

Today is the 2017 General Election, and we anticipate to see results rolling in over the next few days. I will be sending updates with results to the below content as results come in.

2017 is a special election year with no statewide offices, or the President up for election. This generally means lower voter turnout.

There are a handful of the races in House of Representatives and the Senate up for election:

- **7th LD—Republican**
 - Senate: Sen. Shelly Short (R), who was appointed to fill the seat of Brian Dassel (who accepted a position with the US Dept. of Agriculture) is being challenged by Karen Hardy (D).
 - House: Rep. Jacquelin Maycumber (R) who was appointed to fill Shelly Short's seat in the House in being challenged by Susan Swanson (D).
- **31st LD—Republican leaning**
 - Senate: When exiting-Senator Pam Roach (R) won her seat on the Pierce County Council, recently elected Rep. Phil Fortunato (R) was appointed into her seat. Fortunato is being challenged by Michelle Rylands (D)/
 - House: The legislator appointed to fill Rep. Fortunato's seat, Rep. Morgan Irwin (R) is being challenged by Nate Lowry (D).
- **45th LD—Swing District; Open seat**
 - Senate: This seat is the most hotly contested race of the election. If the Republican challenger loses, the Senate will be controlled by the Republicans. Jinyoung Lee Englund (R) is running against Manka Dhingra (D).
- **48th LD—Democratic leaning**
 - Senate: Sen. Patty Kuderer—appointed to fill the seat of Cyrus Habib who moved into the Lieutenant Governor position—is being challenged by Michelle Darnell (Libertarian Party).
 - House: Rep. Vandana Slatter (D), who was appointed to replace Kuderer in the House is being challenged by Ciaran Dougherty (Libertarian).

The turnout this cycle could be pivotal in the outcomes of some races, particularly in swing districts. This year the impact of national activities remains uncertain. One school of thought is that President Trump could create a distinct advantage for some Democratic ballots, particularly in suburban districts such as the 45th Legislative District. But outcomes remain unpredictable in the current political climate.

In the Washington State legislature, the margins in both bodies are currently extremely narrow: the House is controlled by 50 Democrats versus 48 Republicans, and the Senate is controlled by 24 Republicans plus one Democrat versus 24. With such narrow margins, the Senate is very much up for grabs, with the Democrats hoping to pick up a seat, and ultimately the majority.

Final McCleary Piece:

After several years of incrementally addressing the Supreme Court's decision around basic education, the Legislature hopes it addressed the final pieces of the *McCleary* decision in this year's 2017 Legislative Session. With its action, the Legislature increased K-12 funding by a total of \$7.3 billion over four years. A significant portion of this revenue stream comes from a reform to the state and local

property tax structure. The goal was to fulfill the state's constitutional obligation to fund basic education.

Since *Sine Die* in July, the Legislature had oral arguments before the Washington State Supreme Court to discuss whether this constitution obligation has been met to the satisfaction of the Court. The hearing was on 10/24; it is uncertain when the Court will give its decision on this matter.

Expectation for 2018 Legislative Session:

Unless the Supreme Court's decision significantly changes the Legislature's course, the 2018 Regular Session will be 60 days long, and is not anticipated to run long.

While the Legislature passed a significant property tax reform a few months ago, the Governor and some Democrats are already looking to undo that measure in 2018. Should that occur, there would likely need to be a backfill of revenues with new revenues. Some options that have been mentioned are a new graduated real estate excise tax schedule, capital gains or carbon tax.

In any case, it is anticipated that the possible flip of the Senate to Democrat control will likely mean that taxes are going to be on the table next year. But with the midterm elections coming, and control over both bodies within reach, it is clear that there will be a push to finish within the 60 days. What is unclear is what either party can accomplish within that timeframe.