

RESOLUTION 1795

OPPOSING THE MODEL TOXICS CONTROL ACT TAX INCREASE

WHEREAS, HB 3181 / SB 6851 would increase the state's Model Toxics Control Act (MTCA) tax from 0.7 percent to 2.0 percent to help pay for stormwater projects and is proposed to be used to supplement the general fund; and

WHEREAS, HB 3181 / SB 6851 is estimated to cost businesses and consumers in the state of Washington approximately \$224 million per year; and

WHEREAS, there has been discussion of this proposed tax increase at a time when Washington businesses and families, especially low-income families, are struggling to cope with current economic conditions; and

WHEREAS, the petroleum industry is a key segment of Washington State's manufacturing base, responsible for more than 20,000 high-paying jobs in the state, and a critically important local employer; and

WHEREAS, the petroleum industry already pays more than \$182 million per year in taxes to the state of Washington and the taxes on a Washington State refinery are currently roughly double the taxes on a comparably sized facility in California; and

WHEREAS, petroleum refineries in Washington State are responsible corporate citizens, having invested more than \$590 million over the last five years on retrofitting their plants to produce cleaner burning fuels and conform to new environmental and safety regulations; and

WHEREAS, substantial sums have already been diverted from the current MTCA funds to other general fund purposes and much of the proposed tax increase will similarly be used for non-MTCA projects, thus significantly weakening the basic purpose of this tax; and

WHEREAS, local communities and counties currently have programs and facilities in place to address stormwater issues, and their efforts should be supported by the Legislature; and

WHEREAS, the City of Anacortes City Council understands and supports the need to find funding for stormwater projects but does not support increasing the MTCA tax.

NOW, THEREFORE, BE IT RESOLVED, that the City of Anacortes City Council, in recognition of the facts stated above, does hereby oppose the proposal to dramatically increase the MTCA tax, as contained in HB 3181 / SB 6851, or any similar

legislation and urges the Washington State Legislature to reject this measure and find an alternative funding source for stormwater projects.


BE IT FURTHER RESOLVED that the City of Anacortes City Council encourages the Legislature, should it find sufficient evidence to support the need for new stormwater management programs, to develop a more scientifically justifiable and equitable funding mechanism than that proposed in HB 3181 / SB 6851.

CITY OF ANACORTES



H. Dean Maxwell, Mayor

ATTEST:



Steve D. Hoglund, City Clerk/Treasurer
Deputy Clerk / TREASURER