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Viewpoint

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The Good and the Bad of the 2024 Legislative Session

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Viewpoint is the official magazine of Washington Policy Center, an independent, non-profit Washington state-focused think tank.

Letter from the Interim President & CEO

How do you feel about 2024?

Maybe it's my new surroundings and proximity to skilled, motivated thought leaders here at WPC, but I'm enjoying an overwhelming sense of optimism. Candidly, it's refreshing, right?

In recent years, so many conversations have been about the widening gap between the way Washington should work and the way it does. While the most recent legislative session was far from perfect, it gave me hope that we're now seeing the way Washington policy really can work for the people of our state. And as the year goes on, we'll all be talking about the way it is working. Change is finally here...and more is on the way.

An inspiring citizens-driven movement, informed by WPC's research, took the reins of power and delivered six initiatives to Olympia. The three that were acted upon passed by wide bipartisan margin. These included WPC's fervently championed ban on state and local income taxes as well as a fundamental re-assertion of parental authority over the education of their children.

While Washington still has a long journey ahead to restore our competitive advantages across our state's economy, educational systems, and environmental priorities, let's celebrate these recent steps in the right direction. And having three more initiatives to fuel debates and enlighten new champions for free market solutions between now and November gives us a chance to build lasting momentum for 2025 and beyond.

In the pages that follow, you'll find more tangible proof points to support WPC's policy positions for building Washington's brightest future. Please share our facts with your families, friends, and neighbors. With your advocacy, we will continue to promote a better path as we work to prevent and overturn the policies that grow bureaucracy instead of opportunity.

Affordability, choice, freedom, and personal safety should not be the "Washington Dream." Instead, let's keep working to make them Washington's reality. Please join WPC in amplifying the calls for better policy like never before this year. When we unite, our voices are undeniable.

We're in this together. Thank you for making what we do possible.

Steven Hatting

Electrification bill to spike rates for customers

BY JAN HIMEBAUGH
MANAGING DIRECTOR FOR EXTERNAL AFFAIRS
BUILDING INDUSTRY ASSOCIATION OF WASHINGTON

GUEST COLUMN

The legislature has passed some pretty unnecessary and unreasonable bills over the years, but few as impactful as House Bill 1589, approved in the dead of night during the waning days of session.

Its title, "Supporting Washington's clean energy economy and transitioning to a clean, affordable and reliable energy future," couldn't be further from the truth.

HB 1589 paves the way for PSE to end natural gas service and force its 800,000+ customers to pay for the infrastructure upgrades to do it.

Costly

By PSE's own estimates, electrification will increase:

- Electric rates by 8 to 37 percent by 2045; and
- Gas base rates by up to 454 percent by 2045.

Beyond that, customers with natural gas furnaces, water heaters, stoves and fireplaces will face conversion costs starting at $40,000. They'll be forced not only to tear out their existing appliances and dispose of them, they'll also need to purchase and install new ones.

They'll also be required to update their existing electrical infrastructure by rewiring their homes and paying for new transformers to help carry the added load of an entirely electric home. How many average families have an extra $40,000+ lying around to pay for this?

Unnecessary

What's maddening is that these higher energy bills and costly conversion costs are completely unnecessary.

Legislators claimed the bill is needed to meet legislative targets under Washington's Clean Energy Transformation Act (CETA) and Climate Commitment Act (CCA), but those laws already require utilities to meet the targets without HB 1589. It only increases the cost of meeting the same CO_2 goals.

Cruel

For restaurant owners losing access to natural gas for cooking, the change has serious consequences. For some, it's the only way to cook the foods they serve, meaning they're being forced out of business in Washington.

Roughly 100,000 businesses, restaurants and institutions rely on natural gas to power their operations, a significant number of those PSE customers as well. When their costs go up, guess who else will pay more? Their customers, the same families who will be paying higher energy rates themselves.

Between 35 and 40% of PSE's customers are already energy burdened, meaning they struggle to pay current energy costs in their homes. According to government reports, these households are more likely to forgo food or medicine to pay their energy bills, to lose their homes and to remain in poverty.

These higher costs might be worth it if customers could rely on electricity from our energy grid when cold or windy weather conditions hit. Instead, it's only those with natural gas (or generators) who can cook, take warm showers or enjoy the heat of a gas fireplace when the power goes out. And this bill will take that away.

Legislative majorities had the opportunity to do the right thing this session and reject this costly and unnecessary bill. They didn't. And once again Washington is made less affordable.

Views expressed in guest columns do not necessarily represent those of Washington Policy Center.

Brighter Futures

When you support Washington Policy Center, you are investing in Washington today while ensuring young people in our state understand their choices and their opportunutites to lead tomorrow. Our Young Professionals (YP) programming connects students and recent graduates in WPC forums across Washington to deliver the free market facts and perspectives they will need to succeed. The principles upon which our great state was built are shared through legislative days, roundtables and panel sessions featuring WPC's research directors, legislators, peers, and "YP alumni" who are now leading thriving businesses and communities from Bellingham to Clarkston.

To learn more, please visit: washingtonpolicy.org/young_professionals/

Whether you donate through your Annual Membership, Pillar Society, or sponsoring our WPC Annual Dinners and other outreach, we can agree that the ultimate benefit is enhancing the lives and opportunities of the people of Washington. Thank you for sharing our mission and investing in Washington's future through fact-based research that informs nonpartisan decision-making, accountability in government, and real-time education that promotes the power of free market solutions.

Legislative session wrap up for the Supplemental Transportation Budget

BY CHARLES PRESTRUD

DIRECTOR, CENTER FOR TRANSPORTATION

In 2023 it seemed as though the State's transportation challenges increased with each passing month. The emerging problems included:

- Big cost overruns on WSDOT highway projects, including a half billion dollar increase in the estimated cost for completion of the SR 520 project, and hundreds of millions of dollars in cost increases for the I-405 and SR 167 projects.
- A $4 billion increase in the cost of complying with the court-ordered replacement of culverts that block fish passage.
- Hundreds of millions of dollars in increased costs associated with electrification of the ferry system, fleet renewal, and increased labor costs.
- Cost estimates for highway preservation and maintenance that swelled from $350 million per year above the current funding level to an additional billion dollars per year.
- Further delays and cost overruns on Sound Transit light rail projects.

These budget busters landed on the legislature's desk in the run-up to the 2024 session. The size of the budget gap presented the legislature with a daunting problem. Neither of the usual choices, raising taxes or cutting projects, are politically attractive, especially in an election year where initiatives to repeal taxes will be on the ballot. Faced with this situation the legislature responded with a raft of short-term budget patches while kicking the bigger issues down the road to future sessions.

The legislature's 2024 supplemental transportation budget spends a total of $14.6 billion, an increase of $1 billion from the enacted biennial budget. Much of the increase is for WSDOT, made possible by reappropriated federal funding ($246 million), increased carbon emission auction revenues ($340 million allocated for transportation, but none for highways), and an additional $308 million from the 2022 Move Ahead WA account. This increased spending will allow work to proceed on major WSDOT highway projects, though timelines for completion are pushed out for several projects.

The supplemental budget includes the appropriation of $339 million in additional funds

from the Carbon Emissions Reduction Account. This revenue is being used for a wide range of projects and programs intended to reduce carbon emissions and advance other social goals. Projects include zero-emissions school buses, clean-fuel car-share grants for low-income communities, EV charging facilities, active transportation grants (cycling, pedestrian improvements), etc. The cost-effectiveness of these carbon-emissions reduction programs will not be known until after the funds have been expended.

If all goes according to plan the budget patches passed in the 2024 session may suffice to get through the year (but no guarantee, as we saw with the surprises in 2023). In any case, the legislature has left the bigger issues unresolved. These include:

- Highway System improvements – WSDOT has no long-range plan for the highway improvements needed to accommodate an additional million new residents by 2040. These unfunded (and in some instances still undefined) projects will cost tens of billions of dollars.
- Highway and bridge preservation and maintenance – WSDOT has described the system as being on “a glide path to failure” requiring an additional billion dollars per year to bring up to a state of good repair. The funding allocated in the 2024 supplemental budget is so far short of what is needed that the maintenance backlog will grow and pavement condition will worsen, increasing future repair costs.
- Washington State Ferries – It has become apparent that costs for implementation of the WSF long-range plan are billions of dollars higher than previously estimated, partly due to the much higher costs of electrifying the fleet. The first of the new hybrid-electric ferries are not scheduled to join the fleet until 2028. As a result, service will not be fully restored or reliable until near the end of the decade.
- Public Transportation – The State provides hundreds of millions of dollars per year to transit agencies, but the additional funding has not reversed the unsustainable trends of rising costs and falling productivity. The legislature has shown no willingness to address problematic transit performance or transit agency governance issues.
- Transportation and Growth Management – It has become increasingly apparent the Growth Management Act is not producing the desired outcome. Local and regional plans are often based on optimistic or improbable assumptions that do not match the actual pattern of growth. The result has been misallocation of billions of dollars in transportation spending and deteriorating system performance. Recent legislative sessions tinkered with local zoning while ignoring the larger failings of the Growth Management Act.

