



Legislative Update

Early December 2009

State Representative Ross Hunter
48th Legislative District

Contents

Introduction.....	1
Telephone Town Hall - Dec 15 6:30 PM.....	1
The Governor’s “Book 1” Budget	2
What an All-Cuts Budget looks Like (in millions).....	3
Education	3
Local School Levies	3
Race to the Top.....	4
Re-Writing the K-12 Funding Structure - Next Steps	4
Standards - They Can be High AND Fair.....	5
Transportation	5
Incremental Progress on SR 520	5
Light Rail over 520?	7
Contact Me.....	8

Introduction

Thank you for the opportunity to serve you as your state legislator. It's an honor and a privilege. As is usual this time of year I am developing my plan for the 2010 legislative session. I'm always open to input from you on things you'd like to see done this year, things you'd rather we not do, and your normal observances on the state of the union. As usual, I'd prefer to receive your submissions typed in mixed case – the letters that are in ALL CAPS are hard to read.

This newsletter covers several topics. I have been posting regularly on my blog at www.rosshunter.com, and re-posting the articles to my Facebook friends. At the end of this newsletter there are instructions on how to sign up for either.

The budget will be the centerpiece of this year’s session. Our economy, as well as the economy of the entire nation, has been in a free-fall since last October, only

stabilizing mid-summer. Unemployment continues to worsen, and will probably not turn around until the first or second quarter of 2010. Last session we addressed a \$9 billion shortfall in our budget, and I expect us to have to deal with a further \$2½ - \$3 billion shortfall this year as a result of dramatic declines in revenue.

On the education front we've made some progress on refining the new definition of the education funding formulas we passed last year in HB 2261. I report on the details of this work and what we have to get done this session to stay on track. I also opine on the “race to the top” funding challenge from the Obama administration and our likelihood of getting any money (low.)

The transportation infrastructure front is better, with more progress on the 520 bridge. I've included two pieces from my blog that are relevant about how design decisions are made and what happens next.

Telephone Town Hall - Dec 15 6:30 PM

I'm trying a new thing this year – a “telephone” town hall. I sit with a headset and we have an autodialer call as many of you as we can. We give you the opportunity to stay on the call if you want to participate. Others who have done this have had thousands of people stay on the line. I can't imagine that many people are interested in what I have to say, but it's worth a shot.

Tuesday December 15th at 6:30 pm.

If you don't get a call, you can call in yourself toll-free at 877-229-8493. Participants will be prompted to enter an ID code which is 15390. You can call in up to ten minutes early.

I'll also be “liveblogging” the call, whatever that means. To participate online: To join the live blog, click through from my legislative website at

www.housedemocrats.wa.gov/members/hunter or follow along on Twitter by following @rosshunter or searching #rosshunter.

I don't usually like these as I think I should stand up in a meeting and take your questions directly. It's too easy in a format like this to only take convenient questions. However, they reach many more people than are able to physically come to a town hall meeting. I'm experimenting. If you like it, let me know and I'll do more of them.

We have a real town hall in early January as well.

Thursday Jan 7th, 6:30 PM
 Kirkland City Hall – Peter Kirk Room
 123 Fifth Avenue
 Kirkland, WA

The Governor's "Book 1" Budget

Governor Gregoire introduced her supplemental budget on Wednesday. This is called "book 1." The Budget and Accounting Act requires her to introduce a budget that is within existing revenues. As I'm sure you've heard, the state (along with almost every other state) is in deep trouble this year due to the unprecedented economic disruption.

Our budget usually trundles along with about a 4.8% growth year over year. This is the rate at which revenue increases. There haven't been very many significant changes in the level of any of our main taxes that apply broadly to individuals or businesses in the time I've been in the legislature. In the middle of this decade revenue increased dramatically, with increases significantly above what the trend would have projected.

The last two years have been different. We are now facing a decline of unprecedented severity. The chart

shows the general fund revenue over the last quarter-century or so, with the black line being the trend. I pushed for the creation of the rainy day fund to address what I felt was unsustainable revenue growth and I'm very glad we passed it, but it was not large enough to deal with the decline we are facing now.

