



WASHINGTON STATE LEGISLATURE



Legislative Digest No. 32

FIFTY-NINTH LEGISLATURE

Thursday, February 23, 2006

46th Day - 2006 Regular Session

SENATE	SB 6326-S2	SB 6384-S	SB 6385-S	SB 6386-S	SB 6533-S	SB 6542-S2	SB 6557-S2
	SB 6558-S2	SB 6604-S2	SB 6671-S	SB 6686-S	SB 6781-S	SB 6787-S	SB 6874-S
	SB 6896-S	SB 6898-S					
HOUSE	HB 2871-S						

This publication includes digest and history for bills, joint memorials, joint resolutions, concurrent resolutions, initiatives, and substitutes. Engrossed measures may be republished if the amendment makes a substantive change.

Electronic versions of Legislative Digests are available at <http://apps.leg.wa.gov/billinfo/digests.aspx?year=2006>.

House Bills

HB 2871-S by House Committee on Transportation (originally sponsored by Representatives Murray, Dickerson, Appleton, and Simpson)

Creating a regional transportation commission. (REVISED FOR ENGROSSED: Modifying regional transportation governance provisions.)

(AS OF HOUSE 2ND READING 2/21/06)

Finds that effective transportation planning in urbanized regions requires stronger and clearer lines of responsibility and accountability.

Finds that integrated, multimodal transportation planning will help reduce transportation congestion and improve safety, and that streamlined decision making will help reduce political congestion.

Finds that coordinated planning of, investment in, and operation of transportation systems will have significant benefit to the citizens of Washington, and that it is the will of the people to fund regional transportation solutions, including improving transit service in urbanized areas and among existing, fragmented transit agencies in the region. Although equity considerations must be respected, transportation problems are broader and deeper than the sum of geographic subareas.

Declares that it is therefore the policy of the state of Washington to create a regional transportation commission to develop a proposal for a regional transportation governing entity more directly accountable to the public, and to develop a comprehensive regional transportation finance plan for the citizens of the Puget Sound metropolitan region.

Declares that the commission has the following duties: (1) Evaluate transportation governance in the central Puget Sound area within the jurisdiction of the Puget Sound regional council. The commission shall assess and develop recommendations for what steps should be taken to: (a) Consolidate governance among agencies, including changes in institutional powers, structures, and relationships and governance needed to improve

accountability for transportation decisions, while enhancing the regional focus for transportation decisions and maintaining equity among citizens in the region; (b) improve coordination in the planning of transportation investments and services; (c) improve investment strategies; (d) coordinate transportation planning and investments with adopted land use policies within the region; (e) enhance efficiency and coordination in the delivery of services provided; (f) adjust boundaries for agencies or functions within the region to address existing and future transportation and land use issues; and (g) improve coordination between regional investments and federal funds, and state funding, including those administered by the transportation improvement board, the county road administration board, and the freight mobility strategic investment board;

(2) Develop a regional transportation governance proposal that includes, at a minimum, the formation of a regional transportation governing entity, of which all or a majority of its members must be directly elected, the revenue sources that will be available to such entity, and the scope of planning authority of such entity;

(3) Publicize the commission's proposal referenced in this act by November 15, 2006, and provide at least fifteen days for public comment;

(4) Adopt the proposal referenced in this act and submit it to the legislature by January 1, 2007;

(5) Develop a comprehensive, integrated transportation finance plan for the metropolitan Puget Sound region to be submitted to the affected voters by the regional transportation governing entity;

(6) Conduct public meetings to assure active public participation in the development of the proposal referenced in this act and the regional transportation finance plan referenced in this act.

Provides that, prior to a regional transportation public vote, the department of transportation must complete all of the following requirements for both the Alaskan Way viaduct and Seattle Seawall replacement project, and the state route number 520 bridge replacement and HOV project: (1) In accordance with the national environmental policy act, the department must designate the preferred alternative, prepare a substantial project mitigation plan,

and complete a comprehensive cost estimate review using the department's cost estimate validation process, for each project;

(2) In accordance with all applicable federal highway administration planning and project management requirements, the department must prepare a project finance plan for each project that clearly identifies secured and anticipated fund sources, cash flow timing requirements, and project staging and phasing plans if applicable; and

(3) The department must report these results for each project to the joint transportation committee.

