

THE SPOKESMAN-REVIEW

February 26, 2014

Washington Senate Democrats offer budget proposal

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The Spokesman-Review

Tags: 2014 Washington Legislature budgets school spending supplemental budget tax breaks

OLYMPIA – A day after some members said they'd support a no-new-taxes budget with relatively few changes in state spending plans, Senate Democrats unveiled a more ambitious – and more politically difficult – proposal to end four tax breaks and spend another \$138 million on public schools.

They called for a cost-of-living raise for teachers; more state money to schools for books, labs and heating bills; an increase in all-day kindergarten; and fewer students in second-grade classrooms in high-poverty areas.

The Senate budget process, meanwhile, ground on with a marathon hearing on Monday's more-modest spending plan that has no new taxes and about \$95 million in extra spending for state programs, including \$38 million for school materials that focus on science, math and technology.

House Democrats are scheduled to release separate spending plans today for both the operating budget and major construction projects. Early reports say they will propose cutting some of the same tax exemptions as Senate Democrats, and offer more money to meet a state Supreme Court mandate to improve schools.

Starting this morning, the Legislature has 15 days until the end of the regular session to reconcile various spending plans and pass the same version of some budget in both chambers.

Senate Democrats proposed changing four tax preferences, which they call loopholes:

- Placing the sales tax on bottled water, which is currently exempt as a food product.
- Changing the automatic exemption to the state sales tax some out-of-state shoppers get into a refund program the shopper would have to request.

- Removing the exemption for some fuel used by oil refineries.
- Eliminating a preferential rate prescription drug retailers receive in the business and occupation tax.

That's separate from the bipartisan budget released Monday and would need support from the predominantly Republican coalition that controls the Senate to get it to the floor in the time remaining.

Senate Ways and Means Committee Chairman Andy Hill, R-Redmond, said Monday major changes on school funding might have to wait until next year. Senate Minority Leader Sharon Nelson, D-Maury Island, raised the prospect Tuesday of discussing the tax changes and the extra money for schools in a special session if necessary. "If we have to stay past March 13, it's worth it," she said.

The Legislature also faces an April 30 deadline to report to the state Supreme Court how it plans to meet its constitutional mandate to improve public education.

"We cannot wait until the next session to implement this plan," said Sen. Rosemary McAuliffe, D-Bothell.

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