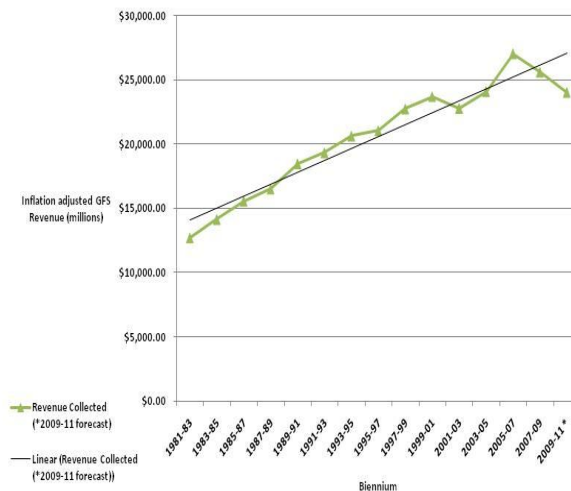
Last year we faced a problem of about \$9 billion, in what turned out to be a \$28 billion budget. About a third (\$3.2 bn) was done with cuts, another third came from the federal government, and the last third was done by finding all the quarters under the sofa cushions. (Seriously, we transferred funds from various dedicated accounts and did a number of one-time tricks that can't be repeated.)

This year we face a problem that looks to be about \$2.8 billion. Instead of affecting a 24-month budget cycle (as the \$3.2 billion we did last year,) this year the cuts have to be implemented over 15 months. The impact of these cuts will be significantly larger than the cuts we did last year, and are starting to bite seriously into programs we all care about.

As an example, the Bellevue School district eliminated 60 teacher positions, raised class sizes by 2 to 2½ students per class, and eliminated librarians at middle and high schools. This will affect the quality of instruction and the ability of students to be prepared for college or work.

The Governor's proposed budget is about as reasonable as can be done within the constraints she faces for a no-new-revenue budget, which the law requires her to prepare. She has stated publicly that she can't make these cuts and I agree.

State Revenue Collected since 1981
 averages 4.8% growth/year



What an All-Cuts Budget looks Like (in millions)

- Eliminate ECEAP slots for 3 year olds (1500 slots)
This is our state-funded early learning program for at-risk, low-income 4 and 5 year olds.
- Levy equalization (\$142.0) Provides funding to property-poor school districts such as Yakima that can't raise the same amount of money through local property taxes as districts such as Bellevue. This will create a political firestorm in the Legislature.
- K-4 staff enhancement (\$110.6) Research says we should make class sizes smaller in k-4. We won't be doing that now.
- Initiative 728 class size reduction (\$78.5) This cut eliminates the program that had 70% support by the public.
- All day kindergarten (\$33.6) We had started doing this in the schools most affected by poverty.
- Remaining LID day (\$15.0) Used for teacher preparation.
- Program eliminations (\$13.8)
- Gifted education (\$7.4)
- Program reductions (\$3.6) Alternative routes (ways to get teachers outside colleges of ed. Great for finding math/science/language teachers.) reduced by 55%; Focused assistance reduced by 50% Focused Assistance is how we fix schools that are seriously broken.

This is just on the education front. Similar cuts are being made across the entire state. We cut the number of low-income children we provide healthcare for, almost eliminate tuition assistance (called the Basic Need grant) for Washington kids going to college, and do a number of other very bad things you can read about in the newspaper.

We will face decisions about making these cuts, making other cuts (though I don't know what they would be) or raising some revenue. I will consider both options this year, and look forward to your feedback on what we should do. I'll be sending more information out as it's developed.

