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Boost in state oil tax will cost good jobs, refinery workers tell lawmakers

Posted by Jason Hagey



Keith Vanderbeek left a job in the mining industry a few years ago in search of more stability for his family. Now he's worried that a proposed boost in state oil taxes could cost him his job as a maintenance supervisor at the Tesoro refinery in Anacortes.

"We just couldn't afford it," Vanderbeek said of Tesoro, a relatively small player in the hard-hit oil refining sector. "There's no way we could afford it."

His family couldn't afford it if Vanderbeek lost his job, either.

"The house would be gone," said Vanderbeek, 44, who is married and has a 5-year-old daughter.

Vanderbeek and a few dozen of his colleagues from the Tesoro refinery converged on the Capitol Wednesday to plead their case with lawmakers who are still struggling to balance the state budget and adjourn the special session that began Monday.

Workers from two other refineries were expected to make similar visits Thursday and Friday.

Their message: The state's five major refineries employ 5,000 people either directly or as contractors at an average wage of more than \$100,000.

But the nation's refining industry is particularly vulnerable because of reduced fuel consumption, and is poised for a [major contraction](#).

Any increase in the tax burden now could be devastating to Washington's refineries, which already pay far more in taxes than other states.

"I think (Anacortes) would almost turn into a ghost town," said Glenn Hoffman, a 52-year-old data base administrator at Tesoro. "I'm highly concerned."

If cleaning up polluted stormwater is truly a priority for the state, Hoffman said lawmakers should raise sewer taxes instead of hiding the tax increase in a way that disproportionately targets one industry.

Oil industry officials also point out that lawmakers could use more of the money already collected from the Model Toxics Control Act tax to pay for stormwater cleanup, instead of diverting it for other things.

Last year, more than \$160 million was diverted from the fund and lawmakers are considering doing it again, reporter [Erik Smith writes](#).

Backers of the plan to increase the Model Toxics Control Act tax by as much as \$100 million argue that it would not only raise revenue needed to pay for stormwater clean-up projects, but it would also create new jobs as the projects are implemented.

Those jobs would be temporary construction jobs, unlike the permanent jobs that could be lost from the state's refineries.

It's the latest attempt to boost the state's oil tax.

An [earlier proposal](#) called for a tripling of the state's hazardous substance tax, which would have generated an estimated \$250 million. The bulk of the money would have been temporarily diverted from the account used to fund stormwater clean-up projects and put into the general fund to help plug the state's \$2.8 billion budget shortfall.

The News Tribune declared that plan a "[good idea gone wrong](#)" shortly before it was abandoned in favor of the latest approach.

As lawmakers ponder what to do, thousands of families hang in the balance.

Matt Tanner, a 39-year-old father of five, is a process engineer for Tesoro. He worked for the company in Alaska for eight years before moving to Anacortes more than three years ago. He said he would be forced to leave the area to find another job.

Jedd Larson, who works in the quality assurance department for Tesoro, is married and has a two children, ages 4 and nine months.

The Anacortes native likewise suspects he would need to look for elsewhere.

It would be painful. At one point, nearly every member of Larson's family has worked in the refinery. His grandfather worked there from 1955 to 1985. Larson, 30, has never worked anywhere else.

"It's a great place to work," he said.

For more background on the proposed tax, visit www.stopWAhiddengastaxes.com.