-- 2006 REGULAR SESSION --

- Feb 6 TR - Majority; 1st substitute bill be substituted, do pass.
Minority; do not pass.
- Feb 7 Passed to Rules Committee for second reading.
- Feb 10 Placed on second reading.
- Feb 21 1st substitute bill substituted.
Floor amendment(s) adopted.
Rules suspended. Placed on Third Reading.
Third reading, passed; yeas, 71; nays, 26; absent, 0; excused, 1.
-- IN THE SENATE --
- Feb 22 First reading, referred to Transportation.

Senate Bills

SB 6326-S2 by Senate Committee on Ways & Means (originally sponsored by Senators Shin, Rasmussen, Pflug, Doumit, Rockefeller, Weinstein, Pridemore, Hewitt, Jacobsen, Thibaudeau, Swecker, Sheldon, Oke, Keiser, Kohl-Welles, Franklin, Kline, and Berkey)

Providing a source of funding for customized work force training.

(DIGEST OF PROPOSED 2ND SUBSTITUTE)

Provides a source of funding for customized work force training.

Finds that the provision of customized training is critical to attracting and retaining businesses, and that the growth of many businesses is limited by an unmet need for customized training.

Finds that work force training not only helps business, it also improves the quality of life for workers and communities. Because of the statewide public benefit to be gained from instituting a customized training program, the legislature intends to create a new program to fund work force training in a manner that reduces the up-front costs of training to new and expanding firms.

Creates the Washington customized employment training program to provide training assistance to employers locating or expanding in the state.

Appropriates the sum of five million dollars for the fiscal year ending June 30, 2007, from the general fund to the employment training finance account for the purposes of this act.

-- 2006 REGULAR SESSION --

- Feb 17 WM - Majority; 2nd substitute bill be substituted, do pass.

Rules suspended.

Placed on second reading.

- Feb 20 2nd substitute bill substituted.
Rules suspended. Placed on Third Reading.
Third reading, passed; yeas, 48; nays, 0; absent, 0; excused, 1.

-- IN THE HOUSE --

- Feb 21 First reading, referred to Higher Education & Workforce Education.

SB 6384-S by Senate Committee on Ways & Means (originally sponsored by Senators Fraser, Prentice, Doumit, Zarelli, and Brandland; by request of Governor Gregoire)

Adopting the 2006 supplemental capital budget.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Adopts the 2006 supplemental capital budget.

-- 2006 REGULAR SESSION --

- Feb 17 WM - Majority; 1st substitute bill be substituted, do pass.
Rules suspended.
Placed on second reading.

- Feb 20 1st substitute bill substituted.
Floor amendment(s) adopted.
Rules suspended. Placed on Third Reading.
Third reading, passed; yeas, 48; nays, 0; absent, 0; excused, 1.
-- IN THE HOUSE --

- Feb 21 First reading, referred to Capital Budget.

- Feb 22 CB - Executive action taken by committee.

SB 6385-S by Senate Committee on Ways & Means (originally sponsored by Senators Prentice, Doumit, Rasmussen, Fairley, Zarelli, Rockefeller, Brandland, Fraser, Pflug, and Sheldon; by request of Governor Gregoire)

Providing administrative excise tax relief for taxpayers.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Provides excise tax relief by modifying due dates and eliminating an assessment penalty.

-- 2006 REGULAR SESSION --

- Feb 17 WM - Majority; 1st substitute bill be substituted, do pass.
Rules suspended.
Placed on second reading.
1st substitute bill substituted.
Rules suspended. Placed on Third Reading.
Third reading, passed; yeas, 44; nays, 0; absent, 0; excused, 5.
-- IN THE HOUSE --

- Feb 20 First reading, referred to Finance.

SB 6386-S by Senate Committee on Ways & Means (originally sponsored by Senators Prentice, Zarelli, Fairley, Fraser, Rockefeller, Shin, and Brandland; by request of Governor Gregoire)

Making 2006 supplemental operating appropriations.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Makes 2006 supplemental operating appropriations.

