

Carbon tax may well be in our future

HIGHLIGHTS

Backers of Initiative 732 plan to turn in more than 357,000 voter signatures to force legislative or voter action on a carbon tax

British Columbia enacted a carbon tax to fight climate change years ago and its economy continued to grow, I-732 backers note

Gov. Jay Inslee and some environmental groups have favored asking voters to consider a cap-and-trade system like California's

The Olympian Editorial Board

As we say farewell to 2015, we wish we could also say farewell to some of the climate change denial that has paralyzed action in both Washingtons.

A good sign in this Washington is that a citizens' group, Carbon Washington, reports it collected more than 357,000 voter signatures in favor of Initiative 732, which proposes to phase in a \$25 per ton tax on the carbon content of products such as gasoline, over two years. The tax would grow thereafter until it reaches a cap of \$100 in a bid to discourage use of fossil fuels that cause global warming.

The initiative pairs the new carbon tax with a one cent reduction in the state sales tax, virtual elimination of business and occupation taxes on manufacturers, and funding of an annual tax rebate for low-income families. All that is intended to balance out, and to be revenue neutral.

Importantly, I-732 marks a potential breakthrough in moving a badly needed policy past a divided Legislature and to the ballot. If I-732 sponsors turn in signatures as they announced they would today (Dec. 30), the measure will go to the Legislature for consideration in 2016. If lawmakers choose not to adopt it, I-732 automatically would go to the November 2016 ballot.

Unfortunately, the initiative is not perfect, and it may not live up to sponsors' claims of being revenue neutral. A nonpartisan legislative analysis reported this week by the Seattle Times concluded that it might reduce state revenues by a net \$675 million over its first four years. This is an unacceptable outcome, if true, at a time the state is struggling to find enough revenue to fund its K-12 school system.

I-732 sponsor Yoram Bauman, an economist, says the analysis is incomplete and he believes further study will show I-732 breaks even or close to even.

Clearly further analysis is needed to resolve this dispute. Unfortunately, there is little time for further objective review ahead of Friday's deadline for turning in signatures.

It's a moment of truth for Bauman. If he turns in signatures today as he's said he intends, lawmakers may have to craft an alternative for the ballot that fixes any budget impact problem, perhaps by reducing the size of I-732's other tax reductions or rebates.

Gov. Jay Inslee has proposed a cap-and-trade system, which state Senate Republicans have flatly rejected.

Because of that resistance, the governor has asked the Department of Ecology to seek a regulatory cap on carbon emissions that could affect some 100 or more of the largest carbon dioxide emitters in the state, including smelters and power plants. Inslee has said that a cap — slowly reduced over time, like one in place in California — is needed to ensure emissions are driven down.

In recognition that an end run around the Washington Legislature was needed to get any action, some environmental groups and allies have been working behind the scenes for months on an alternative to I-732 that likely would impose a cap-and-trade system. We look forward to seeing it unveiled in the next month.

Many in the business community tout Washington's relatively clean power supply and the value of voluntary actions by individuals to switch to cleaner fuels, but no business plan has been proven to get results like the carbon tax has.

Whatever route the state takes, a price on carbon is needed to discourage the use of fossil fuels that are unofficially subsidized by n impacts on climate and the environment factored into their price.



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Don Charles Steinke · Works at Retired High School Science Teacher

We need whatever will pass. But one thing is certain. We'll have no hope of fighting climate change if we build more fossil fuel infrastructure.

There are no guarantees that the oil terminal proposed in Vancouver will simply replace imported oil, and even if it did, the status quo is not good enough. Lower atmospheric levels of greenhouse gases below 400 ppm.

Like · Reply · 2 · Dec 30, 2015 2:27pm



Steve Maxwell

We need whatever will pass is your idea of responsible legislation? No, we need SMART policies on EVERY issue we face. Just doing something is actually worse than doing nothing. Our state Legislature has proved that over and over and over again.

Like · Reply · Jan 11, 2016 3:53am



Guern Blanston · Olympia, Washington

We may be experiencing climate change, however there is very little, if anything, we can do about it.....It's like the hamster in the wheel...

Like · Reply · Dec 31, 2015 3:00pm



Lewis Darne

24 days to Al Gore's '10 years to save the planet' and 'point of no return' planetary emergency deadline Anthony Watts / 1 hour ago January 2, 2016 . Guess Al's rip off scam is not going to make it.

Like · Reply · Jan 2, 2016 9:34am



Ej Zita · Professor at The Evergreen State College

This "revenue neutral" proposal from the people can help create renewable energy jobs, clean our environment and make a better future.

Like · Reply · Jan 3, 2016 7:53am



Guern Blanston · Olympia, Washington

This is certainly not revenue neutral.....Keep drinking the Kool-aid Zita. Every citizen of the state will pay more for goods and services. I hope you carry more intelligence with you to The Port.

Like · Reply · Jan 3, 2016 6:05pm



Don Charles Steinke · Works at Retired High School Science Teacher

Guern Blanston It was intended to be revenue neutral. Lower the sales tax and let the rich make up the different with a tax carbon fuels such as jet fuel.

Like · Reply · Jan 14, 2016 12:29pm



Josh Amos

So the message of this initiative is that its ok to pollute if you are rich.

Like · Reply · Jan 10, 2016 9:20am

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