

# ADVOCACY UPDATE

2018 Legislative Review/2019 Legislative Outlook

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# 2018 Session “Highlights”



- ▶ Legislature Finished the “Short” Session on Time
  - ▶ Completed its work in the constitutionally-mandated 60 days for the first time since 2014
  - ▶ Fulfilled their final “McCleary” and K-12 Funding Obligations
  - ▶ Passed a “Hirst Fix” and a 2017-19 Capital Budget in the first two weeks of session

# 2018 Session “Dynamics”



- ▶ Governor Jay Inslee (D)
  - ▶ Pushed for a new carbon tax
  - ▶ Largely relegated to the sidelines
- ▶ Democratic Majorities in Both Chambers for the first time since 2012
  - ▶ House of Representatives - 50 Democrats vs. 48 Republicans
  - ▶ Senate - 25 Democrats vs. 24 in the Senate Majority Coalition Caucus
- ▶ New Democratic Control Led to Big Issues and Many Bills
  - ▶ An inordinate amount of legislation was introduced/considered during the “short” session
  - ▶ Despite promises to the contrary, the Legislature took up several controversial topics - capital gains/carbon taxes; gun control, capital punishment

# 2018 Key Issues for CBW

- ▶ State Bank Business Plan Proviso
- ▶ Credit Union Public Funds (ESHB 1209)
- ▶ Foreclosure / Access to Abandoned Properties (2ESHB 2057)
- ▶ Fix to “Hirst” Decision (ESSB 6091)



# 2018 Political Outlook



- ▶ Current Legislative Majorities:
  - ▶ 25-24 in the Senate; 50-48 in the House
  - ▶ All 98 Seats in the House are up for reelection this year; 25 Seats in the Senate are up

# 2018 Political Outlook (*continued*)

- ▶ Primary election results did not bode well for Republican candidates/incumbents
- ▶ Potential Republican Losses in November:
  - ▶ 3 Republican Senate Candidates/Incumbents were Under 50% in the Primary; if those results hold, the new Democratic Majority will be 28-21
  - ▶ 15 Republican House Candidate/Incumbents were under 50% in the Primary; if those results hold, the new Democratic Majority will be 65-33
- ▶ National political factors (Trump) are driving the results:
  - ▶ Low Republican Turnout/Motivated Democratic Voters
  - ▶ Independents Breaking 3-1 Democratic



# 2019 Legislative Session Outlook

- ▶ Capital Gains Tax? Carbon Tax?
- ▶ Further Investments in K-12:
  - ▶ Special Education
  - ▶ Local Levy Authority
  - ▶ School Safety
  - ▶ Long-term Sustainability
- ▶ Other “Neglected” Spending Priorities:
  - ▶ Higher Education
  - ▶ Human Services

# 2019 Legislative Session Outlook *(continued)*

- ▶ **CBW - Specific Issues:**
  - ▶ Credit Unions
  - ▶ State Bank
  - ▶ Tax Increases



# Questions?

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