As can be seen from this list, a daunting array of important, expensive, and politically difficult issues await the 2025 legislature and a new governor.

Paid leave isn't primarily helping people in need, it's going to middle- and upper-income wage earners

BY ELIZABETH (HOVDE) NEW

DIRECTOR, CENTER FOR HEALTH CARE AND CENTER FOR WORKER RIGHTS

What's the hourly wage of a Paid Family and Medical Leave recipient in Washington state? It's higher than I'm comfortable with. Lawmakers should explain to all workers why they think it is good policy to take money from low-income workers and give their money to people with ample resources.

Using hourly wage estimates from the Employment Security Department, here are the earnings of people who took the program's tax dollars in the past fiscal year (July 2022 through June 2023):

- Up to $18/hr: 12%
- Between $18 and $24/hr: 21%
- Between $24 and $35/hr: 26%
- Between $35 and $61/hr: 26%
- More than $61/hr: 16%

Lower-income workers shouldn't be paying higher-income workers to bond with babies or take medical time off from work. They should be able to keep more of their wages for their own needs. But the state's Paid Family and Medical Leave (PFML) program is fueled by employees' wages. The tax rate is 0.8 percent of wages this year and represents a doubling of the payroll tax in its short lifetime. PFML also requires employers to contribute to the fund, even though many employers already give employees paid time off for sickness or family needs. The total payment required of a worker who made $50,000 in 2023 was $400.

The fast increase of the tax is said to have happened because of high use of the program. Some government leaders are proud of that and suggest it shows how much the program was needed. Did people need this program? Maybe some. All recipients no doubt enjoyed greater ease managing life happenings, but they did so at the expense of others who then had a harder time making ends meet.

PFML is laced with entitlement. It's hard not to feel entitled to other people's money when you've been forced to pour your wages into a shared piggy bank. I hope the state doesn't ever require low-income workers to start paying into a fund other workers can use for vacation time or mental health days away from their jobs.

All Washingtonians would benefit from policies that encourage and expect self-sufficiency, tapping taxpayer generosity only for the vulnerable. Safety nets for people in need are worthy of support. Building social programs that act as safety nets for people who are not in need — and that harm the finances of others who are less fortunate — are not.

Inflation is tough and can be aggravating. Government inflation is extra aggravating.

The 2024 legislative session: essentially status quo for small business

BY MARK HARMSWORTH

DIRECTOR, CENTER FOR SMALL BUSINESS

The 2024 legislative session can be summarized more by describing what didn't pass than what did pass. The legislators, recognizing housing costs for Washington residents was front and center, focused on introducing legislation to try to address the problem.

Several large, bad pieces of legislation, including House Bill 2114 (Rent Control), Senate Bill 5770 (Removing the 1% cap on property taxes) and House Bill 1868 (Gas powered yard equipment ban) failed to pass both houses. All three bills would have cost the Washington renter and taxpayers to pay more to live in the state. House Bill 2276, which would have increased the tax on selling multi-family rental units and large homes, also failed to pass muster.

Pet owners can breathe a sigh of relief as Senate Bill 6064, which would have effectively banned pets from rental units failed to get any traction.

Unemployment benefits for striking workers, House Bill 1893, along with House Bill 1957 which would have dramatically increased the cost of the paid family leave program for small business, also didn't make it over the line.

However, not all the bad legislation died.

House Bill 1889 which requires Washington to issue professional certification licenses to people in the country illegally and the effective natural gas ban, House Bill 1589, were two of the more controversial bills to pass both houses.

Overall, however, the 2024 legislative session was status quo for many small businesses in Washington – at least until the next legislative session when many of the bills that didn't pass this session will undoubtedly return.

A missed opportunity for salmon as legislature does little for struggling species

BY TODD MYERS

DIRECTOR, CENTER FOR THE ENVIRONMENT

The legislative session is over, and it had the potential to be very positive for salmon recovery in Washington state. There was bipartisan support for habitat restoration, with several bills being offered by Republicans and Democrats. Legislators also had a huge amount of money to allocate because the tax on CO2 emissions generated far more money than anticipated. Despite that, the legislature failed to make significant progress to protect an iconic Washington species that is struggling badly.

The most glaring example of the failure is in the supplemental operating budget, where legislators added about $2.1 billion in new spending. Of that amount, only $1.4 million – about 0.07% - was allocated to four small salmon recovery projects. For comparison, the budget also added $1.4 million for “additional staff and resources to implement the climate commitment act.” Legislators spent as much to add government staff to manage the state’s CO2 tax as they did to help salmon in the supplemental operating budget.

The successes

A bill to study the impact of predation by birds on salmon passed and is on the governor's desk. The number of salmon killed by birds, seals, and sea lions is an underappreciated obstacle to salmon recovery.

The legislature also adopted legislation to address the tire-rubber compound 6PPD which is shown to kill coho salmon at low concentrations. The bill empowers the Department of Ecology to create regulations addressing the impact of 6PPD, requiring agency staff to "specifically consider the effect of regulatory actions on driver and passenger safety." Regulatory processes can be hit and miss and this doesn't address the impact of tires that are still on the road, but overall it is a good step to address a significant threat to salmon.

A bill allowing people to adopt a culvert to open fish habitat, like groups adopt highways, also passed. Nice, but not a game-changer.

The failures

Several other bills to help accelerate salmon recovery were killed.

A bill we helped craft to remove regulatory barriers for salmon-recovery projects – HB 2193 – died in committee. Legislation to target additional funding to salmon populations that are either near extinction or recovery – HB 2286 – also died. Another bill to address the spillage of untreated sewage into Puget Sound – HB 1365 – was killed. A review of salmon recovery efforts – HB 2463 – also died in committee. Several other bills, including some related to hatcheries, streamside habitat, and accelerating permitting also died.

Many of these bills had bipartisan sponsorship or support. The bills weren't perfect, but the fact that even those with bipartisan support died early in the session is a lost opportunity to take a big step forward in salmon recovery at a critical time.

The capital budget was an area of mixed results, with increased funding offered only if voters keep the CO2 tax. This is an unnecessary restriction that smacks more of politics than a legitimate fiscal concern.

Of the additional $1.3 billion added to the capital budget, about $66 million was added – almost 5% of the increased spending. Given the many other demands, that is not insignificant. The best addition was the restoration of $25 million in funding to the Salmon Recovery Funding Board, which we recommended last year.

All of that funding, however, was made contingent on voters rejecting the repeal of the state's tax on CO2 emissions. None of the $66 million takes effect until January 1, 2025, but the budget specifically says that the spending is canceled if I-2117 repeals the Climate Commitment Act (CCA).

The claim is that if the CCA is repealed, the funding for these projects goes away. But the funding is already in the state treasury or will soon be. There are three more auctions this year that will occur before voters have their say about the CCA, adding hundreds of millions of dollars in state revenue, a significant percentage of which will go into the Natural Climate Solutions account which is used to fund the salmon recovery projects. The $66 million in spending that is being held until 2025 could easily be funded using money the state already has.

Additionally, the unspent revenue from the CCA doesn't go back to residents if voters support repeal of the law. It stays in the state treasury for use by legislators.

If the argument is that salmon are a priority, but only if the voters increase taxes, they aren't a priority.

The combination of bipartisan support and a budget surplus doesn't come along very often. For salmon, the opportunities presented by that confluence of events were lost in 2024. Let's hope that's not the case in the future.

Session wrap-up for Education

BY LIV FINNE
DIRECTOR, CENTER FOR EDUCATION

Passage of Parental Bill of Rights Initiative 2081

On March 4th, the state legislature passed Initiative 2081 into law, an initiative brought before the legislature due to the efforts of the organization Lets Go Washington. This law was passed with broad bipartisan support. The Senate voted 49-0 in favor, and the House voted 82-15 in favor. This law establishes a Parents Bill of Rights requiring the public schools to inform parents about educational and medical information relating to their children, including information the public schools now hide from parents.

WPC's Center for Education has written many times in favor of Parental Rights.

Passage of Initiative 2081 into law should invalidate Policy 3211, an administrative rule directing the public schools to hide from parents if their child adopts pronouns and names of the opposite sex at school. As they voted to pass I-2081, Senator Jamie Pedersen (D-Seattle) and Representative Sharon Tomiko Santos (D-Seattle) stated in public speeches on the floor of the Senate and House, respectively, that they would direct school officials to ignore I-2081, and to continue Policy 3211, the policy of keeping secrets from parents in the public schools.

Funding for charter schools

WPC has consistently argued against the state's discriminatory policy that cuts funding for charter school children compared to the per-student funding other public schools receive. On January 10th WPC's education expert, Liv Finne, presented findings to the legislature in support of SB 5809, a bill to provide enrichment funding for public charter schools to partially make up for the shortfall. Provisions of the bill were included in the 2024 Supplemental state budget and provided roughly $1,700 more per student ($7.8 million) for the state's charter school families.

