



BOARD OF COMMISSIONERS
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February 15, 2018

Senator Brad Hawkins
107 Newhouse Building
P.O. Box 40412
Olympia, WA 98504-0412

Dear Senator Hawkins:

We wanted to provide you with some of our thoughts regarding Governor Inslee's request legislation SB 6203, commonly referred to as the "carbon tax" bill. We appreciated the opportunity to hear from the Governor during his recent eastern Washington tour to advocate for the bill and the efforts of Senator Hawkins to provide that opportunity. Based on these discussions and our analysis of the bill, we are quite concerned about the economic impacts on our citizens and puzzled by the priorities outlined in the bill. We hope that you will not support the bill in its current form.

First and foremost, any carbon tax bill must be revenue-neutral. The current proposal will drive up energy costs and disproportionately burden rural communities, impoverished and middle-income families and the agricultural industry. The list of exemptions in the bill ensures that a few sectors will unfairly bear the costs of a carbon tax. By some estimates, the carbon tax will cost households across Washington \$530/year and increase from there. Transportation-dependent industries, such as agriculture, would see additional costs that would hinder their ability to compete in the global market. Any carbon tax must take a revenue-neutral approach that would offset new costs with simultaneous tax reductions for the businesses and citizens who would pay the carbon tax.

The revenues generated from the current proposal go towards many activities that are unrelated to carbon emissions or provide marginal benefits for carbon emission reduction. It appears that some of the new revenue would go towards filling budget reserves. While the forest health and stream restoration projects are admirable, we believe that they should be decoupled from the current bill and addressed through existing funding mechanisms. Additionally, it is clear to us, having participated and convened multiple forums to address forest health and salmon recovery, that there are significant policy and administrative barriers that frustrate the pace and scale of implementation rather than a lack of funds.

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Finally, we are concerned that the rush to “do something” within the next few weeks, and the apparent threat of an initiative later this year, do not allow for serious discussion about how to structure a worthwhile carbon emissions reduction program. The public was very clear in their rejection of a recent statewide climate change initiative. We believe that there must be broad public support across the entire state before any proposal to implement a tax to reduce carbon emissions is adopted.

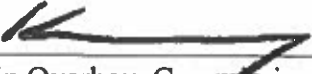
Again, we thank you for the opportunity to provide input.

Sincerely,


Chelan County Board of County Commissioners



Keith W. Goehner, Chairman



Kevin Overbay, Commissioner



Doug England, Commissioner

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