



*Update from Olympia – Special Session Edition*

*Dec. 21, 2011*

Dear Neighbors-

As we wrap up the year of 2011 I wanted to share with you the results of our recently completed Special Session. I believe we made prudent choices for now to set up addressing our shortfall in the upcoming Legislative Session.

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Legislature closes nearly one-quarter of the revenue shortfall-

Our responsibility as elected officials is to put our constituents first and foremost, and that's exactly what the Legislature did in the special session. We must never lose sight that budgets are not simply about numbers but

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about people. That's why we followed the democratic process of hearing from the many people whose lives might be changed by cuts to our budget; looking beyond the Governor's proposal for missed alternatives and collaborating with our House and Republican colleagues to build the consensus necessary to pass this supplemental budget.

We made a substantial down payment against the overall budget problem, closing the gap by nearly a half billion dollars. This is an important step in writing a budget and it was taken in a bipartisan fashion with overwhelming support.

The early budget package closes \$497.7 million, or roughly one quarter, of the state's \$2 billion budget challenge. That challenge consists of the \$1.4 billion revenue shortfall plus \$600 million in additional cuts requested by the governor to build a reserve in case revenues continue to decline in the coming year.

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### Breakdown of the Budget Package

This package is a mix of cuts, fund transfers and policy changes. These are the basic steps on which there is broad agreement between the 147 Democrats and Republicans who make up the Legislature, and which can be enacted quickly – not the more contentious decisions on

Web site:  
<http://www.sdc.wa.gov/senators/keiser/>

Legislature Public Website:  
[www.leg.wa.gov](http://www.leg.wa.gov)

**Check out "In the Loop"**  
If you'd like to keep up with legislative actions, you can check out the Senate [podcast](#) "In the Loop" for a summary of the week's events or visit us on Twitter [@WASenDemocrats](#). A tip for Twitter users – follow [#waleg](#) to see what other people are saying about the Washington State Legislature.

deep cuts to services that rightly require thoughtful discussion. The package consists of:

- \$96.5 million in reduced healthcare costs, by factoring in lower-than-predicted overall costs. This is where our health care efficiencies and evidence based standards has begun to show some success.
- \$48.9 million saved by delaying payments to school district for school bus depreciation allowances.
- \$226.4 million in reduced costs through policy and accounting changes. This includes difficult choices such as delaying increased services to seriously mentally ill people.
- \$106.2 million in fund transfers involving unspent funds and money being moved in the general fund. Most of this consists of savings that state agencies amassed by tightly managing their budgets.
- \$50.6 million in unclaimed property. The state will sell unclaimed securities (like stocks or bonds) immediately, rather than in three years, and reimburse those who later claim the property with the net proceeds.

This work puts us well ahead of where we'd otherwise be if the Legislature had simply convened at our usual time in January. The decisions we make in the next session will determine the availability of health care services to seniors, the college opportunities open to our students, and the quality of our kids' educational experience. Those decisions deserve time and consideration, and we will give them that.

Solving the state's shortfall shouldn't be just about reducing public services. It's also about improving efficiency and accountability. In my opinion, it is also necessary to find increased revenue. As we work during the regular session to close the remainder of the revenue shortfall, we will be careful to identify what's working – and make sure not to cut services that are already saving taxpayer dollars – and to scour our agencies for additional ways to more

efficiently and cost-effectively provide public services.

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### Unemployment benefits begin to phase-out

The Congressional stalemate over the payroll tax cut is creating collateral damage for those no longer getting a paycheck – the unemployed. Because extended unemployment benefits have been tied up in the payroll tax cut debate, jobless workers may lose their benefits shortly. Long-term unemployed workers began receiving word from the Employment Security Department last week that their unemployment benefits will begin phasing out soon. The Department is sending letter to recipients of benefits through one of two federal benefit-extension programs.

After December 24<sup>th</sup>, no one will be admitted to the “Emergency Unemployment Compensation” program. After December 31<sup>st</sup>, existing recipients will not be able to advance beyond their current tier of benefits. A second program, called “Extended Benefits,” is likely to end around mid-January. The exact date that an individual’s benefits end will depend on how far he or she is in the benefits tier.

The state has done everything possible to maximize the availability of the Extended Benefits program for claimants. However, without further Congressional action, the program will end because whether a state qualifies for extended benefits is based upon federal action. If Congress votes to continue these benefit programs, the ESD will automatically notify all eligible Washingtonians by mail.

I find this an outrageous hardship for our citizens. Jobless workers would work tomorrow if they could only find a job. That is made clear from the fact that less than 25% of the

unemployed find work even after exhausting all of the unemployment insurance benefits. The failure to maintain unemployment insurance programs – especially over the holiday season – is stunningly cold-hearted in my opinion.

If you have questions about how this will affect you or someone you know, you can find more information [here](#).

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### Helping military families find jobs

Spouses of members of the armed services who have professional expertise will be able to land jobs more quickly and easily in Washington under [Senate Bill 5969](#), passed by the Legislature last week.

The new law speeds up professional licensing for military spouses. It's geared to help the estimated 43,000 spouses of active and reserve military members in Washington, many of them whom are licensed professionals in their home states. The Department of Defense estimates one third of them work in professional that requires a license –such as nursing or hair dressing – but many were licensed in other states before their spouse was transferred to Washington, making finding a job more difficult. The bill expedites professional licensing for spouses how meet certain criteria. Spouses must:

- 1) Be licensed in the same profession in another state;
- 2) Have a spouse who has been transferred to Washington by the military; and
- 3) Have left a job in another state to accompany the military member.

Agencies will be able to issue temporary licenses to qualifying military spouses, allowing them to go to work immediately instead of having to wait until they complete Washington requirements.

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### Some good news – State jobs increase in November

Washington added an estimated 12,100 jobs in November, our state's largest one-month gain in four years, according to the Employment Security Department. The department adjusts its projections to account for seasonal hiring trends, meaning the new jobs projected do not include temporary hiring such as for additional sales help during the holidays.

Jobs grew in nearly every industry sector, showing surprising strength as the state heads into winter. Also last month, the Department says the state's unemployment rate fell from 9.1 percent in October to 8.7 percent in November. You can read the full report [here](#).

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### And a picture for luck

Last September I was fortunate enough to be included in a delegation to Vietnam with the Center for Women and Policy. After the formal trip was concluded I took a side trip to a village in Cambodia where a village pig project is creating some economic security for the village families. It was a very encouraging example of microenterprise and philanthropy combining to create a better life for incredibly poor people.

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The regular session begins on January 9<sup>th</sup> and I will resume my weekly Enewsletters when session gets underway. This is my



The small charcoal cross on the forehead is to ward off evil spirits. They said that the picture with me would bring good luck!

final Enews of 2011. I must say this has been one of the most difficult years I have had in the Legislature. I know for many of our neighbors this year has also been one of the most difficult times of their lives with high unemployment and the economy failing to revive, with home prices remaining low and home foreclosures remaining high.

But the holiday season is a hopeful time, bringing joy and celebration to many families. I hope this is a joyful season for us all, as we look forward to a more prosperous and peaceful 2012. Happy New Year!

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Always,

A handwritten signature in black ink, appearing to read "Karen Keiser". The signature is fluid and cursive, with a long horizontal flourish extending to the right.

Senator Karen Keiser