Opposing efforts to weaken families

The Center and other opponents defeated HB 2058, to weaken families by displacing parents as the primary providers of daily nourishment for all children in the public schools. This idea was a top priority of state Superintendent Reykdal.

Opposing efforts to remove the 60 percent taxpayer protection safeguard

The Center and other opponents defeated SJR 8207, the bill to lower the constitutional standard for increasing property taxes and impose long-term public debt for school construction projects. Our Legislative Memo and testimony criticized this idea. The resolution and associated bill failed to move out of committee.

Opposition to state-mandated school curricula

The Center severely criticized HB 2311 and SB 5462, bills requiring school districts to adopt controversial Critical Race and Queer Theory curriculum mandated by the Office of Superintendent of Public Instruction. The Center criticized these bills for contributing to the exodus of 46,000 students from the public schools, for causing parents to distrust the public schools, and for eroding local school board control of curriculum decisions. Democrats in the legislature ignored these arguments and passed these bills to indoctrinate public school students in their radical agenda.

See page 27 for more on this issue.

School Choice Initiative 2019

The organization Restore Washington is collecting signatures to ask the 2025 session of the state legislature to pass School Choice Initiative 2019 into law, following the model of the successful

Parental Rights Initiative and other initiatives from Lets Go Washington.

Initiative 2019 on School Choice is based upon the school choice law introduced by Representative Jim Walsh (R-Aberdeen) and would provide 75,000 families $12,000 scholarships per student for education-related expenses, including homeschooling and private school tuition.

Representative Walsh and Restore Washington have relied on WPC's research on laws offering Universal School Choice to families in the eleven states of Alabama, Arkansas, Arizona, Florida, Iowa, North Carolina, Ohio, Oklahoma, Utah, West Virginia, and South Carolina. Indiana is close to universal, but still means-tested. Georgia, Louisiana and Tennessee may soon pass similar laws, bringing the total to fifteen states providing all or almost all families a private alternative to their assigned public school.

The harvest for agricultural policy in the 2024 session

BY PAM LEWISON

DIRECTOR, CENTER FOR AGRICULTURE

The end of the 2024 legislative session marked the death of a good bill and, with it, a good idea for the betterment of the agricultural community.

Senate Bill 5476

When the requirement to pay overtime was passed in our state three years ago, many in the agricultural community expressed concern about the effect it would have on farmworker income. During this year's legislative session, farmworkers rallied on the steps of the state capitol asking for flexibility in the overtime law. Senate Bill 5476 would have provided the flexibility farmworkers were asking for.

The bill allowed for 12-weeks during which the overtime pay threshold would be lifted from its current 40-hour limit to 55 hours. This would give employers relief from time-and-a-half pay requirements and provide farmworkers an opportunity to earn more money. The current 40-hour overtime pay threshold depressed wages for many farmworkers as employers are forced to limit work weeks to 40 hours.

Despite having a hearing in both 2023 and 2024, the bill died in committee.

Resurrected this legislative session was yet another attack on our large foreign agricultural worker population.

House Bill 2226

Washington state is the temporary home to an average of 30,000 guest workers who arrive from around the world to work in agriculture. House Bill 2226 will make the program more complex and more difficult for the agricultural community to participate in.

The bill requires the Washington State Employment Security Department to conduct parallel annual wage surveys – one administered to employers and a new one administered directly with farmworkers – to determine if agricultural employers are telling the truth about wages paid on their farms.

H-2A wages are required to be significantly higher than a state's hourly wage specifically to avoid a depression of local wages. The Adverse Effect Wage Rate (AEWR) for Washington state for 2024 is set at $19.25/hr., a sharp contrast to the $16.28/hr. local minimum wage. The bill also requires the farmworker survey to duplicate the collection of data already gathered from employers.

This duplication of data collection will cost Washington taxpayers $25 per farmworker in incentive payments as well as the cost of survey administration and processing.

Other bills of note

The passage of House Bill 2424 took a positive step toward better gray wolf management in Northeastern Washington by bringing together tribal and state governments in a cooperative agreement. Under the "North Half" bill, the Colville Tribe and state agencies will work together to monitor gray wolf management practices to better determine what works for both predator and prey species.

Not all good ideas had their day on the hill. House Bill 1936, a bill to provide tax incentives to farmers participating in conservation programs, and House Bill 2187, a bill to protect irrigation water access for family farms, both died in committee.

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– Diana Wilhite, Spokane Valley, Washington

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If you would like more information on how to distribute tax-free dollars directly from your IRA to Washington Policy Center, please contact Steven Hatting at (206)719-6223 or hatting@washingtonpolicy.org.

Don't close schools, change them

BY DONALD P. NIELSEN

GUEST COLUMN

Since the COVID pandemic, there has been a nationwide decrease in public school enrollment. Today, 1.4 million children are missing from the nation's public school's rolls. Those students are now either not attending school, attending private schools or are being home schooled.

Two factors caused the decline in enrollment; first, remote schooling gave parents the opportunity to see what was being taught to their children and many parents did not like what they saw and second, the prolonged closure of public schools while most private schools remained open or opened far sooner than public schools. Regardless of the cause, public school districts are now faced with excess staff and excess space as well as reduced funding.

This decline in enrollment has also impacted Seattle Public Schools (SPS). Enrollment for the 2023-24 school year is at 50,999, down 5000 students since 2019.   Seattle is now experiencing a $131 million deficit caused by the decreased enrollment and the impact of the recently signed union contract. Everett and Bellevue face similar problems with deficits of $28-38 million in Everett and a projected deficit of $9.8 in Bellevue.

School boards are now deciding what programs to cut and which schools to close. This is the traditional reaction to enrollment shortfalls. Buildings with too few students, are expensive to operate and maintain.   So, logic would suggest closing some schools and consolidating students in other buildings is a prudent way to cut costs. While this makes good financial sense, it does not make good strategic sense--- closing a school causes irreparable damage to a neighborhood and there are better alternatives.

Incidentally, in contrast to public schools, private school enrollment is up. Between the 2019-20 and 2022-23 school years, private school enrollment, statewide, increased 11.3% to 81,959 students. In Seattle and Everett, 11% of all K-12 age students now attend private schools. In Bellevue, a whopping 31% attend private schools.

Clearly, parents see great value in private schools, as they are willing to pay twice for their child's education ---taxes and tuition. But, as most parents don't have the resources, and many private schools have wait lists, we clearly need to address the problem in public schools.

So, how do we reattract students (and the revenues that come with them) back to public schools?

As a former president of the Seattle School Board, I can attest that we faced this same problem back in the early 90s. Seattle Public Schools had been losing students for decades. Even as the city's population was increasing, enrollment had gone from a high of over 100,000 in the 1950's to a low of 39,000 in the 1980's.

My colleagues and I, along with Superintendent, John Stanford, set about to change Seattle schools so they would be more attractive to parents. We made many changes, but two were dramatic. First, we put in choice so parents could send their child to any school in the district. This, put parents in charge. Second, we changed the funding system, so money flowed with the students, not the adults.

These changes established a "free market economy" inside the system and incentivized principals to create schools that parents wanted their children to attend. Consequently, innovation started flourish. Enrollment rose as schools became more attractive to parents.

So, rather than closing schools, why not change them. A classic example of this idea at work is the example of the John Stanford International School. In the mid-1990's, the Seattle School District had passed a $339 million capital levy, which called for the building or renovation of 17 schools. One of those schools was Latona Elementary. When the Board was set to vote on the selection of an architectural firm for the Latona renovation, the demographer, for the district, told the board that we should not only not renovate the school, we should close it. He stated there were insufficient number of elementary-aged children in the catchment area of the school, which was in the Wallingford District.

The Board then had the dilemma of building a school we did not need or not building a school we promised the voters. We decided we could not risk alienating the voters as that might cause them to vote against the next levy, so we decided to go ahead with the renovation. However, we decided to change the school from a traditional elementary school to an International School with immersion Spanish and Japanese.

Two years later, the John Stanford International School opened to the largest waitlist in the city. It also completely rejuvenated the Wallingford neighborhood as we made the school a "neighborhood preference" for admission. Families started to move into Wallingford in order to get their child into that school. To this day, Wallingford boasts high numbers of elementary-aged children.

A similar strategy would work again. Creating schools that parents want their children to attend, will not only solve the district's financial problems it would revitalize the city as families would move back and even those with children in private schools might come back thereby seeing a major reduction in their family's expenses. A win-win. Don't close schools, change them.

Donald P. Nielsen is a Senior Fellow at the Discovery Institute, Chairman of the Institute's America Center for Transforming Education, Former President of the Seattle School Board and author of "Every School: One Citizen's Guide for Transforming Education."

Views expressed by guest columnists are not necessarily those of Washington Policy Center.

