



WSLC Legislative Update

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A weekly report from the Washington State Labor Council, AFL-CIO



Balanced approach needed on U.I.

One week ago today there was an extraordinary hearing in the House Commerce and Labor Committee. The panel was hearing two bills regarding Unemployment Insurance: HB 2920, a business-supported bill to lower rates that would save employers another \$241 million from 2010-15, and HB 3129, a "title-only" bill intended to keep alive the issues of strengthening benefits to stimulate Washington's economy.

What was extraordinary about last week's hearing—and a similar one this week in the Senate labor committee—was that laid-off workers relying on U.I. benefits to survive came to Olympia to share their tearful personal stories about the need to strengthen benefits. Every single day, lawmakers hear from the recession-proof industry of legislative lobbyists who make their case for cutting employers' taxes and restricting benefits. But it's not often that they get to meet real people whose lives are being saved by the U.I. safety net.



Yvonne, an Iron Workers Local 86 member and a single mother of two, has been unemployed for four months. She gets about \$500 a week in U.I. benefits. But her expenses include a \$1,200 monthly mortgage, about \$500 for various utilities and electricity, car insurance and other routine expenses that leave her about \$100 a week to pay for food.

"If anything were to happen to my unemployment benefits, I would lose my home. I would not be able to provide for my children," she testified. Several others joined Yvonne in delivering powerful personal testimony about what it's like to be unemployed in 2010.

Some legislators on the panel were quick to say that the business-backed HB 2920 tax cut would not necessarily lead to U.I. benefit cuts. But the point was to show them that the numbers they negotiate in Olympia have real consequences for working families. Extending U.I. eligibility to more who deserve it, like laid-off part-time workers, not only captures millions of federal dollars to pay for those benefits and stimulate the economy, it is also the compassionate thing to do.

As for HB 2920, it's difficult to swallow another major tax cut for business after the Legislature approved a permanent \$1.5 billion tax cut just last year, while a temporary \$45-a-week stimulus benefit increase has already expired. Labor understands, and has sympathy for, businesses paying higher rates this year because they had to lay off workers last year.

The problem is the volatile tax system that business groups asked for and got in the 2003 deal to attract Boeing 787 production. When this tax system was rammed through the Legislature that year against the objections of organized labor, the Washington State Labor Council reported, "extreme volatility of rates is guaranteed. This will ensure continual pressure to further cut benefits when employers' rates spike in weak economic conditions."

Organized labor supports a balanced approach to U.I. that would necessarily couple any additional tax cuts for business with stronger benefits for workers who have lost their jobs through no fault of their own.

Two bills to create jobs, jobs, and more jobs

In addition to strengthening safety nets for working families, the Washington State Labor Council's legislative agenda this year has been focused on jobs, jobs, and more jobs. Here are updates on two major bills that are part of that effort:

JOBS ACT OF 2010 -- HB 2561, sponsored by Rep. Hans Dunshee (D-Snohomish) and strongly supported by the Washington State Labor Council, already passed the House and is awaiting action in the Senate Ways and Means Committee. It would put before voters this fall the question of whether to issue \$850 million in bonds, which would leverage \$2 billion more, and create an estimated 38,000 jobs doing energy repair and retrofitting work at public schools, state colleges and universities, and other public facilities.

The WSLC strongly urges the Senate Democratic Caucus to advance this positive, proactive effort to create jobs.

WORKING FOR CLEAN WATER -- This legislation, a fresh version of which was dropped today in Olympia, is a top priority not only for the WSLC and other labor organi-

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zations, but also for the Environmental Priorities Coalition, Association of Washington Cities, and a broad coalition of education, health care, and social services groups who are unified behind smart solutions to maintain core public services.

This bill would extend the tax voters approved in 1987 (I-97) on hazardous substances to clean up toxic pollution to also cover stormwater pollution cleanup. This will raise an estimated \$339 million over the next five years for labor-intensive local construction projects in every corner of the state. Jobs retrofitting urban streets, digging storm ponds to collect polluted water, and building better storm drains.

