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Looking for opportunities in Olympia Family Leave Act, budget surplus will be hot topics in '08 legislative session

By [Emily Proffitt](#)

Spokane-area business advocates say their top priorities heading into the next session of the Washington Legislature will be to protect budget items approved last year, seek more money for items that weren't fully funded, and watch for additional opportunities to fund programs and capital projects here.

Although they aren't expecting much additional money to be available during a non-budget-writing year, they say they'll seek some additional funding for job-training, transportation projects, and salary increases for professors at state universities here, among other things.

"There shouldn't be any big changes, but if there are opportunities, we'll be ready to go right away," says Rich Hadley, CEO of Greater Spokane Incorporated. "We're going to be looking for low-hanging fruit."

Business advocates also want to minimize the impact on businesses of the Family Leave Act that was passed earlier this year. Additionally, they want to make sure the Legislature takes a conservative approach to allocating the state's \$1.4 billion surplus, which has been trimmed by about \$132 million from previous projections because of a housing-market slowdown.

"The overriding issue for everyone will be the budget," says Don Brunell president of the Olympia-based Association of Washington Business. "We want to make sure the Legislature doesn't compound the problem by putting new programs in that will spend more money."

Hadley adds, "We don't want (the Legislature) to create a bow wave of expenses that goes into the next biennium."

Greater Spokane Incorporated develops its lobbying agenda by meeting with its members, other businesses and business groups, educational institutions, and others to hear their priorities for the legislative session, Hadley says. It then draws up a strategy based on those comments and its own goals, he says.

Among the economic-development group's top priorities in the education arena is securing \$3.9 million for a faculty salary recruitment-and-retention pool at Washington State University. Salaries would be bumped up an average of 3 percent, compared with the scheduled 2 percent increase that WSU officials contend isn't enough to keep the school's pay rates competitive with other institutions.

WSU also will ask for \$7.4 million in design funds for a proposed \$83.5 million Veterinary Medical Research Building at its Pullman campus. The 128,000-square-foot laboratory would provide space for interdisciplinary research and graduate education programs.

Business advocates also will request \$1.4 million to address salary shortages at Eastern Washington University, and roughly \$750,000 to update EWU's emergency response system.

Community Colleges of Spokane is teaming up with the rest of the state's community colleges to ask for an additional \$5.7 million in funding for student financial aid and operating costs, says Gary Livingston, its chancellor. The state's community colleges also will ask for \$8.5 million to update their crisis management systems, and \$9 million to pay for high-cost equipment used in health, manufacturing, and computer technology training programs, among others, Livingston says. Additional funding for Running Start also is among their top priorities. Running Start is a program that offers two years of paid tuition to state-run colleges to students still in high school.

Capital-budget requests leaders here are seeking include \$5 million for the Armed Forces Aerospace Museum; nearly \$6 million for the Mobius science and technology center; \$500,000 for a neighborhood park in

Greenacres; and \$2.5 million for the planned consolidation of the YMCA and YWCA into new facilities.

The Northwest Museum of Arts and Culture is asking for \$87,600 to complete the cataloging of its American Indian collection.

When the Legislature approved its 2007-2009 budget last year, it appropriated \$3 million to WSU's Applied Sciences research facility here; allocated \$3.5 million to Sirti; and approved a long-term multimillion-dollar funding package for the Institute for Systems Medicine Planning Authority. Business leaders won't ask for additional money for those programs this session, but will try to keep them in the forefront of legislators' minds before they write the budget for the next biennium in 2009, Hadley says.

The top local priority in transportation will be the north-south freeway project, also known as the North Spokane Corridor. The Legislature appropriated \$189 million for the project last year, so business advocates want to make sure those funds don't slip away when lawmakers work on the supplemental budget, Hadley says. They'll also watch closely what will happen with funding that had been designated for transportation projects in the Puget Sound region that since have been sidelined by voters' rejection of Proposition 1, a comprehensive transportation tax plan there.

The city of Spokane says it will ask for \$500,000 for a North Spokane Corridor redevelopment study of land-use designations, zoning, and business-retention strategies, among other things.

Interest groups also will lobby for funding of the "bridging the valley" bistate railroad consolidation project and will look for opportunities to get more money for the planned Geiger Spur relocation and transloader project on the West Plains. A project that would add capacity and reconfigure the intersection of Hatch Road and state Route 195 also will be among business leaders' requests for the 2008 supplemental budget.