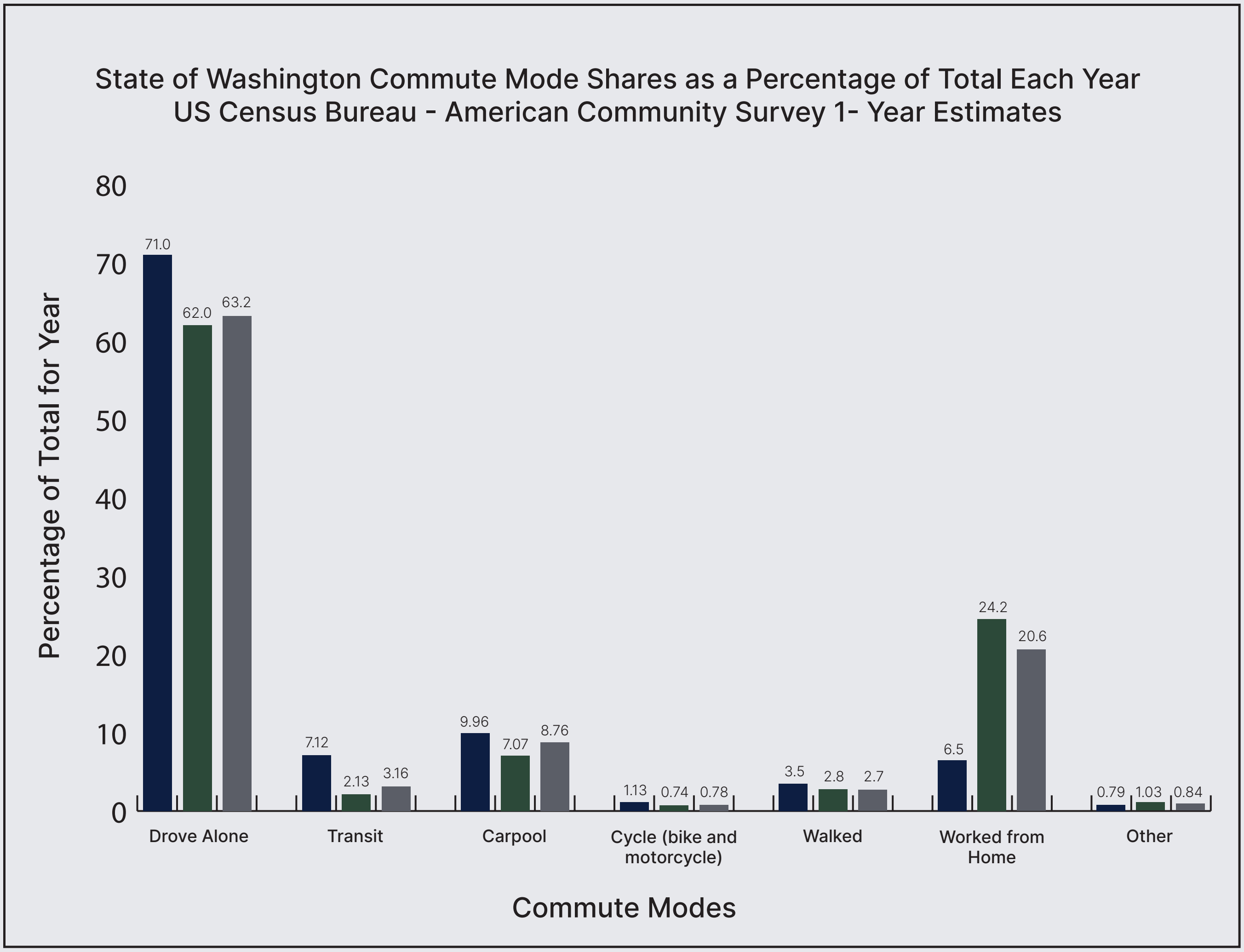
Implications of shifts in commuting

BY CHARLES PRESTRUD

DIRECTOR, CENTER FOR TRANSPORTATION

There has been much speculation about how travel behavior has changed in the wake of the COVID pandemic. The answer to that important question is now coming into view. Data from the American Community Survey allows us to compare pre and post COVID commuting trends. The table below shows the commute mode shares in Washington State for 2019, 2021, and 2022.

Prior to the pandemic commuting by single occupant vehicle (SOV) was far and away the most common mode, constituting 71% of commute trips. During the pandemic lockdowns and business closures of 2021 it dipped to 62%, and only rebounded slightly to 63.2% in 2022. Transit, which accounted for just 7.12% of commute trips in 2019, fell to only 2.13% in 2021, and rebounded only slightly to 3.16% in 2022. Walking and biking also decreased during the pandemic and have not shown a rebound in 2022, remaining in the low single digits.



The only mode to show an increase was teleworking (also known as working from home). Working from home had already been increasing prior to COVID but during the pandemic it more than tripled to over 24% of all commute trips. In 2022 working from home subsided a bit as employers called their employees back to work, but it still accounts for over 20% of commute trips, which is more than transit, carpooling, walking and biking combined. This is a remarkable shift in commuting behavior, and it is an indication of what we can expect in the years ahead. Once people have set up home offices and employers have adopted policies that allow or encourage teleworking it will be easier for people to continue working from home, at least a few days per week.

The significance of this shift in commuting becomes apparent when contrasted with the transportation plans of public agencies, including WSDOT, Regional Planning agencies, cities, and transit agencies. Those plans almost all emphasize transit, biking and walking, and they assume those modes will accommodate much of the increased travel demand that will come with the growth in the State's population. For example, the PSRC's 2050 Plan assumed transit ridership would more than double by 2030, but between 2019 and 2022 ridership fell by more than 30%. The large ridership increase assumed by PSRC now looks highly improbable.

The situation with WSDOT is similar. For more than twenty years WSDOT plans have emphasized transit, biking and walking. Those are all good things to encourage and to plan for, but the data shows those modes all decreased significantly during the pandemic, and they weren't growing much even before the pandemic.

What's missing is the WSDOT plan to accommodate the increase in vehicular travel. The State Highway System Plan hasn't been updated since 2007. Nearly all the projects in that plan have since been completed or are well along toward construction. Much as we might wish that transit, biking and walking would reduce the need for highway improvements, the data gives us no reason to believe that will occur.

Now that we have hard data that sheds light on commuting, the public agencies responsible for our transportation system need to update their plans and revise their forecasts. The pre-COVID baselines used in prior plans need to be replaced with more recent trend data. This may prompt some uncomfortable policy discussions, nobody likes to abandon an attractive vision, but wishful thinking isn't an effective strategy. Updated plans should face up to the change in travel behavior and take advantage of the opportunities that have been created by technology and the increase in working from home.

Another letter from WA Dept. of Ecology contradicts previous claims on climate tax

BY TODD MYERS

DIRECTOR, CENTER FOR THE ENVIRONMENT

Originally, I wrote this to highlight the latest intentionally deceptive messaging about the impact of the new climate law on gas prices. But it has become a story about how people who call themselves policymakers and public servants aren't focusing on policy or serving the public.

After everything that has occurred in the last year, the Inslee Administration and Ecology staff still claim, "We continue to believe that the projections in the final regulatory analysis represent the best available understanding of the impacts" of the climate law.

The spin has changed repeatedly since January. First, denying prices would go up much (if at all). Next, claiming the price increased due to world events. Then claiming it wasn't the tax that was increasing prices, but oil company greed (that stopped at Washington's borders). Now, claiming that the price increase really isn't that much and in the long run, they will still be right.

They hope that people will grow tired of the story. How many times can one write about the latest denial of responsibility for the impact of a policy that was literally designed to increase prices? I certainly am tired of it. I'd much rather talk about changing the policy so it reduces CO_2 emissions without doing serious harm to the economy and families. But the Inslee Administration still sees denial as the best political strategy.

As long as dishonesty is driving the discussion about Washington's climate law, we will keep writing about it. Hopefully in the near future, accountability from the public and the media will encourage the Inslee Administration to address the policy rather than play politics.

Staff at the Department of Ecology have again changed their story on the impact of the state's tax on CO_2 emissions on the price of gasoline and natural gas.

Even as the Washington State Utilities Commission admits the state's climate policy, known as the Climate Commitment Act (CCA), is increasing natural gas prices - the governor, his press secretary, and staff at the Department of Ecology continue to distract and mislead the public from the consequences of their own policy.

A letter from Ecology Director Laura Watson demonstrates how the Inslee Administration is intentionally misleading legislators and the public about the cost of this program.

Last year, State Senator Shelly Short asked Department of Ecology staff to estimate the impact of the state's new tax on CO_2 emissions on gasoline, natural gas, and electricity. One year later, Sen. Short asked Ecology staff if they stood by their estimates in the previous letter. The response, signed by Watson herself, is evasive and revealing.

Contradiction on CO_2 price

For example, the two Ecology letters directly contradict each other on the estimated price of CO_2 allowances in the program.

