

Tuesday, February 9, 2010

IN OUR VIEW / FUNDING POLLUTION CLEANUP IDEA TRIES TO FLOW UPSTREAM

Give the environmental lobby in Olympia points for boldness. In pursuit of legislative approval of a worthy goal — establishing a sustainable funding source for cleaning up storm water pollution — environmentalists and a host of Democratic lawmakers are dangling an enticingly easy way out of the state's current budget mess.

If only it were that easy. Alas, state government is a very big fish. Once it swallows this bait, the Legislature is all too likely to want more, with little accomplished regarding pollution.

Here's the pitch:

To fund projects that keep contaminated runoff out of rivers, streams, lakes and Puget Sound, the current tax on oil and other hazardous chemicals would be tripled, raising up to \$250 million a year. The oil industry and other business interests predict that would raise the price of gasoline by 4 to 6 cents a gallon. Bill supporters say the oil companies are profitable enough to swallow the increase. But no one knows for sure.

The bait: For the first five years, a decreasing percentage of revenues from the tax hike would go directly into the general fund to help fund other government programs. In the first year, it's just about enough to balance the budget, if current revenue forecasts hold and the federal government comes through with anticipated Medicaid support. Short-term budget problem solved.

Trouble is, there's every reason to believe that if budget shortfalls persist into the future, as they're projected to do, the Legislature will simply keep diverting the new hazardous-substances tax revenue away from environmental programs and into the general fund. They've been doing just that the past few years with existing revenue from the tax. Last year, they raided the fund for \$180 million, and the governor is seeking another \$80 million from it this year.

There's also risk to vital transportation projects if this plan essentially becomes an additional gas tax. Revenue from existing gas taxes is already falling short, and the influx of more fuel-efficient cars, while welcome, will likely continue that trend. A gas tax increase is almost certainly going to be needed, maybe as soon as next year, just to keep existing highway projects on track. Putting more pressure on prices now will make that harder to achieve politically.

That said, the oil industry and other groups opposing the current proposal shouldn't be allowed to become a permanent roadblock to solving the stormwater runoff problem, which the federal government is forcing state and local governments to do.

The substances covered by this tax comprise the lion's share of Puget Sound pollution. Those who produce them need to engage in a good-faith effort that recognizes their own responsibility for fixing a problem that's largely their doing.