

To our Legislative Delegation and Chamber Members:

The business community and our state government are at a critical crossroads. We have reached a point in the economic cycle where we must find solutions for continued, long-term growth. We must chart a course for a sustainable future with sound fiscal policies that recognize the important role the business community plays in our economy and one that will bring us back to prosperity.

The East King County Chambers of Commerce Legislative Coalition recognizes that the Legislature, like the business community, faces many difficult decisions. However, we believe that in order for our state to have a strong economic future, the business community must be at the heart of the solution. If the Legislature can work to implement an agenda that lowers the cost of doing business in this state, it will be easier for businesses to create jobs and sales, thereby increasing the state's overall tax revenue.

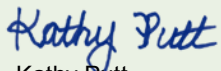
In order to accomplish this, our Coalition produced a 2012 Legislative Agenda with suggested solutions for the Legislature. This was produced in a collaborative effort from 10 Eastside chambers of commerce and approved by all 10 boards of directors. During this 60 day session, we believe that the top three focus areas for the Legislature should be:

- 1) **Economic Development/Business Taxation**
- 2) **Transportation**
- 3) **Education**

These three issue areas are critical to our state's economic future both in the short-term and the long-term.

We urge our fellow chamber members to use this document when talking to our Legislators about issues affecting their businesses and we urge our Legislators to consider our positions when drafting and voting on legislation. We look forward to working with you in the coming year and we hope you will look at the challenges we face as an opportunity to reform our government and to chart a sustainable course for our state's economic future.

Sincerely,



Kathy Putt  
2011-2012 Chair  
East King County Chambers of  
Commerce Legislative Coalition

## ABOUT THE COALITION

[www.eastkingchambers.org](http://www.eastkingchambers.org)

### Legislative Breakfast

January 5, 2012

Our premier annual event, where members from each chamber and our legislative delegation come together to discuss the upcoming session.

### Chamber Days in Olympia

January 17 & 18, 2012 - AWW

February 1, 2012 - Coalition

Chamber members from across the state visit Olympia to meet with legislators.

### Advocacy Efforts

January - Sine Die March 17, 2012

Delegates advocate for business concerns in Olympia during the Legislative Session.

### Legislative Wrap Up

Post-Session 2012

Legislators discuss session highlights and provide insight into next year's priorities.

### Legislative Report Card

Post-Session 2012

See how legislators voted on the issues that matter most to the Eastside business community.

## A SPECIAL THANKS TO OUR COALITION SPONSORS

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# 2012

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## LEGISLATIVE AGENDA



East King County  
Chambers of Commerce  
Legislative Coalition

## The Coalition Represents 10 Chambers of Commerce

Bellevue • Bothell • Issaquah • Kirkland  
Maple Valley-Black Diamond  
Newcastle • Redmond • Sammamish  
Snoqualmie Valley • Woodinville

[www.eastkingchambers.org](http://www.eastkingchambers.org)

# ECONOMIC DEVELOPMENT/ BUSINESS TAXATION

According to the Council on State Taxation, Washington businesses pay 51.2 percent of all taxes in the state, one of the highest business tax burdens in the nation. These high taxes, coupled with other high employment costs, impair the ability of state employers to create and retain jobs. Without significant business taxation and employer cost reforms Washington State companies will remain less competitive globally, will continue to experience a high business failure rate and be unable to provide sufficient family-wage job opportunities for the residents of the state.

Economic development and job creation must be a high priority for the entire state of Washington. A healthy and stable private sector is the only sustainable engine of job creation and the main source of the taxes necessary to provide the quality of life and public services that our citizens have come to expect.

## We urge the legislature to:

- Develop a state budget that is sustainable within existing revenue.
- Utilize tax reductions and incentives to foster job creation and retention.
- Return to the bi-partisan 2002 “Priorities of Government” model and prioritize those services that will drive future growth and prosperity for all of Washington’s citizens.
- Establish a long-range financial plan.
- Provide adequate tools for infrastructure funding including expanding the LIFT program to a full tax-increment-financing (TIF) program or its equivalent.



East King County  
Chambers of Commerce  
Legislative Coalition

# TRANSPORTATION

The Coalition supports increased investments in cost-effective transportation projects to allow economic development, support long-term job growth, increase personal mobility, reduce congestion, implement the Growth Management Act and improve our natural environment. Projects that enhance system efficiency while providing a high return on investment, such as those capacity improvements recently completed and underway on I-405, must be a top priority.

We believe effective investments in transportation infrastructure are best developed by adhering to the following basic principles:

## Performance

- Congestion Relief should be restored as a priority for investments in transportation projects in Washington State.
- Projects should be prioritized by safety, operational efficiency, market demand, contribution to economic development, improvement of freight mobility in fast growing urban and suburban areas.
- Provide legislative authority for High Occupancy Toll (HOT) lanes only if they: 1) provide additional new capacity; 2) generate positive revenue net of construction and operating costs; and 3) increase overall through-put when compared to general purpose lanes.

## Funding

- Financing plans necessary to fund the capital, operating and maintenance costs of our transportation system should be weighted toward user fees as the primary source.
- Revenues from tolling should be collected and spent on projects for the benefit of those who pay them and considered as a funding source only for specific high-cost facilities and additional highway capacity.
- All traditional and new transportation taxes and fees on automobiles and trucks (e.g., all road user taxes such as fuel taxes, weight fees and toll revenues) should remain and be dedicated to street and highway uses and be protected under the 18th Amendment of the Washington State Constitution.
- Any additional funding sources should be efficiently collected and have low administrative costs (e.g. State Gas Tax 2-3% overhead).

# EDUCATION

State competitiveness for business and jobs in a fierce national/global marketplace is critical, as a strong business community supports sustainable funding for all of Washington’s public priorities and commitments. Thus, it is clear that our state’s long-term competitiveness is firmly dependent upon whether investments and reform in the state’s education system are brought to fruition within the next few years.

Washington State’s education system does not fully meet the needs of current or future Eastside businesses, in the fields of science, technology, engineering, and mathematics (STEM), in English proficiency and communication, healthcare, the skilled trade industries, and career and technical education. It is estimated that by 2018, 67 percent of jobs in Washington will require some form of postsecondary training. Yet for class of 2008, Washington is in the bottom third of states (at 72%) for four-year high school graduation rates<sup>1</sup> and ranks 35th out of 50 states in bachelor degrees awarded per capita<sup>2</sup>.

## As it pertains to K-12, we urge the Legislature to:

- Facilitate the implementation of innovation schools in order to create competition in our education system.
- Reform teacher (and principal) tenure to ensure the highest quality teachers remain in the classroom.
- Allow incentive pay, so we can reward and retain the best teachers in the profession.
- Explore innovative ideas to create interaction between businesses and schools.
- Give local jurisdictions more control over budgets and hiring.

## As it pertains to higher education, we urge the Legislature to:

- Maintain state commitments to the State Need Grant Program and the Washington Opportunity Scholarship Fund.
- Invest in new infrastructure projects at existing higher education institutions such as the University of Washington Bothell, Bellevue College, Lake Washington Institute of Technology, Cascadia Community College, Renton Technical College and Green River Community College.
- Focus investments on areas of critical state need and workforce needs, such as STEM and workforce retraining.
- Increase opportunities for efficiency and innovation in the four-year sector that would result in increased flexibility and budget savings, and enhance performance outcomes deemed critical to the academic and workforce development mission of the institution.

<sup>1</sup> U.S. Department of Education Dashboard

<sup>2</sup> National Center for Education Statistics

To view our full legislative agenda, please visit [www.eastkingchambers.org](http://www.eastkingchambers.org)