-- 2006 REGULAR SESSION --

- Feb 17 WM - Majority; 1st substitute bill be substituted, do pass.
 Minority; do not pass.
 Minority; without recommendation.
 Rules suspended.
 Placed on second reading.
 1st substitute bill substituted.
 Floor amendment(s) adopted.
 Rules suspended. Placed on Third Reading.
 Third reading, passed; yeas, 26; nays, 19; absent, 0; excused, 4.
 -- IN THE HOUSE --
 Feb 20 First reading, referred to Appropriations.

SB 6533-S by Senate Committee on Ways & Means (originally sponsored by Senators Prentice, Zarelli, Schoesler, Benton, and McCaslin)

Providing a business and occupation tax credit for syrup taxes paid by a business.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Provides a business and occupation tax credit for syrup taxes paid by a business.

-- 2006 REGULAR SESSION --

- Feb 17 WM - Majority; 1st substitute bill be substituted, do pass.
 Minority; do not pass.
 Minority; without recommendation.
 Rules suspended.
 Placed on second reading.
 Feb 20 1st substitute bill substituted.
 Rules suspended. Placed on Third Reading.
 Third reading, passed; yeas, 43; nays, 5; absent, 0; excused, 1.
 -- IN THE HOUSE --
 Feb 21 First reading, referred to Finance.

SB 6542-S2 by Senate Committee on Ways & Means (originally sponsored by Senators Mulliken, Rasmussen, Schoesler, Sheldon, Morton, Shin, Delvin, and Honeyford)

Exempting persons engaged in farming and certain farming services from business taxes.

(DIGEST OF PROPOSED 2ND SUBSTITUTE)

Exempts persons engaged in farming and certain farming services from business taxes.

-- 2006 REGULAR SESSION --

- Feb 17 WM - Majority; 2nd substitute bill be substituted, do pass.
 Rules suspended.
 Placed on second reading.
 Feb 20 2nd substitute bill substituted.
 Rules suspended. Placed on Third Reading.
 Third reading, passed; yeas, 45; nays, 3; absent, 0; excused, 1.
 -- IN THE HOUSE --
 Feb 21 First reading, referred to Finance.

SB 6557-S2 by Senate Committee on Ways & Means (originally sponsored by Senators Kohl-Welles and Keiser)

Modifying the taxation of motion picture and video production services.

(DIGEST OF PROPOSED 2ND SUBSTITUTE)

Revises the taxation of motion picture and video production services.

-- 2006 REGULAR SESSION --

- Feb 17 WM - Majority; 2nd substitute bill be substituted, do pass.
 Rules suspended.
 Placed on second reading.
 Feb 20 2nd substitute bill substituted.
 Rules suspended. Placed on Third Reading.
 Third reading, passed; yeas, 46; nays, 0; absent, 0; excused, 3.
 -- IN THE HOUSE --
 Feb 21 First reading, referred to Finance.

SB 6558-S2 by Senate Committee on Ways & Means (originally sponsored by Senators Brown, Hewitt, Eide, Kohl-Welles, Benson, McAuliffe, Benton, Kline, and Keiser)

Improving the state of Washington's economic, cultural, and educational standing in the motion picture industry.

(DIGEST OF PROPOSED 2ND SUBSTITUTE)

Finds in recent years that the state has realized a drastic decline in motion picture production that precludes economic expansion and threatens the state's reputation as a production destination. With the emergence of tax incentives in thirty states nationwide, in-state producers are taking their projects to more competitive economic climates, such as Oregon and Vancouver, British Columbia, where compelling tax incentive packages and subsidies are already in effect.

Declares an intent to recognize both national and international competition in the motion picture production marketplace. The legislature is committed to leveling the competitive playing field and interested in a partnership with the private sector to regain Washington's place as a premier destination to make motion pictures, television, and television commercials. While at the same time the legislature is committed to ensuring that workers in the motion picture and television industry are covered under health insurance and retirement income plans.

Directs the department to adopt criteria for an approved motion picture competitiveness program with the sole purpose of revitalizing the state's economic, cultural, and educational standing in the national and international market of motion picture production. Rules adopted by the department shall allow the program, within the established criteria, to provide funding assistance only when it captures economic opportunities for Washington's communities and businesses and shall only be provided under a contractual arrangement with a private entity.

Provides that a credit is allowed against the tax imposed under chapter 82.04 RCW for contributions made by a person to a Washington motion picture competitiveness program.

