



Wenatchee Valley Chamber of Commerce
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February 14, 2018

The Honorable Brad Hawkins
Senator, 12th Legislative District
P.O. Box 40412
Olympia, WA 98504-0412

The Honorable Cary Condotta
Representative, 12th Legislative District
P.O. Box 40600
Olympia, WA 98504-0600

The Honorable Mike Steele
Representative, 12th Legislative District
P.O. Box 40600
Olympia, WA 98504-0600

RE: Please Oppose SHB 2338 and SB 6203

Dear 12th District Legislators:

The Wenatchee Valley Chamber of Commerce (WVCC) represents over 600 businesses in the Wenatchee Valley, and throughout North Central Washington. Our mission is to champion our community's quality of life and economic vitality through collaborative leadership and sound business advocacy. Despite the stated intentions of Senate Bill 6203 (Carbon Tax) and House Bill 2338 (Low Carbon Fuel Standard), the WVCC believes the policies, rising costs, and uncertainty within them will hinder economic recovery and stifle economic growth—especially in rural Washington. We ask that you oppose these measures and help us protect our members, and our community, from the adverse effects of these bills.

SB 6203 creates a new carbon tax that would rise over time and dramatically increase the cost of energy and fuel in our state. Although those in Chelan and Douglas Counties may be shielded from electrical increases, businesses and individuals in rural Washington will see a disproportional hit from the projected 10 cents per gallon increase in fuel. An analysis by the [Washington Policy Center](http://www.washingtonpolicycenter.org) estimates the average family will spend \$125 more on gasoline per year in 2019, and \$375 more a year in 2029 if the tax is approved. We anticipate this number will be much greater for those families and businesses who live in rural Washington.

SHB 2338 directs the Department of Ecology to implement a low carbon fuel standards (LCFS), which will raise the cost of fuel in our state, and possibly have a negative impact on the State's already struggling Transportation Budget. In California, a similar LCFS has already increased fuel in that state by 9.5 cents per gallon. Transportation revenues are down in Washington \$90 million dollars this year, and it is projected the shortfall next biennium will be even greater, which could have negative implications on project scope and delivery. That is the equivalent to an entirely new Connecting Washington package—which could provide greater, more immediate and positive impact, on the state's economy and the environment.

Many of the businesses in Washington state share the environmental priorities of Governor Inslee and every legislator and citizen working to curb carbon emissions and protect our environment. Today, clean, cheap energy makes Washington, and the Wenatchee Valley, an attractive place to locate energy-intensive businesses; in an otherwise difficult environment for business taxation, we need to preserve that competitiveness attribute. We need to be good stewards of our environment to sustain rural jobs in our state, many of which are directly dependent upon natural resource development. For these reasons, carbon pricing and a low carbon fuel standard is not the right approach at this time. It is too great a risk to our local businesses, rural Washington economies, and the State transportation budget to move forward with SB 6203 or SHB 2338. We respectfully ask that you oppose both measures.

Respectfully,

A handwritten signature in black ink, appearing to read "Josh Jorgensen". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

Josh Jorgensen
Vice President and Advocacy Committee Chair
Wenatchee Valley Chamber of Commerce

Cc: Senate Ways and Means Committee Members