Education

2010 will be a pivotal one for education in Washington at all levels. There are a handful of key issues:

1. Funding. The overall budget is a disaster, with precipitous revenue declines threatening our ability to provide children with an adequate, let alone an ample education. Last year we made substantial cuts in K12 funding, though much lower as a percentage of the budget than any other area. I expect we will have to make additional cuts again this year.
2. Local levies. There is a structural problem with local levies that is exacerbated when the state cuts its contribution. We need to take corrective action.
3. Race to the Top. President Obama and Education Secretary Arne Duncan have created a very large (\$5.4 billion) fund to incentivize states to implement school improvement strategies. Washington is not currently in the running for this given the policies we have in place. There is an effort I'm helping with this year to improve our chances of winning some of this money.
4. Math/Science standards. I've worked successfully over the past few years to make improvements in our math and science standards. Unfortunately the Superintendent of Public Instruction has proposed a set of changes to graduation requirements that would result in serious reductions in the level of preparedness of our students. I will oppose these changes.

Local School Levies

School districts are allowed to raise local levies to fund things that are not "basic education." The state limits the amount they can raise to a percentage of the total they receive in state and federal funding. This is so that districts like Bellevue don't raise twice as much as districts like Yakima. The standard formula is that districts can raise up to 24% of what we call the "levy base," the total state and federal funding. Some districts are allowed to raise more for obscure historical reasons. For example Bellevue is allowed to raise 30%, Lake Washington 25%, and Seattle 34%.

The amount districts get resulting from Initiative 728 and 732 is substantial - could be as much as \$750 or more per student. We've had to suspend these initiatives this year, which means that the levy base for the district goes down. If the levy base goes down, the amount that a district can collect in local property taxes goes down, even though voters have already voted to approve the higher amount. It's like the voters wrote a check that the districts are being prohibited from cashing.

HB 1776 allows districts to compute their levy base as if they were still getting the 728 and 732 money. This doesn't cost the state money and allows local voters control over school district spending decisions.

We tried to pass this bill last year right at the end of the session but it got hung up in the budget discussions. We had it up for a vote on the last day but did not have time to finish the debate. There are complex timing issues about school levy planning that make it important to pass early in session for districts that have levies on the ballot this year.

Race to the Top

The Obama administration under Education Secretary Arne Duncan has made \$4.35 billion available to districts that demonstrate they are making progress in 4 areas:

- Standards and Assessments
- Data Systems to Support Instruction
- Great Teachers and Leaders
- Turning Around Struggling Schools

We have real work to do in order to have even a remote chance of winning any of this money. There are two absolute requirements: 1) approval of state applications in Phase 1 and Phase 2 of the State Fiscal Stabilization Fund, and 2) no statutory or regulatory barriers to linking data about student achievement to teachers and principals for the purposes of evaluation.

Instead of spending time preparing a Round 1 application that we assuredly will not win, Governor Gregoire has decided to focus on Round 2. Winning in Round 2 will require the legislature to pass some changes. Fortunately we have met the absolute requirements. I inserted an amendment to a bill two years ago that requires school districts to report data linking students to teachers, classes taken, and principals. It's taking a while to collect this, but we are getting there piece by piece.

To get any of this money we believe that we will have to make the following changes.

- Allow the Superintendent of Public Instruction to intervene in schools that are chronic failures. If a particular school fails children for generations, the

state should be able to take action, relieving the local district of control if necessary. This has been blocked by state law for more than a decade.

- Make changes to how teachers are assigned to schools to ensure that there is equitable distribution of highly-qualified teachers to low-performing schools. The opposite tends to be true. Marguerite Roza at the University of Washington has done interesting work in this area.
- Report on the effectiveness of teacher and principal preparation programs. I expect this to be difficult, as there isn't much data available. A lot of the data about teacher certification is still stored on microfiche in the basement of the OSPI building, making it difficult to link the student achievement data together with the information about which school a teacher went to.
- Differentiate teacher and principal effectiveness based on student growth and use that data for compensation, evaluation, and tenure decisions. This sounds like a no-brainer, but is really, really difficult to implement in a fair way. I was part of a group of legislators made a proposal on this last year as part of a comprehensive plan to revamp our compensation system. We may have reached further than people were willing to go, but to get this money I believe we will need significant effort here.
- Promote charter schools. This won't happen. I am hopeful that the scoring system doesn't depend totally on this, but after the defeat at the polls in 2004 I don't expect any significant change here.

