

BALANCING THE STATE BUDGET

As a member of the Ways & Means Committee, I spent hundreds of hours examining the line-item details of our two year budget for the 2011-2013 biennium. The Great Recession continued to impact our state's revenue base as lower levels of consumer spending brought in billions of dollars less than anticipated. We settled on a budget that spends \$32.2 billion over two years with substantial reductions in virtually all areas of public services.

We reduced state employee salaries by 3%, teacher salaries by 1.9% and suspended I-728 and I-732. We also cut funding to other essential services including health care, higher education, homecare workers and Disability Lifeline. Each of these were absolutely gut-wrenching decisions that took place after hours and hours of careful analysis and negotiation to minimize the damage done.

If you're interested in the most up-to-date information, you can always check here <http://hdcadvance.blogspot.com/search/label/budget>

TAX EXEMPTIONS



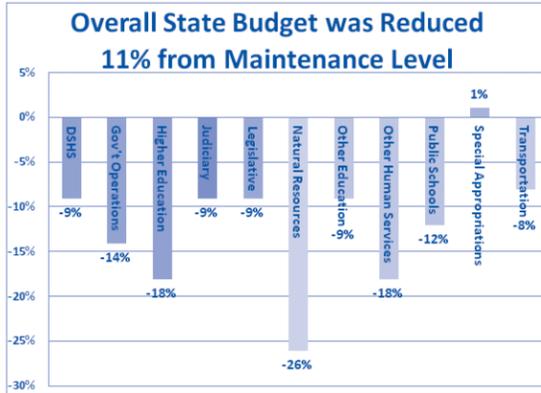
Reuven discusses tax exemptions on *Inside Olympia*.

Our state currently has some 567 tax exemptions. Many are good policy, and generate substantial value to the public, yet others have turned into little more than special interest loopholes that, from an objective financial perspective, fail to justify their continued existence. This session I proposed that all tax exemptions--big, little, expensive or modest--have an expiration date. Today, because of the consequences of I-1053, most of the 567 exist in

perpetuity. In my view, all exemptions should be forced to objectively prove their return on investment for the public. Despite months of work I was unsuccessful in this endeavor this year, but I am committed to continuing this battle because transparency matters. Every tax exemption--from a B&O reduction for homeless shelters to giant corporate investment packages--should face the same legislative scrutiny that we dedicate to spending decisions.

FIND OUT MORE ONLINE

There is even more information available about the work we have done this session online. Find more details on the state budget and all of the bills I sponsored at www.housedemocrats.wa.gov/roster/rep-reuven-carlyle. My blog at www.reuven-carlyle36.com remains the most widely read site by a legislator in the state. Please visit frequently and let me know how you feel about the issues that impact us here in Seattle and throughout the state.



State Representative
Reuven Carlyle
PO Box 40600
Olympia, WA 98504-0600



Printed on recycled paper

2011 SESSION REPORT

PRSRRT STD
US POSTAGE PAID
WA STATE DEPT
OF PRINTING 98501

2011 SESSION REPORT



Dear Friends and Neighbors,

After five months of difficult budget and policy work the 2011 legislative sessions are complete. I'm pleased to be home with my wife Wendy and our four kids reconnecting with family, community and my work as an entrepreneur in the software industry. As your part-time citizen legislator I remain deeply appreciative of the opportunity to serve the people of Belltown, Queen Anne, South Lake Union, Magnolia, Ballard, Crown Hill, Blue Ridge, Fremont, Phinney Ridge and Greenwood as your voice in state government.

This year we adopted a \$32.2 billion two-year state operating budget as well as transportation and capital budgets. Like virtually every family and business state government is struggling with increasing costs and decreasing revenues. I am saddened to report that we made only what I consider surface reforms in government service delivery while instituting dramatic reductions in higher education, K-12, health care, parks, ferries, natural resources and environmental protection and other vital services.

In my view, the broader systems challenge we face today is to recognize our state's quality of life is slowly eroding as state government struggles under the weight of the status quo. Our high school graduation rate is embarrassingly low; we are in the bottom third in the production of bachelor and advanced degrees despite our high-tech driven economy; we are struggling to invest in supporting private sector job creation as well as essential, basic human services such as foster care, child protective services and more.

