## Resolution No. 1495

## A RESOLUTION OF THE PORT OF PASCO COMMISSION OPPOSING WASHINGTON STATE INITIATIVE MEASURE NO. 1631, <u>CARBON EMISSIONS FEE MEASURE</u>

## **INTRODUCTION**

WHEREAS, Sufficient signatures have been gathered to place Washington State Initiative Measure No. 1631 (Initiative) on the November 2018 ballot; AND

WHEREAS, In accordance with RCW 42.17A.555, the Port of Pasco Commission may take action at an open public meeting, to express a collective decision, or to actually vote upon a motion, proposal, resolution, etc. to support or oppose a ballot proposition so long as any required notice of the meeting includes the title and number of the ballot proposition and members of the legislative body, members of the board, council, or commission of the special purpose district, or members of the public are afforded an approximately equal opportunity for the expression of an opposing view; AND

WHEREAS, The Commission of the Port of Pasco believes it has the responsibility of informing constituents of ballot measures as they relate to the District's operations, costs, and rates, as well as broader ballot impacts that affect the District; AND

WHEREAS, The pollution fee is estimated to raise \$2.2 billion in the first five years and the target reductions for emissions pertain to multiple economic sectors, placing a pollution fee on carbon emissions, at a rate of \$15/ton of carbon content, escalating by \$2 per ton annually, and is also indexed for inflation; AND

WHEREAS, The fee created by this initiative places a fee on carbon, which will immediately increase the state gasoline tax by 14 cents per gallon beginning January 2020 escalating the annual gas tax two cents per year in each following year; AND,

WHEREAS, This pricing needs to be considered a "fee" instead of a tax in order to avoid the Constitutional limitation that requires all gas taxes to be used for transportation purposes with the practical effect, however, that a new gas tax will be created which will be re-directed into new air, energy, water and forest projects, but not transportation projects; AND

WHEREAS, The initiative does not identify any new funding to replace the current uses of the gas tax for new transportation infrastructure creating a significant risk for port interests, which will be to make it very difficult to gather support for further gas tax increases for future state transportation infrastructure projects, which include construction and improvement projects to land, sea and air that are currently paid for by the state gas tax and are vital to the business development and trade that Washington State depends upon; AND

WHEREAS, The Commission believes that our state continues to face significant needs for additional transportation infrastructure funding, including highways, bridges, freight-mobility projects, ferry construction and culvert replacement projects, and this initiative effectively re-directs gas tax funds into other state programs, without any direction as to how to replace transportation funding; AND

WHEREAS, The Commission further believes that the District should take a formal position with respect to the Initiative to better inform its constituents of the potential impacts on District operations, costs, and transportation reliability, if voted into law, and to advocate the official District position, to the extent permitted under RCW 42.17A; AND

WHEREAS, On October 16 and October 23, 2018 public notices of the public hearing on the Initiative was published in the Tri-City Herald; AND

WHEREAS, On October 25, 2018, an open meeting of the Commission was held wherein proponents and opponents of this Resolution were given an approximately equal opportunity to express views.

NOW THEREFORE BE IT RESOLVED that the Commission hereby declares its opposition to Initiative 1631.

APPROVED AND ADOPTED by the Commission of the Port of Pasco at an open public meeting as required by law this 25th day of October 2018.

PORT OF PASCO COMMISSION

Jean Ryckman, President T Klindworth, Vice-President ames

Vicki Gordon, Secretary