I'm not particularly hopeful that we'll get any of the money, but agree with most of the proposals, or at least in their direction. We are still working out how these changes will be proposed in legislation.

Re-Writing the K-12 Funding Structure - Next Steps

Last year we passed HB2261, the start of a long-term process to re-write how our state funds public education. As is typical, I am willing to make changes more rapidly than many of my co-workers, and much more rapidly than the many, many vested interests in the existing system. I'm learning to be more patient, though it's very painful. Taking the time to get it right is pretty important. Last year we approved the outline for about half of the changes that need to happen, and set up a process to get the other parts closer to decisions.

First, the legislature agreed that we would adopt the “model school proposal” for laying out how much money is necessary to fund a school. I wrote about this extensively last year, and would urge you to review the proposal by reading one of the two following links:

4-page Overview: http://rosshunter.com/wp-content/uploads/2009/02/basic-ed-funding-4-page-overview_final.pdf

Entire Report: <http://rosshunter.com/wp-content/uploads/2009/11/Basic-Ed-Funding-Proposal-10-1.pdf>

A task force was created to implement the model schools part, with a report due in December. This leaves enough time to work out the details in legislation before the session so we can get it done this year. I’m a little nervous about what will happen – the process gets resolved this week. I’ll write in my blog at www.rosshunter.com about what they do next week.

Compensation, in particular any changes to the current seniority and education-based system that might make it more based on demonstrated performance are the work of a task force that starts this spring. We may want to accelerate this in response to the race to the top funding proposal.

The balance between local levies and state funding is also outstanding, and the subject of a workgroup this summer. This is particularly complex, with significant differences of opinion based on where in the state you live.

All of this is almost made moot by the dramatic decline in revenue the state is experiencing. Last year we cut \$1.5 billion from the K-12 budget, and I can see further cuts coming this year given the dramatic decline we are experiencing in revenue overall. Trying to do the planning on how we will come out of this recession in a smart way is critical, and that will be the result of the entire project. I’m hopefully optimistic.

Standards - They Can be High AND Fair

As all of you who have children know, they will often live up to what you expect of them, as long as they believe the expectations are reasonable. My consistent belief is that we should expect all of our students to

graduate from high school ready to succeed in whatever it is they want to do, as long as that something isn’t lying around playing video games. Our children should be able to either be prepared to go to college, go to some kind of technical school, or otherwise be prepared for a career that pays them a living wage.

More and more this requires education after high school. The superintendent of public instruction (SPI) Randy Dorn just came out with a proposal in this area I find to be a significant step backwards. For example, he thinks we should require kids to only have two years of mathematics to graduate. <http://k12.wa.us/Communications/PressReleases2009/WSSDAConference.aspx>

I disagree, and will work hard to implement what the state board of education has been working on – “Core 24,” a significant increase in the level of rigor we require as a state.

<http://www.sbe.wa.gov/mhsd.htm>

I do not believe that lowering our requirements is a good strategy for improving outcomes for our children. Furthermore, I believe it will do significant harm to the most vulnerable kids – those without strong parental pressure at home, strong community supports, and all the other elements that more well-to-do families often have and that less well off families struggle to provide. Lowering standards does a serious disservice to our most at-risk children, and will make the achievement gap worse.

Transportation

Incremental Progress on SR 520

Last year the legislature passed a bill (HB2211) that authorized tolling on 520 starting in 2010. I voted against this for a variety of reasons, but mostly because the bill limited the potential uses of the tolling revenue to only the floating part of the bridge, leaving the eastside approaches waiting. We’re ready to go and only need authorization to start.

The Westside wants to make sure that our project doesn’t start until they get funding for their half. I’d be ok with that if they would only decide on what they want. They are scattered all over the place with

competing factions right and left. Sometimes it seems that they are more interested in delaying the project than they are in resolving the design to something that works.

