

Senator Steve Hobbs

WASHINGTON STATE SENATE

44th LEGISLATIVE DISTRICT

2011 LEGISLATIVE REPORT



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- Financial Institutions, Housing & Insurance (Chair)
- Agriculture & Rural Economic Development
- Early Learning & K-12 Education
- Transportation



Dear Friends and Neighbors,

We have just completed yet another difficult legislative session down in Olympia, but this year was far different from previous sessions for one big reason – we worked together.

Due to the current economic crises I felt the need to create a coalition of legislators on both sides of the aisle in order to balance the budget, create jobs, and protect the most vulnerable. I felt the economic crisis was bigger than any one party and by pushing a bipartisan effort we could solve our state's problems together.

I'm happy to report that this bipartisan spirit was present throughout the 2011 session. We worked together to reform our workers compensation system, our unemployment insurance system and to prevent fraud within programs that protect the neediest among us.

Many times I found myself at odds with special interest groups on both ends of the political spectrum, but I was sent here to represent you and not the special interests. I believe history will positively judge us on our willingness to come together and embrace good ideas regardless of party or ideology, especially during these trying times.

I'll get into more detail below about the work I did on behalf of the 44th District during the session. I'll delve into more specifics about the budget, the job-creating transportation projects in our area and the construction projects I worked to secure to keep the 44th moving forward.

It is an honor and privilege to serve the people of the 44th District. As always, please don't hesitate to send me your questions and concerns.

Regards,

A handwritten signature in black ink that reads "Steve Hobbs".

Steve

The Budget

This year marked my fifth as a member of the Washington State Senate. In previous years, the state operating budget had been the partisan statement of the party in charge. Not this year. We worked together to craft a responsible plan, one that reflects our values by keeping the safety net in place for our most vulnerable citizens, is equally beneficial for workers and small businesses all while allowing us to live within our means.

Were there tough choices? Of course. But I feel that this process, one that brought all ideas to the table, produced a result that is sustainable and keeps us on course toward economic recovery.

This budget preserves funding for basic education, levy equalization, K-4 class-size enhancement for high poverty schools and full-day kindergarten for students in

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The Budget *(continued from previous page)*

some of the poorest schools. It also increases funding for transportation and preserves national board certification for teachers as well as maintaining step increases for teacher salaries which will assist our state's newest teachers.

We preserved key parts of the social safety net, such as Disability Lifeline, the Basic Health Plan and Apple Health for Kids. Cuts were made, but these programs were streamlined and preserved, not eliminated as was seen in initial proposals.

This budget responsibly continues investments in prison safety, in treatment for offenders in juvenile rehabilitation, and in rural drug task forces.

This budget responsibly and equitably spreads the reductions across all areas of government, and leaves a responsible \$700 million in reserves to hedge against another negative revenue forecast.

Within this budget, we live within our existing means. After two consecutive years of negative employment growth, and two consecutive years of negative revenue growth, spending in this budget is at its lowest level in 30 years.

Keeping and creating jobs in Washington

We are fortunate in our state to possess a proven generator of jobs and a mechanism for keeping our infrastructure healthy.

The Public Works Trust fund was established in 1985 to provide low interest loans and technical assistance to local governments for repair and replacement of critical public health, safety and environmental infrastructure that supports community and economic vitality.

During its more than a quarter century of existence the Public Works Board has awarded more than 2,000 loans and grants totaling more than \$2.2 billion. These investments generated \$12.5 billion in economic activity and 122,000 family-wage jobs in our state.

From the beginning of this session, moderate Democrats worked in partnership with advocates from both the business and labor communities to fight for the preservation of this proven tool of job creation and economic vitality. I'm happy to report that our efforts paid off and the Public Works Trust Fund, which had been raided in previous years, was left almost entirely untouched with the exception of a couple projects removed by the Public Works Board itself.

