

Report from Olympia | 2022 Interim | July 7, 2022

Tax money piles up in Olympia as Washingtonians demand relief

New tax-collection forecast delivers another \$2.7 billion -- Will the people finally get a break?



Dear Friends and Neighbors,

A new state forecast of upcoming tax collections is the biggest news in Olympia this season. So what are we going to do with all that money? State economists tell us we're going to have \$2.7 billion more than we were expecting earlier this year when the Legislature passed its latest budget.

This comes on top of the astounding \$10 billion increase we saw going into the 2022 session. Up to this point, under the leadership of the majority party, we have been in the business of spending money, not returning it to the people who paid it. Now the pressure is on the people as never before, as inflation skyrockets to 8.6 percent and consumer prices go through the roof. Tax relief is a hot topic everywhere. In this state, unfortunately, the governor and legislative leaders are putting up resistance.

I'll tell you more about this argument in this newsletter – also some alarming news regarding crime rates in Washington, and the results of our latest constituent survey. I hope you're having a great summer. And if you have any comments or concerns before we return to Olympia in January, please remember our district office is open in Spokane Valley, and we work for you year-round.

Best Regards,

Mike Gadden

Senator Mike Padden

Forecast, fast-rising inflation drive effort for suspension of state gas tax

When money piles up in the state treasury like it has the last few years, it's a warning that taxes are too high. Yet tax relief has been a nonstarter these past several sessions. Windfalls have become excuses for spending sprees. State spending has doubled in the last 10 years.

Last week the state Economic and Revenue Council announced another one of these windfalls – an additional \$2.7 billion in tax money, thanks to the strength of the Washington economy.

Pressure is building for some form of tax relief as inflation whipsaws our economy. Georgia's governor has temporarily suspended his state's gas tax, and President Biden is urging other states to do the same. Yet here in our state, Gov. Jay Inslee is taking a hard line and saying no, claiming we can't afford it and that the main beneficiaries would be oil companies. Of 14 states under Democratic-party control, Washington is the only one not considering some form of tax relief.

This is nonsense. We have a great proposal in the Senate to suspend the gas tax for the remainder of the year, <u>SB 5897</u>. It includes a mechanism to ensure the savings are passed on to customers. When it was proposed in January, it would have cost \$1.2 billion – the cost is only half that now. Other proposals include a temporary suspension of the state sales tax and a partial exemption from state property tax, designed for homeowners. But to get anything in place before the end of the year, we would need to return to Olympia in special session to enact it, and current leadership won't call one. All the more reason for a change in leadership.



Honoring our veterans

It was my honor to present the Legionnaire of the Year honors at Post 241. This year the award goes to centenarian veteran Chester Bothun. Drafted in 1941, he served in the Army and Air Force. Also honored was Paul Fuchs, emergency responder of the year.

Catalytic converter theft soars 10,000 percent amid statewide crime wave

Fastest-growing crime in nation -- Washington ranks Number One



We all knew catalytic converter theft was increasing at an alarming rate, but who could have guessed it was this bad?

A new report, compiled by statistical-analysis firm Been Verified, says Washington leads the nation in catalytic converter theft, rising 10,000 percent since 2019. Thieves are crawling under cars with portable electric saws, lopping catalytic converters from tailpipes for the recyclable precious metals they contain, often causing thousands of dollars of damage. Some 1,533 thefts were reported to police in the first three months of 2022 alone. We made a start on preventing catalytic converter theft this year with a bill that imposes new restrictions on scrap dealers, to prevent stolen merchandise from entering legitimate retail channels. Unfortunately, we didn't finish the job. New criminal penalties and funding for law enforcement were just too much for our colleagues to swallow.

This story is repeated throughout the public-safety sector as we see the dismaying result of the "soft on crime" policies enacted by the Legislature over the last five years. Particularly damaging has been the ban on most police pursuits – it has opened the door to a wave of property crime. Auto thefts, for instance, are up 88 percent. Next session, as lead Republican on the Senate Law and Justice Committee, I will be reintroducing legislation that would lengthen sentences one to two years for habitual property criminals. But this is just the start. Restoring public safety must be a top priority.

See story, KEPR-TV: Senator working to crack down on rising number of auto thefts

Podcast: Senate Republicans want to restore public safety

To listen to this podcast, click here or on image above.

In this podcast, I join several other prominent elected officials in talking about what needs to be done to restore public safety. For starters, we need to restore police pursuits and felony penalties for possession of hard drugs. But we also need a change of attitude at the top, and an end to the indifference of public officials. Our sympathies should lie with the victims of crime, not with those who commit it.

Recognition from state's leading small-business association

The state's largest small-business organization, the National Federation of Independent Business, presents its Guardian of Small Business Award every two years. I am proud to report that I am among 20 state senators and 40 state representatives who have been singled out for this honor in 2022. The award is based on lawmaker voting records on issues of importance to small business, including tax relief and business regulation. Small business is the vibrant beating heart of our economy, and this is one honor that is especially meaningful.