The city of Spokane will ask for \$4.5 million for planned improvements totaling \$12.5 million to the intersection of Spokane-Cheney Road and state Route 195, although that project more likely would be funded in the next biennium, says Susan Ashe, the city's director of legislative and public affairs.

Additionally, the city plans to lobby for \$2.4 million in funding for a planned \$11 million extension of Riverside Avenue near downtown, and will ask for \$1 million to fund partially the last phase of the Fish Lake Trail. It also will join cities across the state in asking for increased local transportation funding through matching grants, direct gas-tax distributions, formation of a street utility, and other local revenue options.

Brunell says transportation also is among the AWB's top priorities. Since Proposition 1 failed, the AWB will press the Legislature to find other ways to fund critical projects, such as the north-south freeway here and the proposed new crossing of the Columbia River between Vancouver, Wash., and Portland. It also will ask state leaders to consider congestion-based pricing mechanisms, such as setting aside certain freeway lanes to be tolled, he says.

Economic development

In the work-force training and economic-development arena, the business community will seek \$3 million in funding for the Job Skills Program. Business leaders also will ask for funds for work-force development data collection, including for skills panels and Workforce Development Councils, and will advocate for increased funding for WorkSource Centers statewide.

Interest groups will push for the Legislature to expand aerospace tax incentives to include a broader mix of commercial airplane and parts manufacturers and engineers, Hadley says.

The business community will pitch for the Legislature to expand its local infrastructure financing tool, also known as LIFT, by opening the process up to more applicants and combining it with tax-increment financing tools "to make one effective tool," Hadley says.

In the arena of housing issues, the city will ask the Legislature to increase the state Housing Trust Fund to \$200 million per biennium; allocate \$8 million to the Washington Families Fund, which provides housing for homeless families; and provide a \$10 million biennial increase for the state Transitional Housing, Operating, and Rent program.

Within its agenda for criminal justice and public-safety issues, the city of Spokane will monitor the state Gang Task Force's recommendations that will be presented during the session. The task force likely will recommend

that the state allocate money for cities' graffiti abatement programs, which currently use volunteers, Ashe says.

Health care

The Family Leave Act of 2007 will be under scrutiny in the upcoming legislative session. The bill mandates six weeks of paid family leave for people employed by businesses with 50 or more employees who adopt or have a child. The majority of the money for the program would come from a state-run insurance program funded by a payroll tax on workers. Last session, the Legislature appointed a task force to deal with administration and funding questions.

Business leaders here believe the mandate is unnecessary and will continue to advocate against extensions to state-mandated family-leave laws, Hadley says.

"We're advocating for the greatest flexibility at the employer level," Hadley says.

The AWB's Brunell says the Family Leave Act will be among AWB's top priorities for the upcoming session. AWB will ask the Legislature to allow employers who already provide paid family leave to opt out of the program. It also wants the Legislature to move the program from the Department of Labor and Industries, where it's temporarily housed, to the Department of Employment Security.

Brunell says the business group doesn't want the Legislature to use current unemployment- benefit monies or worker's compensation benefit funds in the program. The administrative costs projected to set up and run the program total about \$72 million, and those costs could be held down by allowing employers to opt out of the program, Brunell says.

Business leaders here also will seek ways to curb escalating health-care costs for employers. Greater Spokane Incorporated says the policies that the Legislature has passed to pool health-care coverage for low-income employees don't include adequate provisions to stop health-care costs from skyrocketing for employers.

The city of Spokane will ask the Legislature to increase funding for mental-health and substance- abuse prevention and treatment programs. It also supports a recommendation by the Joint Select Committee on Public Health Financing to provide \$100 million per biennium in funding aimed at plugging certain gaps in local services.

AWB is concerned that some legislators might try to implement a Canadian-style health system through a single-payer plan, Brunell says. AWB will ask the Legislature to retain association health plans, which allow groups such as AWB to offer health insurance to small businesses, rather than fold those plans into a single-payer system, he says.

The group also plans to push the Legislature to keep the Washington Assessment of Student Learning test, known as the WASL, for public school students. It also wants students to be required to pass the math and science sections in the test in order to graduate sooner than that requirement currently is scheduled to take effect, he says.

Also, AWB wants climate-change issues addressed at the regional, rather than the state level, Brunell says. AWB will advise the Legislature against prematurely eliminating different fuel sources for energy, such as coal-fired plants, he says. AWB wants state leaders to find ways to make fossil fuels, such as coal, cleaner instead of ceasing development of them.

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