In the original 2022 letter, Ecology's Air Program Manager Kathy Taylor estimated the average price of allowances would be $41 per metric ton in 2023, calling this "the most credible and likely number to use as a forecasted price."

Director Watson's 2023 letter takes a very different tone. Ignoring the claim in the first letter, she notes that the economic modeling looked at three scenarios, saying "allowance prices might range from a high of $68...to a low of approximately $41 per allowance, with a mid-range of approximately $58." She went on to say that the rulemaking for the CCA "used an estimated $58.31 allowance price in 2023."

What was the "most credible" in 2022 became just one estimate Ecology staff considered in 2023. Watson does not acknowledge that Ecology's initial position had been that a much lower $41 was the "most credible" and likely cost, nor that it has turned out to be badly incorrect. In the last auction of allowances, the price was $63.03 – 50 percent higher than their 2022 estimate.

Shifting the story on gas prices

The 2023 letter plays similar games with the impact on gas prices.

Watson writes, "Ecology estimated [in 2022] the cap-and-invest regulations would increase retail transportation fuel prices by 1-3%."

This projection was always suspect. She neglects to mention that the 1-3% range in their original estimate covers the period of 2030 to 2050. It does not cover 2023, which is what the 2022 letter falsely claimed. Ironically, Ecology's own web page currently says something different. In the "Economic impacts of Washington's climate policies" section, Ecology staff says, "we expect the overall economic impact of the cap-and-invest program to be 1% to 3%" (emphasis added). The director and agency staff can't seem to get on the same page about whether the study focuses on "retail transportation fuel prices" or "overall economic impact" – two very different things.

Additionally, instead of the standard approach of calculating the impact of taxes on a product by adding them to the price – as is done when calculating the impact of sales or gas taxes – the analysis ran the impact through an economic model. This is a needlessly complex and inaccurate way to calculate the impact on a particular sector. By way of contrast, Ecology's analysis of the price impact of the low-carbon fuel standard applies the cost of compliance directly to the price of gasoline – the approach favored by California and other energy analysts.

Watson's letter goes on to admit that the impact has been much greater than a 1-3% increase, which translates to 5 cents per gallon. She writes that between January 1 and August 31, 2023, "the average retail price of unleaded gas in Washington rose by about $1.27 per gallon, according to AAA data." This is significantly higher than Ecology's initial estimate. By way of comparison, she said, Oregon's prices rose about $1.03 per gallon, or 24 cents per gallon less than Washington's. Her numbers appear to be off. Perhaps it is a typo, but gas prices in Washington state rose about $1.37 according to AAA and Gasbuddy data. That means prices have increased about 34 cents per gallon more than Oregon since the CCA took effect on Jan. 1.

Watson's letter states that "a large majority of the increase in Washington gas prices in 2023 cannot be attributed to the cap-and-invest program..." In other words, Ecology argues, "Yes, the CO2 tax is increasing prices, but so are other things." Considering Ecology staff and the governor claimed the increase would be small to nothing, this isn't much of a defense.

Ultimately, the public doesn't care whether the tax on CO2 accounts for all or only some of the increase in gas prices. The question is how much impact the tax itself is having. The Ecology Director now admits it is greater than her agency previously claimed.

Misrepresenting the impact on natural gas prices

Ecology staff play similar word games when it comes to the impact of the tax on natural gas prices.

In the 2022 letter, Ecology staff claimed increasing taxes would cause the price of natural gas to "decrease by about 1 percent." The Washington State Utilities and Transportation Commission (UTC) demonstrated this was wrong when it approved a price increase for natural gas heating due to the CCA's tax.

In the new letter, Director Watson continues to claim the tax will "lead to a net decrease in natural gas costs of 1.56% through 2030." Once again, where the previous letter claimed that would occur in 2023, the new letter now claims those estimates are actually for 2030.

While acknowledging the UTC's ruling, Watson's letter still claims that natural gas prices will decline "over time," and that "it is not yet clear what the longer-term" impacts will be. She concludes that, "We continue to believe that the projections in the final regulatory analysis represent the best available understanding of the impacts of the cap-and-invest program on natural gas prices."

Ecology staff clearly recognize that their 2022 letter and projections did not age well. Rather than admitting error and honestly addressing the problems, they are simply re-writing history and further eroding public trust.

During the past year, as economic projections have been released and the costs of the state's climate policy have become apparent, statements from Ecology staff have been consistently inaccurate and misleading. This latest letter continues that trend, reassuring legislators, the media and the public that we cannot trust the state's projections of the future.

Introducting WPC's new *Policy Guide*

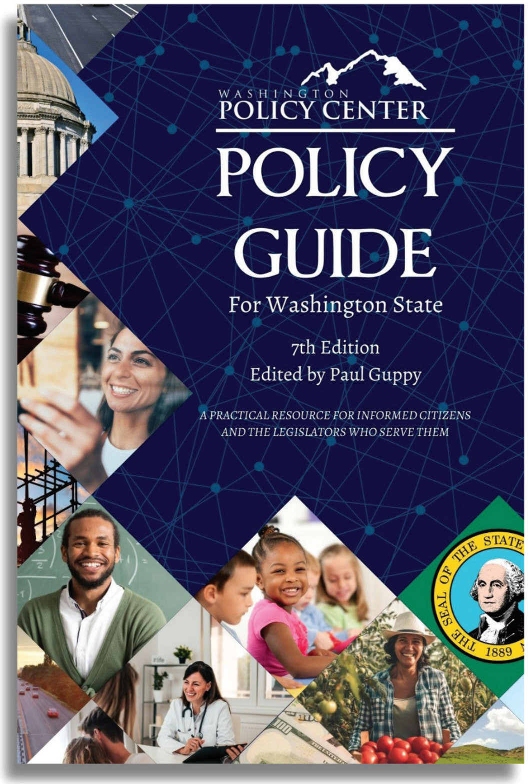
BY PAUL GUPPY

VICE PRESIDENT FOR RESEARCH

(Condensed from the original)

"Here, sir, the people govern; here they act by their immediate representatives..." That is what Alexander Hamilton said at the inception of our national constitution. Since then, federal power and state governments management of the details of daily life have vastly expanded, causing many people to question whether Hamilton's founding sentiment is still true. In a democracy the men and women elected to public office are supposed to work for us, to serve the interests of the community, not their own personal and political interests. With the growth in the size and power of state government in recent decades it often feels like it's the other way around.

The purpose of the Policy Guide for Washington State is to provide the information, practical steps, and concrete proposals for rebuilding people's trust in their state government. This 7th edition of the Policy Guide is fully revised and updated. It presents the latest information on policy advances in other states that serve as forward-looking models for our state. Its ten chapters include fact-based guidance for lawmakers, administrators and policymakers in clear, non-technical language



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that is equally accessible to experts and to civically engaged members of the public.

The recommendations in the *Policy Guide* are devoted to supporting five core principles of government:

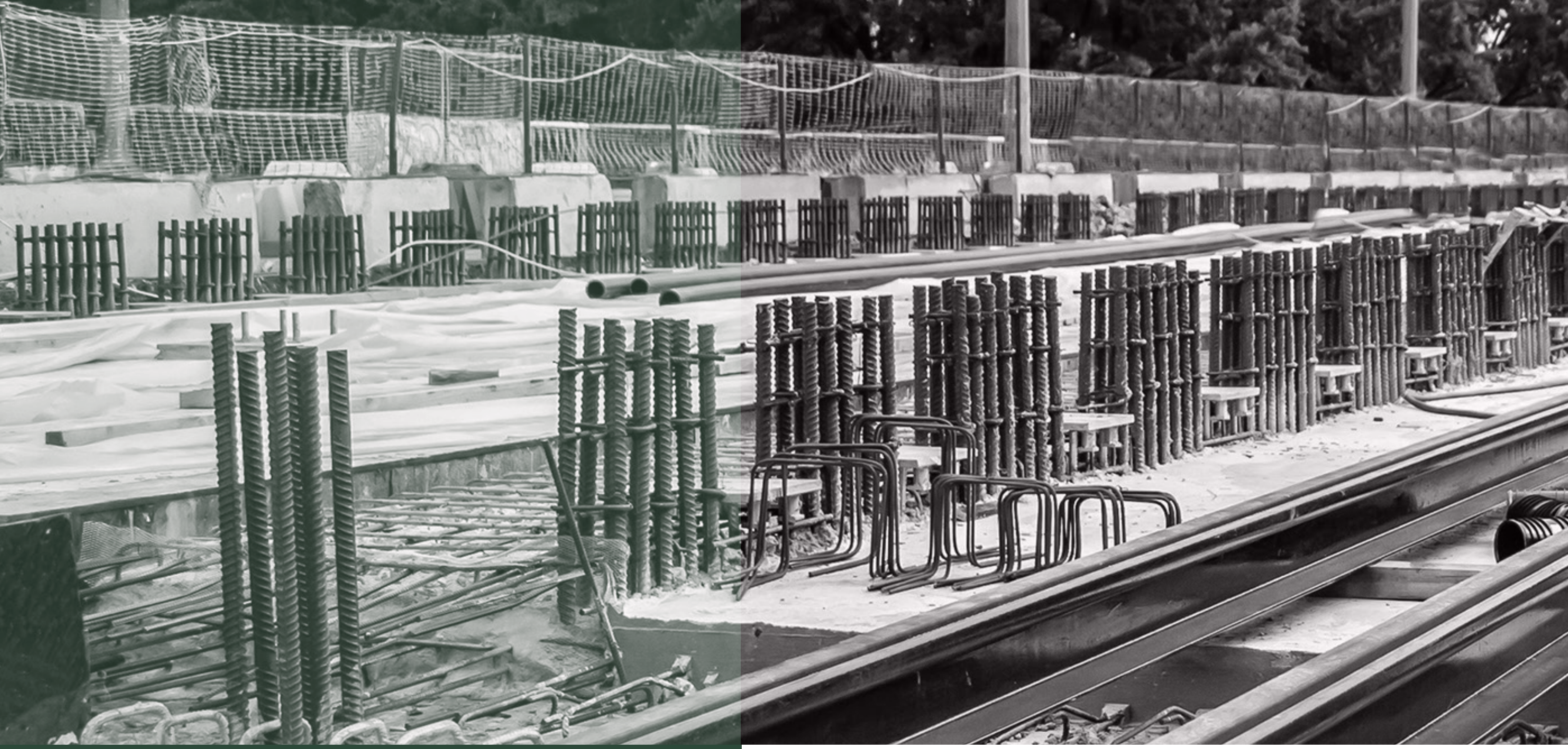
1. **Show respect for taxpayers by controlling spending**
2. **Focus on core functions**
3. **Private property is a civil right**
4. **Use voluntary incentives, not coercion, whenever possible**
5. **Resist political pressure from public sector unions**