License fees up 400 percent

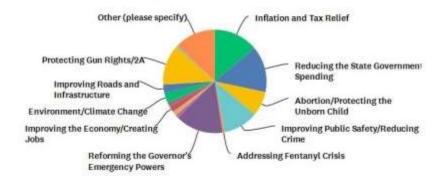


As a result of this year's \$17 billion transportation package, many license fees in Washington state rose an average 400 percent on July 1, <u>as outlined in this story from The</u> <u>Center Square</u>. Some increases are even steeper -- a new license plate will increase from \$10 to \$50. When this bill passed the Legislature without Republican support, the Democratic budget chair boasted it didn't increase gas taxes. This is the way Olympia works. They just found another way for you to pay.

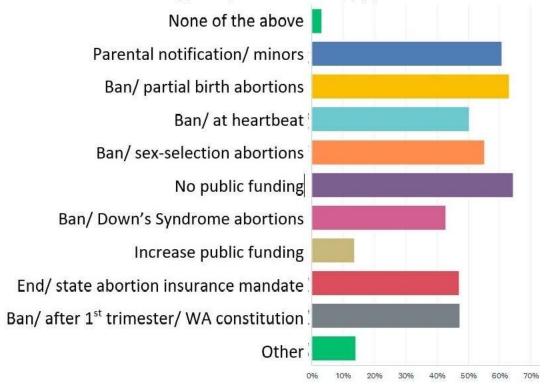
Results of constituent survey

In our last newsletter, we presented a constituent survey. Now let's take a look at the results. A couple of things have changed since we posed these questions. The governor has now maintained his COVID emergency declaration more than 850 days. And the U.S. Supreme Court has issued its decision in Dobbs v. Jackson Women's Health Organization, overturning previous abortion rulings and returning the issue to state legislatures. You can read my reaction to the decision here.

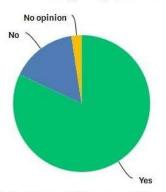
Q1 Which one of the following is the most important for me to focus on as your state senator?

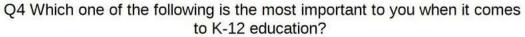


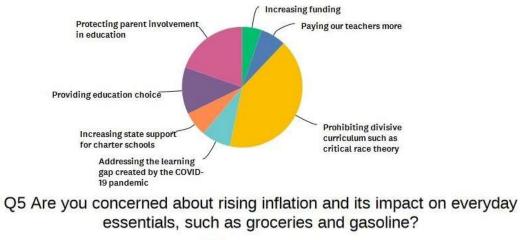
Q2 The U.S. Supreme Court appears ready to reverse its abortion decisions in Roe v, Wade and Casey v. Planned Parenthood, which would turn the issue of abortion back to the states. What actions would you support? (Check all that apply.)

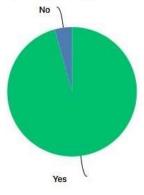


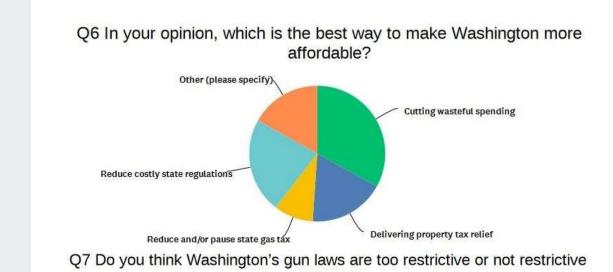
Q3 It is nearly 800 days into Gov. Inslee's COVID-related state of emergency. Should lawmakers continue efforts to rein in the governor's emergency powers?



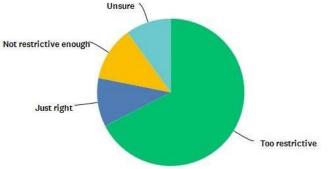




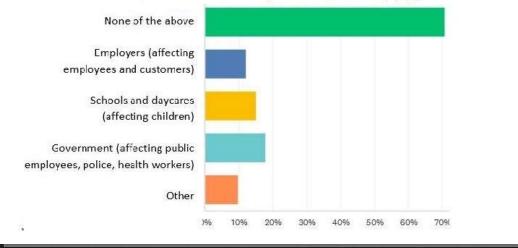








Q8 Do you think any of the following should be allowed to mandate COVID-19 vaccines? (check all that apply)



Contact us!

If you have a question or concern about state government, please do not hesitate to contact our office. During the interim we are conducting business from our district office in Spokane Valley. We are here to serve you!

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PLEASE NOTE: Any email or documents you provide to this office may be subject to disclosure under RCW 42.56. If you would prefer to communicate by phone, please contact Sen. Padden's Olympia office, which will be open starting Jan. 6, at (360) 786-7606.

To request public records from Sen. Padden, please contact <u>Randi Stratton</u> who is the designated public records officer for the Secretary of the Senate and Senate members.

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This news comes to you from Sen. Mike Padden.

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