DISTRICT OFFICE

3131 Western Ave., Suite 421
Seattle, WA 98121
(206) 216-3184
Carlyle.Reuven@leg.wa.gov

OLYMPIA OFFICE

PO Box 40600
Olympia, WA 98504-0600
(360) 786-7814
Toll-Free Hotline: (800) 562-6000
TTY: (800) 635-9993

LEGISLATIVE ASSISTANT

Bryan Bissell

WEBSITE:

www.housedemocrats.wa.gov/roster/rep-reuven-carlyle

COMMITTEES

- Higher Education (**Vice Chair**)
- Technology, Energy & Communications
- Ways & Means

Despite today's challenges we have all of the ingredients of long-term success: An educated workforce, engaged citizens who vote, innovative non-profit and business partners and a love of our majestic environment. I hope you will take a moment to review this overview of the 2011 sessions and reach out with thoughts, comments, concerns and insight. I love receiving hundreds of emails, calls and letters from the 140,000 people of our community. This is my only newsletter of the year in an effort to save money. Please visit my blog at: www.reuven-carlyle36.com

Your partner in service,

Reuven

MY PRIORITIES THIS SESSION

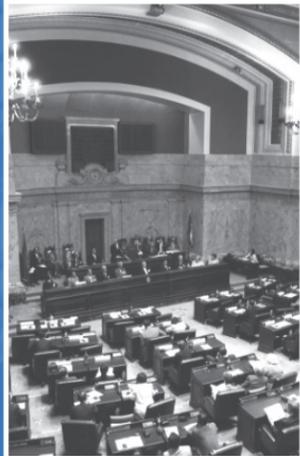


Zev Carlyle visits Gov. Gregoire in her office.

Given the very difficult budget scenario we faced this year, combined with the crippling effects of recent voter approved ballot initiatives, much of our work in Olympia involved making the most of an unfortunate situation. Sometimes that meant heart-wrenching decisions about what reductions in services would have the least negative impact.

My new role as vice chair of the Higher Education committee allowed me to take an even greater lead on the issues that effect our state's colleges and ability to sustain a robust 21st century workforce. I am also pleased to have worked hard to keep funding alive for our highly capable programs, and fought to find funding to reduce elementary class sizes.

I also made it a priority to support bills to protect health care for our most needy citizens, fund family planning, protect our air and water, and worked on a number of bills to close tax loopholes so that everyone pays their fair share to support our children and our health.



HIGHER EDUCATION



Reuven at the Higher Education Opportunity Act bill signing.

The uncomfortable and painful reality is that the budget makes more than \$535 million in cuts to higher education in our two and four year colleges and universities. Today's young people are the first generation of Americans to be less educated than their parents, a condition that we have allowed to fester for years.

My top priority of the year was comprehensive reform of higher education finance, a feat we accomplished with bipartisan support. The Higher Education Opportunity Act (HB 1795) allows universities to set tuition levels locally rather than in the Legislature. In exchange, more tuition dollars are used for financial aid for low and middle income students (we raised eligibility for grants from \$54,000 for a family of four to \$98,000). My bill also reversed the University of Washington's previous decision to admit more out-of-state students by requiring a return to previously higher in-state admission levels.

No one wants higher tuition, but the somber trade-off was an implosion in the number of in-state slots for students, larger class sizes, lower quality faculty, more difficulty with course selection and a longer period required to complete a degree. This reform legislation is a genuine attempt by students, faculty, administrators, legislators, high-tech companies and other passionate advocates of higher education to find a path forward during this economic challenge that is responsible and sustainable.

Protecting the Environment



Putting an end to coal power in Washington (SB 5729): This bill solidifies an agreement to close the state's two coal boilers in 2020 and 2025. It sets the stage for closing the single largest source of pollution in our state and provides a path to cleaner power.

Protecting Puget Sound from oil spills (HB 1186): We learned from last year's BP oil spill in the Gulf of

Mexico that our state must be able to prevent a similar disaster. This puts new responsibilities on oil companies for the safe travel of their oil tankers through Washington's waters, and updates contingency plans in the event of a spill for a swift, effective response.