For two decades the *Policy Guide for Washington State* has served as a respected resource for promoting good governance, economic growth and opportunity, and social self-reliance. Powerful forces in our state seek to increase the control of government over our lives, collect more money through high taxation, and funnel money to entrenched interests that profit from public spending.

The purpose of this book is to help policymakers reverse this trend, by providing dozens of independent, non-partisan and unbiased policy recommendations backed by objective research that will benefit all families and communities in our state.

By adopting these fact-based ideas, state leaders can provide effective public services that allow people to manage their lives, families and communities as they think best, so everyone can thrive within a governing system based on individual rights, social unity, mutual respect, and ordered liberty.

Readers can contact us to order a physical copy of the new Policy Guide or obtain the full digital version or audio book version via WashingtonPolicy.org.



Transit taxes and unaffordable housing

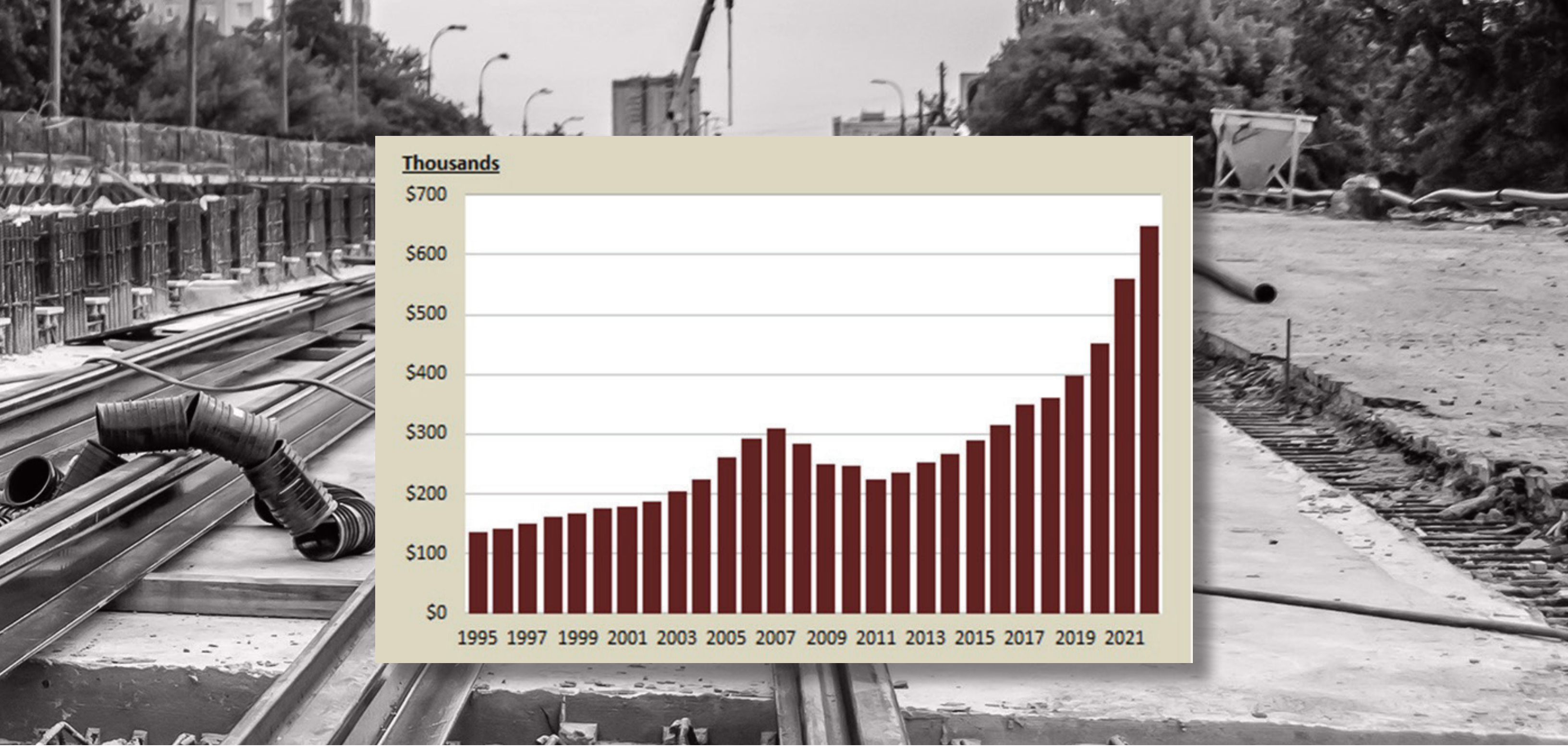
BY CHARLES PRESTRUD

DIRECTOR, CENTER FOR TRANSPORTATION

The Washington State Office of Financial Management (OFM) has produced a report showing that since 2017 home prices in Washington State have roughly doubled to about $650,000. That's the state-wide median price.

The average price in King County is over $840,000. The OFM report informs us that, "In general home prices in the U.S. are about three times annual household income levels". What the report fails to mention is that home prices in the Puget Sound region are now 6.9 times annual household income (see the 2023 Demographia Housing Affordability Survey). Rental costs typically closely follow house prices, so it is no surprise that rents have similarly escalated.

How did housing in Washington become so expensive? Many factors contribute to housing costs, including increasing demand from a growing population, supply that is constrained by local zoning and tight urban growth boundaries, and permitting costs. Taxes are another driver of housing costs, and last month's decision by the Sound Transit Board to bump up that agency's slice of the property tax to $0.167 per $1,000 of assessed value, the maximum allowed under state law, adds to the burden.



In 2024 Sound Transit expects to collect $172 million in property tax. Sound Transit's 2024 Financial Plan indicates that amount is expected to increase steadily so that through 2046 a total of more than $6.1 billion in property tax will have been extracted from property owners within the Sound Transit taxing district. That tax will translate directly into rising housing costs and rents.

The property tax is not the only Sound Transit revenue source that is contributing to higher housing costs. Sound Transit's largest source of revenue is a 1.4% sales and use tax. That tax is expected to produce a whopping $77.6 billion in revenue from 2017 through 2046. Not only does that tax reduce the income available to households to pay for housing, the tax also increases the cost of housing. For example, if you are having a home built or remodeled, or if you are a developer building new homes, that 1.4% tax will apply to materials used in construction. This adds thousands of dollars to the cost of a new home, costs that are also passed along to renters as developers and owners of rental properties try to offset the impact of the tax.

Sound Transit also collects Motor Vehicle Excise Tax, which generates over $350 million in revenue per year. When businesses pay that tax on the trucks and vans they use for making deliveries, and tradesmen for the vehicles they use on construction projects, the costs are passed on to customers in the form of higher prices. That adds to the cost of housing while at the same time reducing the disposable income available to families who pay vehicle excise tax on their own automobiles.