This is outstanding news. Other states can only hope for a program that boasts a track record of success anywhere similar to that of the Public Works Trust Fund. For example, in May of last year, the Public Works Board received \$573 million in loan requests. Of that amount the Board recommends loaning \$386 million to our communities for projects worth more than \$1.76 billion. That initial investment, according to the Dept. Of Commerce, will generate \$3.7 billion in economic activity and almost 37,000 family-wage jobs at a time when our citizen's need them the most.

That's an economic bang for a limited amount of bucks.

This fund has also made a positive impact on our area. In recent years the Public Works Trust Fund has been responsible for improving our local water and sewer districts, as well as other important public safety projects. By saving this funding we have created jobs through the repair and restoration of the westbound lane roadway prism on 36th Street NE, adjacent to Catherine Creek in Lake Stevens, which is on track for completion in July.

The Public Works Trust Fund has exceeded even the most optimistic person's wildest expectations. This is a



vetted program that has not seen a single loan default during its existence.

I applaud everyone for their hard work toward keeping this program in place and for my colleagues in the House and Senate, as well as the Governor, for realizing that programs such as the Trust Fund are more valuable than ever. We're continuing to look for ways to generate jobs and revenue without placing that burden on families and businesses and the Public Works Trust Fund provides such a method.

We must make the Boeing tanker contract only the beginning

Our region and our state received some great news back in February when the Department of Defense decided to award a \$35 billion contract to Boeing to build the next generation of air-refueling tankers for the Air Force, a decision that will create more than 11,000 direct and indirect jobs in our state.

This is great news, but we have to make sure that it is just the beginning. We must continue to make our state a great place in which to do business so that we may keep jobs here. We learned on the final day of special session that the state of Virginia reached out to the president of Sabey Data Center Properties, encouraging the Seattle-based business to leave when a bill which would have made it more affordable to do business in our state failed.

As a supporter of that bill, I was disappointed. As someone working day and night to create jobs here in our state, I was alarmed. We owe a debt of thanks to Virginia for making this fact clearer than ever. We must support legislation that will create jobs here and encourage not only businesses already based in this state to stay, but to encourage others to come.

Making smart investments in our future

Like all areas of state government, our public schools were not immune from the harsh realities of the budget crisis, forcing us to make painful cuts to our K-12 education system that will undoubtedly be felt throughout the state. In light of the budget challenges, our efforts in public schools focused on maintaining and improving existing K-12 programs and finding creative ways to help our schools do more with less.

As a way to address potential funding problems in school districts, House Bill 1815 will ensure local districts don't lose their ability to receive already voter-approved funds, which is especially important for districts that are property-poor. In high poverty areas of the state, we invested \$33.6 million toward reducing class sizes for students in grades K-3. We also moved a step further in addressing the serious problem of high school dropouts in our state with the creation of the PASS program (HB 1599), which provides a financial award to high schools that are able to show improvement in certain dropout prevention indicators.

In the face of one of the most challenging economic downturns in our nation's history, we have done our best to make responsible decisions during this tough time. While we've maintained our commitment to building a strong foundation for all Washington students, we've also acknowledged the need to locate savings without sacrificing the quality of our education system and opportunities for all. These were difficult decisions to make, but living within our means in all sectors of government is the only way to do business if we are going to dig our way out of this financial mess.

A big win for consumers in Snohomish County

The passage of the Capital Budget will provide some much needed relief for City of Snohomish water customers. The budget allotted \$3.5 million toward court-mandated upgrades of the sewer treatment plant, without which would have shifted the burden to 3,500 rate payers to take on the charge of \$44 million over the coming years.

Public health is of course a huge concern, but rising utility costs are also putting an unbearable strain on working families. This move will go a long way toward solving both issues.

Transportation budget will add jobs, safety

More than \$460,000 is directed toward transportation projects in the 44th District. That means safer, more efficient travel, but most importantly it means jobs.

The biggest win in this budget, at least for anyone who has been stuck in traffic on the Snohomish River Bridge, is that an environmental impact study on that structure will continue. No, it's not a replacement, not yet, but the study will put us in a position to replace the bridge once our financial situation allows it. In the meantime, work will continue throughout State Route 9 to the tune of \$15 million. That should go a long way in easing the congestion along one of the most dense traffic areas in the state.