The bill last year set up a process we should use to resolve the design issues and propose a funding plan. The taskforce created in this legislation voted 11-3 to approve the “A+” option, one of the last designs left standing. The final two contenders were “A+” and “M”.

A+ is fairly straightforward – 6 lanes from I-405 to I-5 with the same basic configuration we have today. The main interchange is at Montlake Ave., and we add a new bascule (lift) bridge across the cut to handle the increased traffic.

Option M is more complex. Instead of going straight to Montlake there is a branch at Foster Island that turns into a tunnel under the cut. The tunnel comes up in the E6 parking lot, familiar to UW Tyee club members who make large donations as it’s the lot with the best egress after the game. There are serious issues with tunneling under the cut that make it very, very difficult for this option to receive the necessary environmental permits.

Some Westside neighborhood groups like M, some like A+. There are functional differences that all users should care about though:

- Metro came in and testified that they preferred A+ because in the M option their busses have to merge into a single lane off-ramp at the Montlake exit, significantly slowing transit times.
- It will take years to go through the environmental process with M and the result is very uncertain. All the natural resource agencies that testified said it would be difficult or impossible to permit the tunnel. It adds at least \$100 million a year that we delay, and the bridge is at risk in windstorms like we’ve had recently.
- The construction process would have significant impact on fish flow through the cut. The tribes have threatened to spend “infinite resources” to protect this flow.
- Option M is much more expensive, costing about \$1 – 1½ billion more than option A+.

Given equivalent functionality, similar costs, and timeframes that meet our deadlines I’d be willing to let the Westside work it out. None of these conditions are

true, so I voted for A+, the option that works the best and fits into our budget. The critical path for getting the project done requires that the legislature act this year, so it was vital that we make a decision in this workgroup.

The next decision we have to make is a financing plan. We’ve already identified about \$2 billion in existing state funding and the planned tolls on SR520. To raise the additional \$2.65 billion we proposed to

- Add HOT lanes to I-90 as soon as is practical, and
- combine federal funds we expect to receive in “Tiger” grants as part of the stimulus plan and a part of a new proposed transportation revenue plan to happen in 2011.

If the above two elements are not adequate, we recommended that the legislature toll all lanes of I-90 between Mercer Island and Seattle. We probably will have to actually authorize the tolling so that WSDOT can issue the bids for our proposed “design-build” process for the bridge.

This is significant – we’re tolling one bridge to fund construction of another. As gas tax becomes less effective in funding projects we are going to have to rely on tolling more and more, particularly for these large mega-projects. The two bridges are intimately related – they form a single transportation corridor, and congestion on one spills over to the other almost immediately. Tolling one bridge is likely to result in significant delays on the other, so I believe it makes sense doing both. We’ll start with the express lanes being tolled and then move onto the general lanes if we can’t find enough gas tax to do it.

This is progress. Incremental, painfully slow, torturous progress, but progress nonetheless. Our next challenge will be to get the bill implementing these recommendations passed in the 2010 legislative session. This will be difficult, but I look at it as work to get done. We are ready to move forward on the project and the construction jobs are desperately needed in today’s economy.

The Governor issued a press release on this decision. It’s so bland it’s almost art.

“My top priority is to ensure that the process of replacing the 520 bridge continues without delay. This week’s windstorm is a reminder of the type of risks we face with the current structure. I appreciate that the SR 520 Legislative Workgroup is continuing to make progress and look forward to public comment on their recommendation. We must keep the replacement process moving forward so we can build a new, safer SR 520 floating bridge.”

Light Rail over 520?

A couple of people have suggested quite publicly that we reconsider the decision to put light rail on the I-90 bridge. I sent this as an email reply to Dave Thomas, who publishes a reliably interesting newsletter (<http://pugetsoundliberals.org/>) in response to an article in the most recent edition (#198.)