Requires that the person must make the contribution before claiming a credit authorized under this act. Credits earned under this act may be claimed against taxes due for the calendar year in which the contribution is made. The amount of credit claimed for a reporting period shall not exceed the tax otherwise due under this chapter for that reporting period. No person may claim more than one million dollars of credit in any calendar year, including credit carried over from a previous calendar year. No refunds may be granted for any unused credits.

Provides that the maximum credit that may be earned for each calendar year under this act for a person is limited to the lesser of: (1) An amount equal to the contributions made by the person to a program during the calendar year; or

(2) One million dollars.

Provides that the provisions of this act are subject to review by the joint legislative audit and review committee. The joint legislative audit and review committee will make a recommendation to the house finance committee and the senate ways and means committee by December 1, 2010, regarding the effectiveness of the motion picture competitiveness program including, but not limited to, the amount of state revenue generated, the amount of family wages jobs with benefits created, adherence to the criteria in this act, and any other factors deemed appropriate by the joint legislative audit and review committee.

-- 2006 REGULAR SESSION --

Feb 17 WM - Majority; 2nd substitute bill be substituted, do pass.

Rules suspended.

Placed on second reading.

Feb 20 2nd substitute bill substituted.

Rules suspended. Placed on Third Reading.

Third reading, passed; yeas, 47; nays, 1; absent, 0; excused, 1.

-- IN THE HOUSE --

Feb 21 First reading, referred to Finance.

SB 6604-S2 by Senate Committee on Ways & Means (originally sponsored by Senators Prentice, Rasmussen, and McAuliffe; by request of Governor Gregoire)

Providing excise tax relief for aerospace businesses.

(DIGEST OF PROPOSED 2ND SUBSTITUTE)

Provides excise tax relief for aerospace businesses.

-- 2006 REGULAR SESSION --

Feb 17 WM - Majority; 2nd substitute bill be substituted, do pass.

Minority; do not pass.

Minority; without recommendation.

Rules suspended.

Placed on second reading.

2nd substitute bill substituted.

Rules suspended. Placed on Third Reading.

Third reading, passed; yeas, 37; nays, 6; absent, 1; excused, 5.

-- IN THE HOUSE --

Feb 20 First reading, referred to Finance.

SB 6671-S by Senate Committee on Ways & Means (originally sponsored by Senators Doumit, Delvin, Rasmussen, and Parlette)

Clarifying the application of taxes to the financial activities of professional employer organizations.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Clarifies the application of taxes to the financial activities of professional employer organizations.

-- 2006 REGULAR SESSION --

Feb 17 WM - Majority; 1st substitute bill be substituted, do pass.

Rules suspended.

Placed on second reading.

Feb 20 1st substitute bill substituted.

Rules suspended. Placed on Third Reading.

Third reading, passed; yeas, 47; nays, 1; absent, 0; excused, 1.

-- IN THE HOUSE --

Feb 21 First reading, referred to Finance.

SB 6686-S by Senate Committee on Ways & Means (originally sponsored by Senators Prentice, Esser, Kastama, Johnson, Kline, Finkbeiner, Weinstein, Keiser, Berkey, and McAuliffe)

Authorizing a local sales and use tax that is credited against the state sales and use tax.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Authorizes a local sales and use tax that is credited against the state sales and use tax.

-- 2006 REGULAR SESSION --

Feb 17 WM - Majority; 1st substitute bill be substituted, do pass.

Minority; without recommendation.

Rules suspended.

Placed on second reading.

Feb 22 1st substitute bill substituted.

Rules suspended. Placed on Third Reading.

Third reading, passed; yeas, 38; nays, 10; absent, 0; excused, 1.

SB 6781-S by Senate Committee on Ways & Means (originally sponsored by Senators Prentice, Pflug, Fraser, Parlette, Shin, and Schoesler)

Modifying the excise taxation of environmental remediation services.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Revises the excise taxation of environmental remediation services.

-- 2006 REGULAR SESSION --

Feb 17 WM - Majority; 1st substitute bill be substituted, do pass.

Rules suspended.

Placed on second reading.

Feb 20 1st substitute bill substituted.

Rules suspended. Placed on Third Reading.

Third reading, passed; yeas, 48; nays, 0; absent, 0; excused, 1.

-- IN THE HOUSE --

Feb 21 First reading, referred to Finance.