The irony in all this is that in 2016 Sound Transit made a commitment to support affordable housing as part of their ST3 plan. To that end Sound Transit established a $5 million revolving fund that helps finance affordable housing projects. Sound Transit is also making surplus property available for affordable housing development. But, as the numbers in the Sound Transit Financial Plan show, the multi-billion dollar burden from the onerous Sound Transit taxes far outweighs the very modest benefits from the small increase in affordable housing attributable to Sound Transit programs. If the Sound Transit Board was really interested in making housing across the region more affordable the quickest and easiest way would have been to reduce their property tax rate rather than voting to increase it as they did on November 22.

Fact Check: Repealing the capital gains income tax will "devastate" basic education. Is that true?

BY PAUL GUPPY

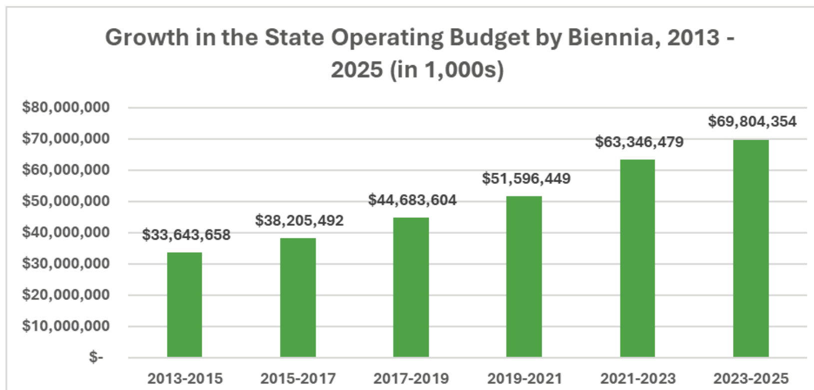
VICE PRESIDENT FOR RESEARCH

The Senate Majority Leader recently asserted that passage of Initiative 2109, an initiative from the people to the Legislature to repeal the capital gains income tax, would "result in the loss of" money for the state. He also said the popular initiative would "reduce K-12 funding" and "devastate" funding for certain state programs.

Neither statement is true. The state will not "lose" any money if lawmakers pass Initiative 2109.

State revenue will continue to increase by billions of dollars every year under the current tax system, without the capital gains income tax.

The amount of money taken by the state has doubled in ten years (up over 100%, while CPI inflation went up 34%), and is projected to continue increasing in future years (see chart).



The same upward budget trend applies to K-12 public school spending:

- K-12 spending has doubled since 2013, rising from $13.5 billion to $29 billion.
- Public schools spend over $19,000 per student per year,
- K-12 employees are among the highest-paid public employees in the state.
- As K-12 spending increased, the number of students declined.

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FACT CHECK

Yet another reason for families to leave the public education system

BY LIV FINNE

DIRECTOR, CENTER FOR EDUCATION

The state House of Representatives passed HB 2331, the bill passed along strict party lines, with 58 Democrats voting for it and 39 Republicans voting against it, and one member excused. The Senate passed the bill with 29 yeas and 20 nays and it was signed by the governor on March 28.

Sponsors of the bill seek to punish school districts for exercising local control over classroom curriculum and materials. It will give a state-level official, the Superintendent of Public Instruction, the authority on his own to cut the budget of any school district that he decides is not using certain books, lesson plans or other materials in class.

Of course the bill directly contradicts long-standing state policy that community-based school boards and parents have the right to run their own public schools.

Naturally the erosion of local control and the intrusion of state mandates is upsetting to many parents who would like to trust local schools to do what's right. As a reflection of this deep-felt concern, I was struck by the moving testimony of Nicole Wells at a House Appropriations Committee hearing on a bill related to schools. She said:

"My name is Nicole Wells. I am a grandmother and former school employee. This bill is not about operating costs. It is about propping up a failing school system that parents are rejecting. This bill is about decreased enrollment, in my opinion. Have you spoken to a parent lately? Parents are livid. Parents are not OK with teachers teaching kindergarteners about gender. Parents are not OK with their teenagers getting a secret abortion or getting puberty blockers without their consent. They don't want graphic sex ed or their kids taught that white skin is bad. Parents are certainly not OK with boys in their daughters' bathrooms."

As an education policy analyst what struck me was how widespread these concerns have become. Most parents and grandparents are not so outspoken, yet there is a quiet movement away from public education and a steady decline in the credibility of a once-respected public system.

On Facebook, X, and other social media stories abound of families pulling their kids out of public school as soon as they can manage it financially. There is no doubt that a growing number of parents feel elected officials are not listening to them. In the last few years Washington's public system has lost 46,000 students, even as the state population has grown.

I have followed the state legislature and changes in education policy closely for years. I have never seen the rising level of distrust and broad decline in reputation for public schools as I have seen during the current legislative session. Passage of HB 2331 is only the latest development in this ongoing negative trend.

(This article was abridged and updated from the original.)

$200 checks, but only if voters keep the CO2 tax

BY TODD MYERS

DIRECTOR, CENTER FOR THE ENVIRONMENT

As of the time of this writing, if House and Senate budget writers get their way, some Washington residents will receive $200 checks this year using revenue from the tax on CO2 emissions – but there are some interesting conditions.

The Senate proposal requires checks be sent in 2024. The House version cancels some payments if voters support Initiative 2117 and repeal the tax on CO2 this fall. Both budgets require utilities and organizations that send the payments to use government-approved language when they are delivered.

These restrictions clearly have an eye on this November as voters decide whether to pass Initiative 2117 which would repeal the state's climate policy known as the Climate Commitment Act.

Section 130 (27) of the Senate Democrats' supplemental budget and Sec. 130 (29)(a) of the House supplemental budget would provide one-time vouchers of $200 per household from the Climate Commitment Account, the budget funded with revenue from the CO2 tax. The amount is not related to actual expenses incurred by households due to the CO2 tax. Instead, the checks would go to all qualifying low- and moderate-income residential utility customers.

The Senate budget requires utilities to send the money to customers by December 31, 2024. This is noteworthy because it is the only expenditure in the entire supplemental budget using funds from the CO2 tax that must be spent by the end of the year. By way of contrast, there are 35 expenditures from the Climate Commitment Account that may not be spent before January 1, 2025. Senate budget writers want the checks to go out in 2024.

The proposed House budget deals with the payments slightly differently. Their proposal requires half of the funding "shall be disbursed by the department [of Commerce] to each utility on October 15, 2024." These first checks will prioritize customers "at or below 80 percent area median income." In King County, for example, this would be those making less than about $93,000. In Spokane County households making less than $56,000 would qualify, and in Yakima County, those making less than $52,000.

The other $75 million must be disbursed by February 15, 2025, unless voters approve Initiative 2117, which repeals the CO2 tax. In that instance, the checks are cancelled. It is worth noting that although the House proposal would cancel the payments, it isn't because the state budget wouldn't have the money. The taxes have already been collected and the initiative does not refund the taxes that have already been collected. The money would simply go into the general fund.

The apparent purpose of canceling the payments in the House budget is to tell voters if they pass I-2117 in November, they won't get the $200 checks. The legislature would simply spend that money on whatever they wanted to in the future.

Both budgets list this as a one-time expenditure. For low-income families, there is no promise that they will be compensated for future costs from the CO2 tax in either budget.

Both budgets stipulate that when sending checks to customers, utilities must "adhere to program communications guidelines provided by the department" of Commerce. Those guidelines have not yet been developed but are reminiscent of last year's decision by the members of the Utilities Commission (and suggested by the Office of the Attorney General) to prohibit utilities from listing the cost of the of the

CO2 tax on customer bills.

When checks go out, some legislators want to make sure the message accompanying those checks is approved by the Inslee Administration.

Although this is the second largest expenditure in the proposed supplemental budget, the summary of “Significant Spending Items” provided by the Senate Ways & Means Committee does not include it. When the House Democrats tweeted out their list of budget highlights, they did not mention the $150 million for the payments, even though it is as large or larger than some of the other expenditures they mentioned.

For such a large expenditure, it is notable that it was not highlighted. The bottom line is there was several suspect provisions associated with sending the checks.

UPDATE: The final budget included $150 million to fund $200 checks for utility customers to be sent by September 15, 2024, less than two months before the election. Unlike previous proposals, all the money will be spent prior to the election.

Wins for Washington in the 2024 session

(*Sample, not intended to be comprehensive)

WPC research inspired and supported Initiative 2111 which led to a long-time WPC recommendation of a ban on state and local income taxes.

Proposal to remove property tax limitations failed.

Statewide rent control proposals failed.

Family leave payroll tax exemption for small business owners was preserved.

WPC provided research and analysis inspiring to and supportive of the Parent’s Bill of Rights which was successfully voted into law.

Regulatory limits were cut for new mental health beds.

Regulatory limits were lifted on recruiting skilled physician assistants to Washington.

WPC provided analysis supporting free speech and free elections, concepts dangerously curbed by HB 2150, a failed bill that sought to take Donald Trump’s name off 2024 state ballots.

