Dear Friends and Neighbors,

The Legislature adjourned April 11, 2012, after a marathon 24-hour finish and agreement on operating and capital budgets as well as a series of reform bills. It has been many years and sessions since bipartisanship played a role in the budgets and key pieces of legislation.

Late in the legislative session, a philosophical, bipartisan majority in the Senate came together and broke the one-party control that had gridlocked the Capitol. This “new” majority allowed some difficult and healthy debate, but the most critical point is that it allowed both parties to be at the negotiating table.

The result was bipartisan support for the budgets and important reforms. It was one of the best sessions we have had in many years. There were many positive things that came out of both sides working in a bipartisan manner. The citizens of Washington benefit when we work that way.

This session sets in motion the first of many improvements to state operations that are long overdue. There is much more to do, but it was a good start.

Sincerely,

CARY CONDOTTA
12th District Representative
**OPERATING BUDGET**

There were many things to like about the supplemental operating budget. It funds education, doesn’t push payments into the next biennium, and is more sustainable than we have seen in quite some time. It also has tax incentives for food processors, ports, craft distilleries and server farms tied to it. This will help spur economic expansion and job growth.

However, I voted against the budget. It leaves our budget reserves dangerously low and could lead to another shortfall if we see the slightest downturn in our economy again. I would have also liked to see more long-term reforms.

**COST SAVINGS FOR LOCAL GOVERNMENTS**

House Bill 2834 was a measure we were able to include in the package of reforms passed on the last day of session. It may not appear to be a significant piece of legislation, but it is to local governments. It reduces reporting requirements and provides savings for our cities and counties.

**IMPROVING REVENUE AND BUDGET SUSTAINABILITY**

As you know the manufacturing and processing of foods is vital to our region. The construction of data centers in our area has also provided hundreds of jobs and benefitted our economy. We passed Senate Bill 6635 that included the extension of tax incentives for fruit, vegetable, dairy and seafood businesses through 2015, as well as the tax incentive for data center equipment through the same year. There are other pieces to the bill. But the main issue is that it will bring jobs and revenue into Washington. We have lost many of these businesses to other states. This should help reverse that trend.

**WORK AHEAD**

**FUND EDUCATION FIRST**

While there are many good things that came out of the session, we still need to ensure we are fully-funding education. Our caucus introduced a Fund Education First proposal this session. It is very simple. It would require the Legislature to pass a separate K-12 education budget before any other state appropriations.

If we fund education first, prior to any other state programs or services, it will ensure that we are meeting our duty and expectations of the state Supreme Court decision, McCleary v. State of Washington. The court stated we are not complying with our constitutional duty to make ample provision for the education of our children. Fund Education First legislation sends a strong message of financial commitment to our students, teachers and schools.

**JOBS AND ECONOMY**

Other than the budget shortfall, the 2012 session should have been used to pass economic stimulus and regulatory reform legislation to help promote private-sector job creation. Despite our best efforts to advance important job-creating bills, House Democratic majority leaders refused public hearings on nearly all of our measures.

- HB 2290 – would simplify and reduce tax rates for small businesses.
- HB 2276 – would enact major regulatory reform – including legislation I originally sponsored.
- HB 1961 – would require agencies to make permit decisions in 90 days.
- HB 1125 – would recapture our state’s competitive advantage of offering abundant, affordable clean energy for manufacturers and consumers by classifying hydropower as renewable energy.

These are just a few of the proposals we introduced. We felt they would have helped create economic certainty, protect our competitive advantages, and work to improve on competitive disadvantages. The U.S. Chamber of Commerce recently released its annual 50-state review of regulations and employment laws. Unfortunately, our state ranked “poor” for labor and employment laws and regulations – the lowest rating in the report. House Republican measures would have addressed many of the factors in the report. After leading the effort in 2011 on unemployment insurance and workers’ compensation reforms, it was disappointing to see our economic and employment situation receive such little attention from the majority. I am hoping this will be a top priority in future sessions.