issued to address drought conditions no longer need to be completed while a drought emergency order is in effect.
- Creates the Emergency Drought Response Account in the State Treasury.
- Modifies the circumstances in which the Joint Legislative Committee on Water Supply During Drought is authorized to convene, to include when a drought advisory is in effect and when a drought emergency order is in effect.

This bill has cleared the policy committee and is heading to Senate Ways & Means.

Odometer Readings

HB 1736 - Requiring the department of licensing to collect vehicle odometer readings at the time of original vehicle registration and registration renewal. This bill still has legs as it cleared the first House of Origin cutoff and is scheduled for a vote on Monday March 27th in Transportation committee.

Please see our current bill tracking list for a comprehensive list of bills still up for consideration.

Upcoming Events

Agriculture, Water, Natural Resources & Parks (Senate) - SHR 3 and Virtual JACB - 3/27 @ 1:30pm

- ESHB 1019 - Exec Session - Creating the pesticide advisory board. (Support/High)

Transportation (Senate) - SHR 1 and Virtual J.A. Cherberg - 3/27 @ 4:00pm

- ESHB 1736 - Exec Session - Requiring the department of licensing to request motor vehicle odometer readings upon vehicle registration. (Oppose/Medium)

Labor & Workplace Standards (House) - HHR D and Virtual JLOB - 3/28 @ 10:30am

- SSB 5156 - Exec Session - Expanding the farm internship program. (Support/Medium)

Law & Justice (Senate) - SHR 4 and Virtual JACB - 3/28 @ 10:30am

- E2SHB 1143 - Exec Session - Concerning requirements for the purchase or transfer of firearms. (Oppose/Medium)
- SHB 1240 - Exec Session - Establishing firearms-related safety measures to increase public safety. (Oppose/Medium)

Environment, Energy & Technology (Senate) - SHR 1 and Virtual J.A. Cherberg - 3/28 @ 1:30pm

- ESHB 1789 - Exec Session - Expanding revenue generation and economic opportunities from natural climate solutions and ecosystem services. (Oppose/Medium)

Labor & Workplace Standards (House) - HHR D and Virtual JLOB - 3/29 @ 8:00am

- SSB 5156 - Exec Session - Expanding the farm internship program. (Support/Medium)

Agriculture and Natural Resources (House) - HHR B and Virtual JLOB - 3/29 @ 9:00am

- ESSB 5150 - Exec Session - Concerning the beef commission's levied assessment. (REVISED FOR ENGROSSED: Concerning the beef commission.) (Support/Low)

Appropriations (House) - HHR A and Virtual JLOB - 3/31 @ 1:30pm

- ESB 5341 - Public Hearing - Creating a location-based branding and promotion program for Washington food and agricultural products. (REVISED FOR ENGROSSED: Creating a location-based promotion program for Washington food and agricultural products.) (Remote Testimony Available). (Support/Medium)
 - SSB 5353 - Public Hearing - Concerning the voluntary stewardship program. (Remote Testimony Available). (Support/Medium)
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High Priority Bills

Bill #	Abbrev. Title	Short Description	Status	Sponsor	Position
ESHB 1019	Pesticide advisory board	Creating the pesticide advisory board.	S Ag/Water/Natura	Dent	Support
SHB 1720	Riparian grant program	Concerning the protection and restoration of riparian areas through the establishment of a fully voluntary, regionally focused riparian grant program designed to improve the ecological functions of critical riparian management zones.	H Cap Budget	Chapman	Support
SB 5251 (HB 1058)	Commercial driver's licenses	Streamlining the licensing process for a commercial driver's license by allowing the department to waive requirements for applicants that previously surrendered the license, allowing the license to be renewed online, and modifying the license test fees.	S Rules X	Valdez	Support

Medium Priority Bills

Bill #	Abbrev. Title	Short Description	Status	Sponsor	Position
HB 1058 (SB 5251)	Commercial driver's licenses	Streamlining the licensing process for a commercial driver's license by allowing the department to waive requirements for applicants that previously surrendered the license, allowing the license to be renewed online, and modifying the license test fees.	S 2nd RdConsCal	Paul	Support
SHB 1138	Drought preparedness	Concerning drought preparedness.	S Ways & Means	Chapman	Support
E2SHB 1143 (SB 5211)	Firearms/purchase & transfer	Concerning requirements for the purchase or transfer of firearms.	S Law & Justice	Berry	Oppose