WPC’s timely research, publications, and media also informed lawmakers opting to stop the following bills:

- SJR 8207, repeal the taxpayer-protection limit on passing long-term bond debt.
- HB 2030, to let prisoners vote in Washington elections
- HB 2177, to put a sex offender on the Sex Offender Policy Board
- HB 1868, ban small gas motors in outdoor lawn equipment
- HB 6064, effectively ban pets from rental properties
- HB 1893, give state-funded UI benefits to workers on strike
- HB 2276, to impose a tax increase on sale of homes worth $525,000 or more.

Getting serious about the ferry system's finances (again)

BY CHARLES PRESTRUD

DIRECTOR, CENTER FOR TRANSPORTATION

In 2009 the legislature's Joint Transportation Committee published a detailed report that analyzed long-range funding needs for the ferry system. The issues today are very similar, but the situation is now far more dire. The ferry system's 2040 Long Range Plan (adopted 2019) estimated the agency was facing a budget shortfall of nearly seven billion dollars, mostly to meet fleet renewal costs. It is now apparent the actual budget gap is much larger. This is due to rising labor costs, much higher costs for ferry electrification, terminal improvements, and costs for keeping old ferries in service beyond their planned retirement date. These developments highlight the importance of the cost side of the budget equation.

On Valentines Day the House Transportation Committee heard testimony on HB 2497, a bill that would create a work group to evaluate funding requirements for the state ferry system. HB 2497 seems to focus primarily on identifying new revenue sources, which is an important question, but WSF's cost trends have been unsustainable for years. For example, from 2013 through 2022:

- Cost per hour of service increased 47%
- Cost per service mile increased 51%
- Cost per passenger increased 60%

Meanwhile ridership decreased by more than 22%. These unfavorable trends will not be reversed simply by finding new revenue sources. A sustainable financial plan will require reining in WSF's escalating costs and increasing operational efficiency.

The bill asks for preliminary findings of the work group by January of 2025 and a final report with recommendations by June 2026. That's a pretty typical timeline for study of a state agency, but it may not provide answers soon enough. Later this spring WSF is scheduled to receive bids on the hybrid-electric ferry procurement. This follows the failed effort at negotiating a contract with Vigor Industries shipyard. That extended process resulted in a proposal that exceeded the available budget by hundreds of millions of dollars. The ferry procurement represents an investment of well over a billion dollars and it will set a course for WSF for decades to come. If the legislature is determined to get a handle on WSF's finances, it should start with a clear understanding of the long-term implications of the ferry electrification program. HB 2497 can shed light on that question, but unless the timeline can be accelerated the findings may not come in time to inform key decisions.

(This article was abridged from the original.)

Why Paul Guppy is seeking to shift roles

Why did you decide you wanted to transition from Vice President for Research to Senior Researcher?

After 26 years as Vice President, it seemed like a good time to return to more writing and less managing. I started at WPC as a researcher, primarily on tax and budget issues, and since then we have built a great team driven by intellectual curiosity, professionalism, and independent thinking. But the growth meant I spent more and more time overseeing other people's projects and less on my own. WPC has grown in size and influence by over 600%, due to the amazing support of our board and members, to become one of the most prominent state think tanks in the country. Moving to the Senior Researcher position will allow me to spend less time on administrative tasks and more time on research, analysis and commentary. In other words, I will be more directly advancing WPC's mission to promote cutting-edge ideas that benefit everyone living in Washington.

What kinds of issues do you expect to be working on next for WPC?

Like the conductor who claimed he could play every instrument in the orchestra, I sometimes feel like I could be an expert on every issue covered by WPC's seven research Centers. I can't of course, but I will focus on what have always been core areas for WPC – budget reform, reducing the tax burden, cutting harmful regulations, and pushing public officials to work smarter instead of simply throwing more of other people's money at every problem.

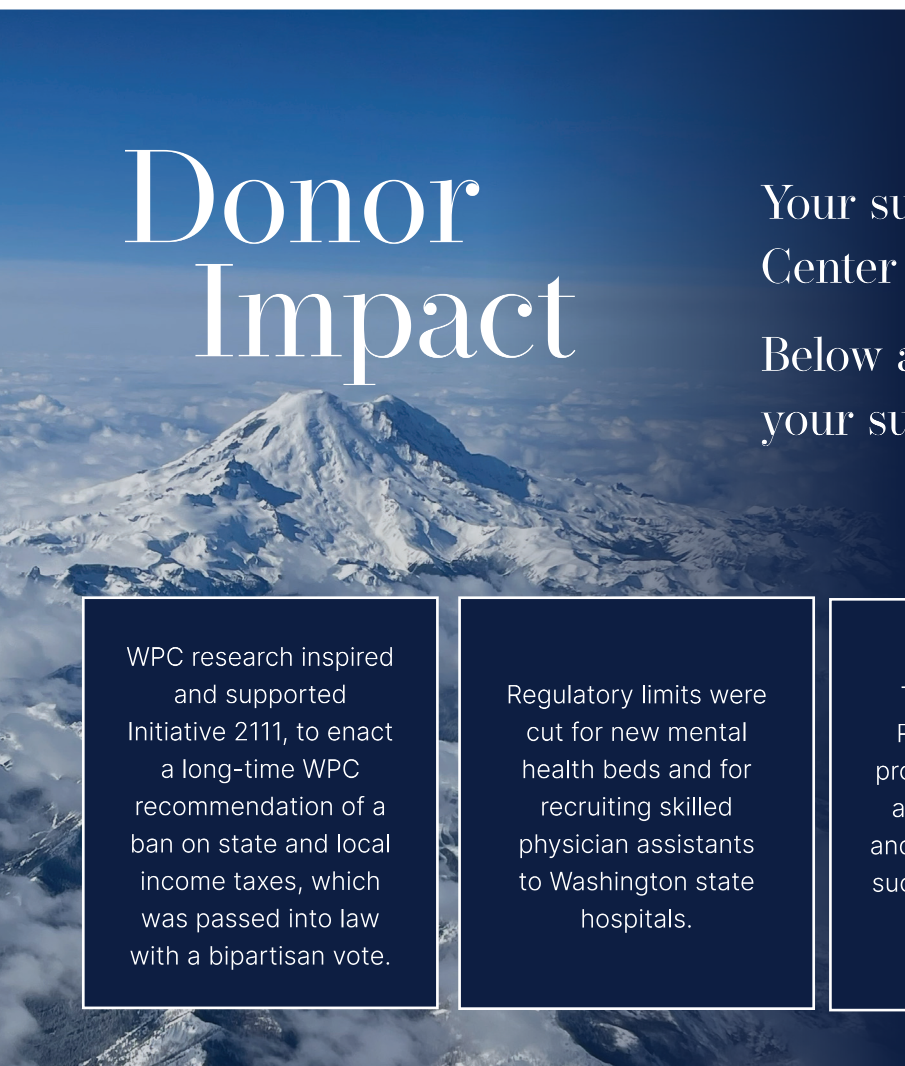
In addition, some new opportunities have opened up for us. We have always defended First Amendment freedoms, but as the Left abandons common values like viewpoint diversity and respect for others we have become a primary champion of these enduring American principles. For example, recently there were bills in Olympia to make it illegal to criticize the outcome of an election, and one barring the name of the Republican presidential candidate from appearing on our state's ballot. Our work helped defeat bills like that and thus protected our democratic rights as citizens. Defending freedom of expression and fighting cancel culture will continue to be a top priority for us.

Who will be taking your place as Vice President for Research and what is the most essential advice you have for him?

Our current Environmental Director Todd Myers is moving up to the V.P. position. Todd is experienced, well-respected and knows the issues. He is more than qualified and will bring an exciting new energy to our work. My top advice is don't be as much of a nosey, kibitzing, interfering, second-guessing, micro-manager as I was.

What are you most proud of when it comes to your tenure as WPC's Vice President for Research?

Professionally I'm most proud of helping build WPC into one of the largest and most respected freedom-oriented think tanks in the country. Standing up to the narrow-mindedness of the radical Left, so their harmful ideas are not imposed on everyone, is well worth the effort. For example, without our research and media work Washington would almost certainly have a state income tax by now. We would have less educational choice for families, fewer job opportunities for young people, and the property tax burden would be much, much higher. Lastly, I'm proud of the daily courage our staff, board and supporters show in the face of what can be very nasty and personal tactics used by the other side. Our opponents often resort to insults and bullying, but we have found that once they see that WPC is not intimidated by name-calling, and that we respond with fact-based arguments and practical, positive ideas, they tend to back off or go strangely silent. Fighting ideological bias and informing good policy decisions that serve the public interest is our greatest accomplishment.



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WPC research inspired and supported Initiative 2111, to enact a long-time WPC recommendation of a ban on state and local income taxes, which was passed into law with a bipartisan vote.

Regulatory limits were cut for new mental health beds and for recruiting skilled physician assistants to Washington state hospitals.

The Parents Bill of Rights, which WPC provided research and analysis inspiring to and supportive of, was successfully voted into law.

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