



# THE DIALOGUE

## 30th District Democratic Organization

### Executive Board

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253-874-6292

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253-835-4319

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253-838-1163

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253-839-9396

#### State Committeeman

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253-238-9093

#### State Committeewoman

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253-924-0432

#### King County Male Delegate

Dan Turley  
206-819-7397

#### King County Female Delegate

Julie Turley  
206-819-6721

#### Leg. Action Comm. Chair

Keith Tyler  
253-653-6319

#### Hospitality Committee Chair

Jem Wear  
253-838-0182

#### Fundraising Committee Chair

#### Outreach Committee Chair

Martin Moore  
253-239-1182

#### Membership/PCO Committee

Geoffery McAnallo  
206-878-7999

#### Communications/Parliamentarian

Kurt Peppard  
253-838-8618

Regular Monthly General Meeting: March 2, 2011  
First Wednesday of each month, 7:00 to 9:00 pm  
4016 S 352 St. 98001 - 1/2 mile west of Military Road

### At Our Next Meeting

Our featured speaker will be Kristin Elia, Organizing Director of FUSE (or her representative). The Chair will allow her 20 minutes for her to speak and for Questions and Answers.

### Reforming Washington's Tax Exemptions

Kristen Elia has provided this information from Our Economic Future Coalition regarding their effort to reform Washington's Tax Exemptions:

Systemic reform of tax breaks in Washington State is important and a critical part of protecting our essential public services. This is a critically important reform measure for the following reasons:

**It will direct the legislature to treat tax exemptions like other serious spending decisions:** decisions about whether or not to create new tax breaks (or exemptions) are really spending decisions, but the legislature has not treated them as such. The impact to the budget is the same whether the legislature spends \$5 million in taxpayer money on public programs such as healthcare and education, or whether the legislature hands out a \$5 million tax break, so why is the latter subject to much lower standard of review?

**The tax exemption system is broken and reform is long overdue:** Our tax code has become like a slice of Swiss cheese, full of more and more holes. And the problem is growing rapidly: at least 116 new tax breaks were created over the last decade, out of 567 total -- far more than in previous decades -- and the expenditures created since 1995 alone will cost taxpayers \$1.6 billion in just the next two years.

**The current system of review is toothless:** Only 17 percent of existing tax exemptions have ever been reviewed, though many have been in place for decades. Of the 95 that have been reviewed by the bipartisan JLARC committee, 33 were recommended for termination or clarification, but the legislature has chosen not to act on the vast majority of JLARC's recommendations.

**Too many exemptions remain long after the justification for them no longer exists:** like other parts of the budget, tax exemptions need periodic review. Sunsetting exemptions will enable the legislature to make a  
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thoughtful, evidence-based assessment of the value of each exemption, allowing those that are out of date or failing to deliver the promised benefits to expire while those that are providing real value are renewed.

**The creation of exemptions has been inequitable and inconsistent:** the Legislature currently treats each exemption as a stand-alone item, without ever systematically analyzing the broader economic impacts of the full system of exemptions. This can create unfair competitive advantages. Why do some industries get tax breaks while others do not? Without a rigorous and systematic review, we'll never know whether our entire system is fair, efficient, and effective.

**Our current exemption system lacks accountability and transparency:** Without thoughtful and comprehensive consideration of all newly proposed exemptions, and careful review of existing exemptions, it is impossible for legislators to determine whether taxpayers are being well served by the current system. Adding accountability and transparency to the current system will allow elected officials to do their jobs more effectively and will government more responsive to the needs of Washington State families.

**Our tax exemption system is not maximizing return on investment for taxpayers:** every tax exemption has some justification, but the real question is whether each exemption is the best use of tax payer money. It makes no sense to spend \$5 million on an exemption that creates 100 jobs when it means eliminating \$5 million in funding for a core service that results in the loss of 1000 other jobs. There is an opportunity cost associated with tax exemptions and in order to make wise decisions legislators need a clear understanding of what is being lost -- as well as gained -- by each exemption that is in place.

**The current system does not create clear lines of responsibility:** When millions in taxpayer money is being spent, there needs to be a responsible party to provide effective oversight to ensure those funds are being spent wisely. Our current exemption system leaves no one in charge. The State Auditor and the legislature need to make sure that tax exemptions are delivering the promised results.

## Lobbying Tips

Also from Kristin Elia, and Our Economic Future Coalition:

**General approach:** The purpose of these meetings and calls is to show legislators that people in their district are concerned about the proposed budget cuts, and support a balanced approach that includes raising funds to prevent further cuts to the critical services that will help rebuild our economic future. Another purpose is to find out where your legislator is on raising revenue and the budget cuts.

**Tell your personal story:** Explain why you are concerned about the cuts, or about programs that you really value. When possible cite local impacts of last years cuts, or what is at risk from being cut this year due to the \$4.6 billion revenue gap. Emphasize our collective stakes by using "we," "us," and "our" instead of "they" or "them." We are all in this together. Legislators will remember stories much longer than facts!

**Be honest and straightforward.** Do not be afraid to admit that you do not know an answer.

**Ask the legislator to take action in response to the problem.**

Please take a responsible approach to the recession by preventing deeper cuts to education, healthcare, the environment, and other social services by:

- 1) Immediately ending unjustified tax subsidies to special interests including, the tax exemption for big out of state banks, sales tax exemption for elective cosmetic surgery, and tax breaks for private jet owners.

- 2) Reforming the tax subsidies given to special interests, so that all tax subsidies have the same level of accountability and scrutiny as the money we spend on our kids and communities.