SB 6787-S by Senate Committee on Ways & Means (originally sponsored by Senators Rockefeller, Poulsen, Haugen, and Oke)

Providing funding for local government passenger ferry service.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Requires that, by August 1st, November 1st, February 1st, and May 1st of every year, the department of transportation shall notify the state treasurer in writing of the amount of state sales and use tax paid under chapters 82.08 and 82.12 RCW by the Washington state ferries on the purchase of fuel for the preceding calendar quarter. By September 1st, December 1st, March 1st, and June 1st of every year, the state treasurer shall transfer an amount equal to the amount indicated by the department in their notification to the treasurer into the passenger ferry account created in RCW 47.60.645. Expires September 30, 2011.

Requires that, by April 1, 2007, the department shall sell or otherwise dispose of the Washington state ferries Snohomish and Chinook for market value and deposit the proceeds of the sales into the passenger ferry account established under RCW 47.60.645.

Requires the department to maintain the level of service existing on January 1, 2006, for the Vashon to Seattle passenger-only ferry route until such time as a local government assumes the route providing a level of service at or exceeding the state level. The successor entity assuming the route shall assume any existing labor contract governing service on the Vashon to Seattle passenger-only ferry route.

Directs the county road administration board to establish a ferry grant program subject to availability of amounts appropriated for this specific purpose. The purpose of the grant program is to provide: (1) Operating or capital grants for ferry systems operated or contracted by local governments as provided in chapters 36.54 and 36.57A RCW; and

(2) Grants for the department of transportation to operate the passenger-only ferry route in service as of January 1, 2006.

-- 2006 REGULAR SESSION --

Feb 17 WM - Majority; 1st substitute bill be substituted, do pass.

Minority; do not pass.

Minority; without recommendation.

Rules suspended.

Placed on second reading.

Feb 22 1st substitute bill substituted.

Floor amendment(s) adopted.

Rules suspended. Placed on Third

Reading.

Third reading, passed; yeas, 46; nays, 1;

absent, 0; excused, 2.

SB 6874-S by Senate Committee on Ways & Means (originally sponsored by Senators Doumit, Zarelli, Hargrove, Morton, Sheldon, and Rasmussen)

Providing tax incentives for the timber and timber products industries.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Provides tax incentives for the timber and timber products industries.

-- 2006 REGULAR SESSION --

Feb 17 WM - Majority; 1st substitute bill be substituted, do pass.

Minority; without recommendation.

Rules suspended.

Placed on second reading.

1st substitute bill substituted.

Rules suspended. Placed on Third Reading.

Third reading, passed; yeas, 40; nays, 4; absent, 0; excused, 5.

-- IN THE HOUSE --

Feb 20 First reading, referred to Finance.

SB 6896-S by Senate Committee on Ways & Means (originally sponsored by Senators Prentice, Doumit, Brown, Regala, Rockefeller, and Kohl-Welles)

Providing for state funding stabilization.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Provides for state funding stabilization.

-- 2006 REGULAR SESSION --

Feb 17 WM - Majority; 1st substitute bill be substituted, do pass.

Minority; do not pass.

Minority; without recommendation.

Rules suspended.

Placed on second reading.

1st substitute bill substituted.

Held on second reading.

SB 6898-S by Senate Committee on Ways & Means (originally sponsored by Senators Fraser, Brandland, Prentice, and Zarelli)

Authorizing the issuance of general obligation bonds.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Provides that, for the purpose of providing funds for state correctional facilities, the state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of fifty million dollars, or as much thereof as may be required, to finance the projects and all costs incidental thereto.

Provides that, for the purpose of providing funds for the Columbia river basin water supply development program, the state finance committee is authorized to issue general obligation bonds of the state of Washington in the sum of two hundred million dollars, or as much thereof as may be required, to finance the projects and all costs incidental thereto.

-- 2006 REGULAR SESSION --

Feb 17 WM - Majority; 1st substitute bill be substituted, do pass.

Rules suspended.

Placed on second reading.

Feb 20 1st substitute bill substituted.

Rules suspended. Placed on Third Reading.

Third reading, passed; yeas, 47; nays, 0; absent, 0; excused, 2.

-- IN THE HOUSE --

Feb 21 First reading, referred to Capital Budget.