Standing up for our service men and women

Our state's military and their families make sacrifices for us every day, it only makes sense that we do everything we can to make life a little easier for them.

The legislature is always looking at ways to help our enlisted men and women deal with the pressures of service and with the day to day challenges and uncertainty their families face. That is why, with this in mind, I sponsored Senate Bill 5171, which makes it simpler for service members to vote in primary and general elections. This bill will push the primary election back two weeks and will direct candidates running for office to file three weeks earlier. Overseas and military ballots will be mailed two weeks earlier for the general election and four weeks earlier for the primary. As a veteran of the conflicts in Kosovo and Iraq, I can tell you that access to the tools necessary to participate in elections are not readily available during active service. My hope is that this bill will increase participation in the electoral process for people who defend that right every day.

Another bill, SB 5806, creates a statewide raffle that will benefit veterans and their fami-

lies returning from Iraq and Afghanistan. Proceeds from the raffle, after administrative and prize costs, will go toward the Veterans Innovations Programs fund, which was scheduled to end in 2016 if a dedicated funding source was not created. This is an absolutely critical source of stability for service men and women and their families who have suffered financial hardships because of their deployment.



Protecting our neighbors from foreclosure

As you know, our region has been particularly hard hit by the housing crisis. Like the rest of the state, many of our friends and neighbors continue to struggle to pay their mortgages and some are even in danger of facing foreclosure.

With this in mind, the Senate and House worked together to adopt the Foreclosure Fairness Act. Under this bill, banks will be required to sit down with homeowners and explore options outside of foreclosure. It requires lenders to communicate early in the foreclosure process to give homeowners the best opportunities to get help from a housing counselor and provides a mediation process when a housing counselor or attorney deems it appropriate. The legislation also requires banks which issue more than 250 notices of default in the preceding year to pay a \$250 fee on each notice of default. The fee will primarily fund more

housing counselors, but will also fund outreach campaigns and enforcement dollars for the Attorney General's Office.

As Chair of the Senate Committee on Financial Institutions, Housing & Insurance, through which this bill passed, I can tell you that the Senate, House and both parties played a major role in getting this legislation adopted. This was a major victory for all involved, but an even bigger win for so many Washingtonians who have been on the frontlines of the economic downturn and felt the pain and anguish of losing their home.

With this bill in place, my hope is that we can begin to curtail the devastating amount of foreclosures that have plagued our communities. Foreclosure isn't just the problem of the family facing it, foreclosures devastate neighborhoods, lower property values and separate families.

Bills I sponsored which became law

My key focuses this session were on raising new revenue without increasing taxes, helping small businesses and public safety. With those goals in mind, please take a moment to read about some of the key bills I sponsored this session, in addition to the bill supporting military and overseas voters, which became law:

SB 5540 – Gives the state's school districts the option to install safety cameras on school bus stop signs in an effort to catch motorists who fail to stop for them. The cameras will record only when the stop signs are deployed while children are entering or exiting the bus. Fines collected from those running stop signs will first go to paying for the installation of the cameras. Additional funds will go toward improving the state's school safety zones.

SB 5791 – Creates a public-private partnership for local transit agencies to begin contracting with private vendors to provide services such as coffee stands, small restaurants, grocery stores and other conveniences at many of the state's more than 270 park and ride locations. All funds collected from the program, once maintenance and operation costs are accounted for, will be deposited into the state's multimodal transportation account.

HB 1465 – A previous bill I sponsored was amended onto this House Bill. The amendment will permit Washington's beer and wine specialty shops to install tap lines and sell craft beers in sanitary containers, known as growlers, brought into the shops by the would-be purchaser of the craft beer. This measure is expected to expand revenues for micro-breweries, beer and wine specialty shops and many other sectors of the state's economy, including its agricultural community.

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