



## 2024 Legislative Session Preview

By Bill Stauffacher, IIABW Lobbyist

The Washington State Legislature's 60-day session began on January 8. Strong tax revenues ensure lawmakers can easily adjust the state's current \$70 billion budget and/or increase spending on Democratic priority issues that include addressing the fentanyl crisis, homelessness, housing, and carbon reduction.

The overarching issues for the 2024 session are six Republican-backed initiatives to the legislature that impact core Democratic policy values. The initiatives are:

- **Carbon Reduction/Climate Policy:** This initiative repeals the Climate Commitment Act, Washington's cap-and-trade marketplace. Revenue from the program's auction sales would disappear (sales will generate nearly \$2 billion in the 2023-2025 budget cycle). This policy is politically charged as the program is linked to higher gas and utility prices.
- **Long-Term Care Program/Payroll Tax:** This initiative allows people to opt out of the state long-term care program which is funded by a 0.58% payroll tax. An opt-out option would likely make the program insolvent.
- **Capital Gains Tax:** This initiative repeals the state's seven-percent capital gains tax.
- **Income Tax:** This initiative blocks state and local governments from enacting an income tax for the next two years.
- **Public Schools/Parents' Bill of Rights:** This initiative gives parents the ability to have their children not participate in sex education classes and requires parental notification of health care issues such as reproductive health and gender-assignment care.
- **Law Enforcement Vehicular Pursuit:** This initiative eases the restrictions currently placed on law enforcement to chase suspected criminals.

In considering each initiative, the legislature has three options:

- Do not act and send an initiative to the November ballot for voters to decide;
- Adopt an initiative; or
- Send an initiative to the ballot and pass an alternative to an initiative, meaning there would be two ballot measures per topic.

Consideration of these initiatives will require majority Democrats to spend an immense amount of time during the session to discuss options. This will make it difficult for the legislature to act upon hundreds of bills.

This is Governor Jay Inslee's final year in office after serving three terms as the state's chief executive. In this session, expect Inslee to pursue environmental policies such as mandated commodity recycling rates, a ban on natural gas, preservation of the Climate Commitment Act and protection of green transportation funding.

Here is an example of the insurance issues we expect the legislature to discuss this session:

- Market Access in Wildfire Areas
- Real-Time Proof of Insurance Verification for Auto
- Cancellation of Policy Timeframe
- Artificial Intelligence in Financial Services & Insurance
- Auto Repair Regulations

Instead of having members come to Olympia this session, IIABW is sponsoring a Virtual Legislative Week which will be kicked off on February 20 with a 2-hour Webinar on the latest issues. We will, then, schedule 15-minute zoom meetings on February 21-23 with legislators so industry professionals can educate their own elected officials on the issues. IIABW staff will be on the video calls to facilitate the meetings.