It will also help address our state budget crisis by allocating the bulk of the revenue in the short term (\$600 million over five years) to the general fund and transitioning the funding solely back to stormwater projects over time.

This will create almost 16,000 jobs over the next 10 years; nearly 35,000 if you include the indirect jobs created.

The unemployment rate in our state's construction industry is a staggering 27%, with some trades reporting more than 50% of their members as out of work. This legislation will create good jobs for these construction workers and help rebuild our economy while addressing the No. 1 pollution problem in this state: stormwater runoff. Local governments need to be able to complete required infrastructure and retrofit projects now if we are to pass on a cleaner Puget Sound and Spokane River to our children.

The WSLC strongly supports the Working for Clean Water legislation and its quadruple bottom-line results: creating desperately needed jobs, avoiding immediate cuts to core services, funding local governments' obligations, and providing a clean water legacy for generations to come.

End the anti-democratic minority rule of I-960

SB 6843, sponsored by Sen. Margarita Prentice (D-Renton), was introduced and heard this week. It would temporarily suspend the two-thirds vote requirement for all tax increases and permanently fix other flaws in Initiative 960. This will restore the tools our Legislature needs during this economic downturn to responsibly address voters' priorities, which are to stop deep cuts to jobs, schools, colleges, health care, the environment—cuts that will slow our economic recovery.

I-960 was passed with just 51% support in 2007 when state coffers were flush with cash. With the economic downturn, voters in this state have clearly abandoned the anti-tax ideology that inspired I-960, and instead have chosen to support public services decimated by budget cuts. Last fall, voters resoundingly rejected—by a 15-point margin—Tim Eyman's Initiative 1033 to cap state and local government revenue.

SB 6843 does not overturn I-960. It addresses some of its irrational constraints and strengthens the integrity of the legislative process by preventing a hardened political minority of anti-government legislators from blocking efforts to protect

WSLC legislative events next week

Leaders, staffers and rank-and-file members of all WSLC-affiliated unions are invited to get a progress report on our agenda at the **Washington State Labor Council's 2010 Legislative Conference on Thursday**, Feb. 11 from 8:30 a.m. to lunchtime at the Olympia Red Lion Hotel. The agenda—which includes Gov. Chris Gregoire, House Speaker Frank Chopp, Senate Majority Leader Lisa Brown, and other legislative and state agency leaders—plus registration details are posted at www.wslc.org.

As always, there will be a **Legislative Reception Wednesday night** from 6:30 to 8:30 p.m. at the hotel with legislators and other state officials in attendance. The registration fee, including materials, lunch and one admission to the reception, is \$50.

Also all union members are invited to a special free **Legislative Lobbying Training on Tuesday** from 5:30 to 7:30 p.m. at the South Seattle Community College, Building E, 6770 E. Marginal Way S. Join the legislative and political staffs of the Washington State Labor Council and the M.L. King County Labor Council as they explain how to make your voice—and the voice of your union—heard at the State Capitol. For more information or to register, call Lily Wilson-Codega at 206-650-5503.

jobs, the environment, schools, universities, health care and other critical services from another all-cuts budget.

Why should a legislative minority have veto power over the budget? Why should a minority be able to overrule the majority? It's simply undemocratic to allow the tyranny of the minority to stifle the legislative progress. (Just ask anybody who's watched the pitiful performance of the gridlocked U.S. Senate in the past year.) It's also unconstitutional to allow voters to subvert the concept of majority rule. The State Supreme Court refused to rule on I-960's constitutionality, but that doesn't make it constitutional.

The WSLC supports giving our elected officials all of the tools necessary to take a balanced approach to addressing the budget crisis in a way consistent with the values of all Washingtonians. That's why we support SB 6843.

Good and bad legislation dying with cutoffs

Tuesday was the deadline for bills to pass House policy committees and today is the same deadline in the Senate. Many bills—good, bad and ugly—have fallen victim to these quick deadlines in this short legislative session, and more will fall as more cutoff dates approach next week. The WSLC has posted an online **Legislative Tracker**™ where you can "track" the status of legislation of concern to the WSLC and its affiliates. Check it out at www.wslc.org.