SHB 1240 (SB 5265)	Firearms/assault weapons	Establishing firearms-related safety measures to increase public safety.	S Law & Justice	Peterson	Oppose
HB 1421	Voluntary stewardship prog.	Adding counties to the voluntary stewardship program.	S Loc Gov, Land U	Chambers	Support
SHB 1494 (SSB 5460)	Irrigation & rehab districts	Concerning collection of assessments for irrigation and rehabilitation districts.	H Rules C	Dent	Support
SHB 1500 (SB 5107)	Cottage food sales cap	Increasing the cap on gross sales for cottage food operations.	S Passed 3rd	Eslick	Support
ESHB 1705 (SB 5645)	Stormwater facilities/county	Concerning stormwater control facilities and county jurisdiction.	S Loc Gov, Land U	Griffey	Support
ESHB 1736	Vehicle odometer readings	Requiring the department of licensing to collect vehicle odometer readings at the time of original vehicle registration and registration renewal.	S Transportation	Cortes	Oppose
HB 1740 (SB 5667)	Forestry riparian easements	Concerning eligibility, enrollment, and compensation of small forestland owners volunteering for participation in the forestry riparian easement program.	H Cap Budget	Orcutt	Support
2SHB 1746 (SB 5718)	State broadband map	Concerning a state broadband map.	S RecComm	Ryu	Support
2SHB 1762	Warehouse employees	Protecting warehouse employees.	S Rules 2	Doglio	Oppose
ESHB 1789	Ecosystem services	Expanding revenue generation and economic opportunities from natural climate solutions and ecosystem services.	S Environment, E	Reeves	Oppose
HB 1792	Water rights procedures	Modifying timelines and other initial procedural actions in a water rights adjudication.	S Rules 2	Timmons	
HB 1832	Vehicle per mile charge	Implementing a per mile charge on vehicle usage of public roadways.	H Transportation	Fey	Oppose
ESSB 5143	Pesticide registration comm.	Changing the name of and adding a member to the commission on pesticide registration.	H Passed 3rd	Torres	Support
SSB 5156	Farm internship program	Expanding the farm internship program.	H Labor & Workpla	Torres	Support
SB 5330	Pesticide application	Concerning the Washington pesticide application act.	H Rules R	Torres	Support
ESB 5341	WA food & ag. products	Creating a location-based branding and promotion program for Washington food and agricultural products. (REVISED FOR ENGROSSED: Creating a location-based promotion program for Washington food and agricultural products.)	H Approps	Muzzall	Support
SSB 5353	Voluntary stewardship prog.	Concerning the voluntary stewardship program.	H Approps	Wagoner	Support
SSB 5460 (SHB 1494)	Irrigation & rehab districts	Concerning collection of assessments for irrigation and rehabilitation districts.	H Exec Action	Warnick	Support
SB 5645 (ESHB 1705)	Stormwater facilities/county	Concerning stormwater control facilities and county jurisdiction.	S Loc Gov, Land U	MacEwen	Support

Low Priority Bills

Bill #	Abbrev. Title	Short Description	Status	Sponsor	Position
E2SHB 1170 (SSB 5093)	Climate response strategy	Improving climate resilience through updates to the state's integrated climate response strategy.	S Ways & Means	Street	Concerns
E2SHB 1181 (SSB 5203)	Climate change/planning	Improving the state's response to climate change by updating the state's planning framework.	S Ways & Means	Duerr	Concerns
HB 1645 (SB 5067)	County legislative meetings	Concerning meetings of county legislative authorities.	S Rules 2	Barnard	Neutral
SB 5067 (HB 1645)	County legislative meetings	Concerning meetings of county legislative authorities.	H Local Govt	Dozier	Neutral
ESSB 5150	Beef commission	Concerning the beef commission's levied assessment. (REVISED FOR ENGROSSED: Concerning the beef commission.)	H Ag&Nr	Shewmake	Support
SB 5266 (HB 1215)	Riparian areas	Concerning the protection and restoration of riparian areas.	S Ag/Water/Natur	Shewmake	Concerns
SB 5277 (HB 1573)	Dairy, etc. tax preferences	Extending tax preferences for dairy, fruit and vegetable, and seafood processors.	S Rules 2	Wilson	Support
SB 5457	Small cities/GMA	Implementing growth management task force legislative recommendations regarding small cities.	H Exec Action	Short	Neutral

Legislative Department
 Jesse Taylor, Legislative Lobbyist
legislative@wa-grange.org
 (360) 943-9911