520 doesn’t work as the initial light rail route across Lake Washington for a variety of reasons. Personally, I’d love to have a train running across 520 and have tried to negotiate to get this. I’ve been convinced it’s not the right thing to do first. The Eastside legislative delegation has negotiated that the new bridge will have the capacity for, and that the design will not preclude, light rail in the future when it makes sense. The short-term reasons to stay with the I-90 route:

You would have to dig extensive (expensive) tunnels to get anywhere interesting. You can’t easily hook up with the train through the U-District – it’s too deep to get to from Lake Washington. Current train technology doesn’t climb hills as steep as it would take to get to I-5. You’d have to go under, and then under Lake Union.

There isn’t enough capacity on the north-south train on the west side to take all the commuters from the Eastside

into downtown Seattle even if you let them off at Husky Stadium and had them take the elevator down.

The design has been done and agreed to for years. Re-opening it is a disaster. I would like a north-south route on the Eastside. Nevertheless, this region needs to learn how to make decisions and execute on them. We cannot keep re-negotiating deals.

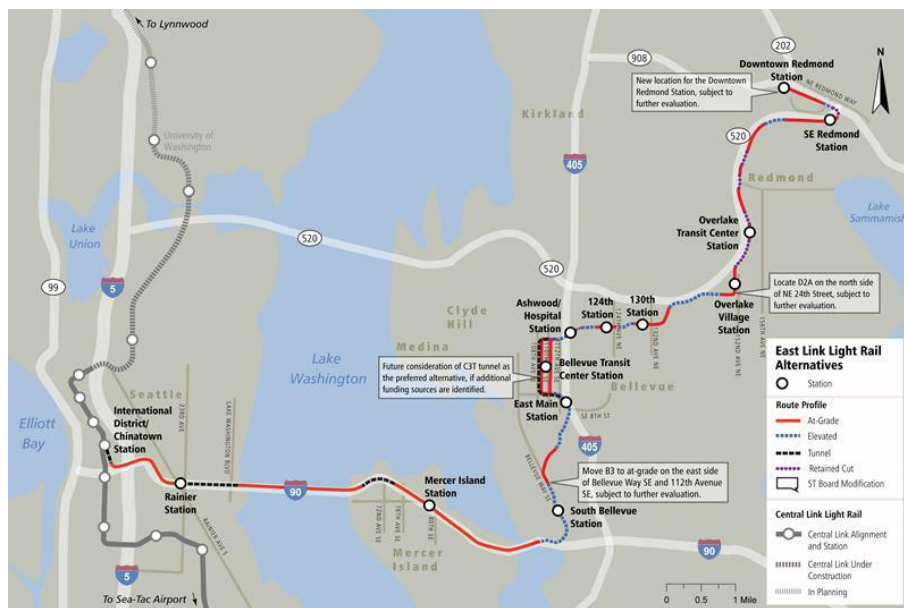
Bellevue is a critical job center, and growing much faster (in jobs) than most other parts of the Eastside. This is mostly by design, and it has to be the center of the train route so that we get the density of both housing and jobs we need around the stations.

The environmental sensitivity is largely if you cross the Mercer Slough at I-90 to get to the BNSF route, which isn’t going to happen. The train will almost certainly run up Bellevue Way and over 112th and into downtown Bellevue. (People will argue with me over this, but the preferred route by both Sound Transit and the City of Bellevue is the Bellevue Way one.)

I agree that it looks like a good idea on first glance. Once you spend some time looking at it you start to understand why the decisions were made the way they were. If all you care

about is vehicle capacity you might want to leave I-90 alone, and that’s (I believe) where the suggestion came from. A functional system runs over I-90 initially.

As a region we have made this decision, and many other decisions that hinge on it, over and over again for the last decade. We should just execute.



Contact Me

I love to hear from you about your issues, suggestions, or concerns. We can solve a lot of problems for people, direct you to resources, etc. During the time between legislative session my assistant Marilyn Pedersen and I have an office in Bellevue and it's best to contact us there.

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