**Please ask the following questions and record their responses:**

(If speaking with a member of the House): Will you support Representative Eileen Cody's bill, H.B. 1847, which closes tax exemptions for out-of-state banks, out-of-state coal, elective cosmetic surgery, and private jets and funds the Basic Health Plan? This bill will raise \$157 million for the 2011 -2013 biennium.

**(For all legislators):** Will you support reforming the tax exemption system by doing the following:

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**Enhance oversight** by applying expiration dates to all tax expenditures.

**Improve fiscal management** by allowing tax expenditures to be modified or eliminated with a simple majority vote.

**Foster accountability** by establishing and clarifying minimum requirements for businesses that receive tax subsidies.

**Prioritize all forms of spending** by requiring the Governor to create a biennial executive tax expenditure budget.

**End on a positive note.** Thank them for taking the time to talk to you, and anything else you appreciated.

Send notes from the call or meeting to Kristin at [info@oureconomicfuture.org](mailto:info@oureconomicfuture.org).

## Hospitality Committee

Jem Wear has noted the we need someone new to take charge of the raffle drawing (selling and drawing tickets). Ron Simosky has performed this function for a number of years, and it's time for someone new to step to the plate.

Also, the number of items for the raffle drawings are running out, and new items are needed. In the past it has been a small group of people donating the raffle items. Jem has requested that, if some of our newer members (or people who haven't had the opportunity to make a donation in the past) have items for the raffle to please bring them in.

Contact Jem at 253-838-0182 for more information.

### **HAVE YOU PAID YOUR MEMBERSHIP DUES ? IF SO, THANK YOU – IF NOT, PLEASE DO!**

Dues are due in February of each year. PCOs are encouraged to pay dues.  
(If your name is not on this list, please check with the treasurer.)

#### **President's Club:**

Art Fluharty, Elbert/Linda Gage, Sterling Smith, Jem Wear

#### **Senator's Club:**

Linnea Peterson, Jacqueline Russo

#### **Family Members:**

Lsrry/Judith Bengston, Cheryl/Charmaine Monk, Dan/Julie Turley

#### **Members:**

Patricia Artz, Karen Backman, Janet Bentley, Carmi Brooks, Tim Burns, Robert (Bob) Dickinson, Al Hillerman, Ginny Leach, Geoffery McAnallo, Virginia Marquart, Jean Noe, Kurt Peppard, Paul Schlossman, Ron Simosky, Marilyn Tucker

#### **Associate Members:**

Patricia Johnson, Paul Names

### Telephone Numbers

King County Elections:

206-296-VOTE

Elected Representatives

The White House:

202 456 1111/202 225 3121

U.S. Senator Patty Murray

206-553-5545/202-224-2621

[Murray@murray.senate.gov](mailto:Murray@murray.senate.gov)

U.S. Senator Maria Cantwell

202-224-3441/888-648-7328

[Maria\\_cantwell@cantwell.senate.gov](mailto:Maria_cantwell@cantwell.senate.gov)

senate.gov

U.S. Rep. Adam Smith

202-225-8901/888-764-8409

[www.house.gov/adamsmith](http://www.house.gov/adamsmith)

State Senator Tracey Eide

360-786-7658

[eide\\_tr@leg.wa.gov](mailto:eide_tr@leg.wa.gov)

State Rep. Mark Miloscia

253-839-7037

[Miloscia\\_ma@leg.wa.gov](mailto:Miloscia_ma@leg.wa.gov)

King County Executive

Dow Constantine

206-263-9600

[Dow.constantine@kingcounty.gov](mailto:Dow.constantine@kingcounty.gov)

WA STATE Legislative toll-free

Hotline: 800-562-6000

Track WA Bills & Votes

<http://www.leg.wa.gov/legislature>

Washington State Democrats

[www.wa-democrats.org](http://www.wa-democrats.org)

Dwight Pelz, Chair

206-583-0664

K C Democratic Central Committee

[www.wa-demchairs.org/kcdems/](http://www.wa-demchairs.org/kcdems/)

Steve Zemke, Chair

206-366-0811

[stevezemke@msn.com](mailto:stevezemke@msn.com)

30th District Democrats Website:

[www.30thdemswa.org](http://www.30thdemswa.org)

Progressive Talk Radio

KPTK AM1090

Thom Hartmann 9:00 am M-Fri

Ring of Fire, Sat noon, Sun. 1 P.M.

OR go to: [www.goleft.tv](http://www.goleft.tv)

**30th District Democrats**  
**P.O. Box 3268**  
**Federal Way, WA 98063-3268**

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**JOIN US TODAY!**

Last Name

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Home Phone

**GET ACTIVE!**

First Name

City

Work Phone

Amount Paid \$ \_\_\_\_\_

Today's Date

State

Fax/E mail

**Membership Levels:**

Voting Member: \$20

Family (2 voting members) \$ 25

Associate/Non Voting Member: \$10

Senator's Club: \$50

President's Club \$100

Any registered voter residing within the 30th Legislative District who hereby declares him/herself to be a Democrat may become a voting member upon payment of Annual Dues. Dues are payable at time of joining and renewable in February each year.

**CALENDAR**

Wed 03/02 - 30th District Democrats Regular General meeting, 4016 S 352 St 98001 (1/2 mile west of Military) 7-9 PM Doors open 6:30 P.M. 1st Wed of each month.

Thur 03/24 - Exec Board Meeting, Location to be determined.

This meeting is held on the 4th Thursday of each month. Some of us get there at 6:30. This meeting is open to all members of the 30th LD Democrats.

IF YOU HAVE suggestions/input for the newsletter, contact [kurt@peppardfamily.ws](mailto:kurt@peppardfamily.ws) or 253-838-8618