

State Senate increases votes needed to pass new taxes

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OLYMPIA, Wash. — The Senate took quick action Monday at the start of the newest legislative session, approving a rule change that would make it harder for that chamber to take action on new taxes.

The rule change, filed by Senate Majority Leader Mark Schoesler of Ritzville, would require a two-thirds vote of the Senate before any bill that creates a new tax can advance to the chamber floor for a final vote. It's less sweeping than a plan proposed last week by fellow Republican Sens. Doug Ericksen and Michael Baumgartner, who were seeking that higher threshold for all tax bills.

In 2013, the Washington Supreme Court struck down an initiative-passed law requiring the legislative supermajority for tax hikes. But the lawmakers say each chamber is allowed to adopt its own procedural rules.

"The Supreme Court can make their rules in their chamber, we'll make our rules here," Baumgartner said.

Baumgartner said that while he would have liked to have seen the more expansive rule approved, he was happy with the compromise. He noted that voters had previously voted for initiatives requiring a two-thirds requirement on taxes for the entire Legislature.

"It doesn't mean taxes are impossible, it means they want them as the last resort," he said.

In addition to writing a two-year state budget, lawmakers this session are tasked with addressing education funding in the state after the state Supreme Court found them in contempt last September for their lack of progress on that issue.

Currently, a measure passes when 25 of the Senate's 49 members approve it. The rule change will apply only to new taxes being considered by the chamber by requiring two-thirds — or 33 — votes before final passage.

Sen. Joe Fain, R-Auburn, noted that the rule would not apply to bills dealing with increasing current taxes, like the gas tax, or efforts to remove tax exemptions.

Democrats tried to pass an amendment that would have required a two-thirds vote to change the rules, but were rejected.

“We have so many significant challenges facing our state right now. We have a constitutional and moral obligation to fund education. We have a transportation crisis that demands our attention and many other challenges,” said Sen. Andy Billig, D-Spokane. “This set of rules is a recipe for gridlock.

Under the rule change, if a referendum clause that requires a public vote is attached to the bill, only a simple majority vote of 25 votes would be required.

“It certainly limits our ability to look at options when it comes to revenue solutions,” said House Majority Leader Pat Sullivan. “When you limit those options, it makes it more difficult to get our job done.”

State revenues are expected to grow by nearly \$3 billion over the next two years, but Democrats and Gov. Jay Inslee have said that’s not enough to address court-ordered obligations like education funding and to pay for things like teacher and state worker raises.

Republicans say the improving economy and current incoming revenues should be enough, as long as lawmakers prioritize spending.

Inslee’s budget plan proposes a 7 percent capital gains tax on earnings from the sale of stocks, bonds and other assets above \$25,000 for individuals and \$50,000 for joint filers that he says would bring in almost \$800 million. He also says a proposed levy on carbon polluters would raise \$380 million and a 50-cent per pack cigarette tax as well as a levy on e-cigarettes and vapor product would raise \$56 million.

The rule change passed by the Senate does not affect voting procedures in the House, which has its own rules and where Democrats hold a slim minority.

Republicans hold a majority in the Senate, and as in the past, Democratic Sen. Tim Sheldon will continue to caucus with them. In one of the surprises of the opening events Monday, Republicans were overruled by Democrats in choosing who would serve as Senate Pro Tempore. Most Republicans supported Sheldon for that position, however all Democrats voted for Republican Sen. Pam Roach of Auburn. Roach voted for herself, as did Republican Sen. Don Benton, and Roach was sworn into the position.