Maintaining shorelines and houseboats (HB 1783): This bill recognizes houseboats as a protected, legitimate use of shorelines. Houseboats are a vital part of our district's heritage, and I was proud to help ensure passage of this bill to support the houseboat community in South Lake Union, Queen Anne, and Magnolia. The bill ensures long-term protection of our city's culture and history by allowing houseboats to remain a part of our unique city while managing and clarifying environmental procedures.



Protecting Our Citizens

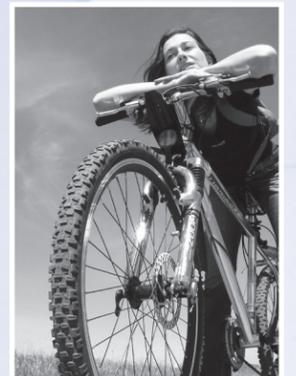


• *Home foreclosures (HB 1362):* The Foreclosure Fairness Act of 2011 creates a new system to help homeowners stay in their home by strengthening mediation requirements and consumer protection mechanisms.

• *Making Unemployment Insurance better for business and workers (HB 1091):* This business and labor agreement, while controversial, reduces unemployment insurance taxes for nearly all employers in the state—saving close to \$300 million this year alone—and improves worker training programs for those seeking a job.

• *Protecting vulnerable road users (SB 5326):* This bill protects cyclists and pedestrians by adding a default penalty of \$5,000 fine and 90-day license suspension for a driver involved in a collision with a vulnerable user. I worked with Cascade Bike Club to ensure this bill's passage, and was humbled to pay tribute to the late Kevin Black of Ballard speaking on the House floor in support of this bill.

• *Transparency into insurance rate increases (HB 1220):* Allows us the opportunity to look into how our insurance rates are set. This bill allows public access to the health insurance filings submitted to the Office of the Insurance Commissioner when increased premium rates are proposed.



COMMUNITY INVESTMENTS



Our state's capital budget invests in critical community projects and funds construction projects that serve the public good. Infrastructure is such an important support function in our community, especially when combined with the

non-profit organizations that provide the essential services that make our city such a great place to live.

I am pleased to report that a number of important Seattle projects received funding through an objective, non-political rating process. Construction funding helps the Low Income Housing Institute build in Ballard (\$313,000), and improves and expands youth recreational facilities at the Ballard Boys & Girls Club (\$475,000). Additionally, Building for the Arts funding assists in launching Seattle International Film Festival's new headquarters (\$491,000), rebuilding Greenwood's Taproot Theater (\$570,000), and enhancing the Seattle Musical Theatre (\$163,000), Velocity Dance Theatre (\$106,000) and Town Hall Seattle (\$70,000). Elsewhere in the city, the capital budget funds a range of projects at the University of Washington, and cleans up environmental damage at Gasworks Park.

TRANSPORTATION



We passed a 2-year, \$9 billion transportation budget that funds new projects and makes repairs and improvements on existing sections of our statewide transportation system. This includes \$8.4 million in spending on projects in Seattle that will help keep the Alaskan Way Viaduct free of traffic in the event of seismic activity, and to improve freight mobility in our city's industrial corridor.

I must acknowledge that I remain deeply disappointed in the lack of funding for public transit projects in Seattle, King County, and statewide. I strongly support a more balanced, coordinated, integrated, multi-modal

transportation system with a role for the cars we use for work and errands, bikes for commuting and enjoying our beautiful city, trucks that transport goods to and from our Ballard industrial base, pedestrians who walk to work and around the neighborhood, and public transit that takes us everywhere we need to go. Unfortunately our state continues to prioritize highway funding, a policy direction that is narrow and shortsighted.

Alaskan Way Tunnel Project:

I continue to exert substantial pressure on WashDOT to ensure on time, under budget delivery of the Alaskan Way Tunnel project. While the south portal is off to a great start, I remain concerned that the tunnel oversight committee has not met as frequently as I prefer. I continue to press for a better use of technology and transparency in the project management arena, which I believe to be an essential ingredient in preventing cost overruns. While WashDOT has shown success, this project is an extremely complex and technical endeavor, and I am aggressively overseeing their project management to make sure that when we do embark on such a grand and transformative project, we do it correctly.