

Winter Magazine 2018

Washington Wire

At the time of this submission, the November 6th general election was less than two days old with many ballots left to tally, so actual results may differ by press time. That said, early results showed a clear trend that a “Blue Wave” was spreading over Washington indicating democrats would gain seats in both the House and Senate in Olympia, thereby expanding their very small majority status (50 – 48 House, 25 – 24 Senate). At this time it looks like the democrat majorities will expand to 57 – 41 in the House and 27 – 22 in the Senate.

This is tremendously concerning to WOMA members because it will certainly mean the fuel supplier industry will continue to be attacked and face legislation to implement a California-style low carbon fuel tax, 100 percent green energy mandates and increases in the state’s hazardous substance tax, among other harmful measures. Previous years have seen split majorities or narrow majorities held by democrats that has provided us the opportunity to prevent the passage of legislation hostile to our industry. Unfortunately, it does not look like that will be the case in 2019 and we will have our work cut out for us.

Initiative 1631 – Carbon Tax DEFEATED

We are pleased to announce that I-1631 was soundly defeated 56.3% to 43.7%. This was the most critical Initiative on the ballot for us this year. As has been previously reported, WOMA has spent the last several months actively opposing I-1631. Had it passed this initiative would have imposed a tax on carbon at \$15 dollars per metric ton with an estimated 14 cents per gallon impact at inception. It would then increase \$2 dollars per year thereafter plus the rate of inflation with no end point. The billions of dollars it was projected to generate had no clear direction for how the money would be spent and expenditure decisions would have been made by an unelected board comprised largely of the environmental, social service and tribal groups responsible for putting the initiative on the ballot. Following defeat, initiative supporters went on record saying they would pressure the expanded democrat majority to pursue legislation to impose a carbon tax during the 2019 legislative session. Stay tuned!

U.S. Supreme Court Hears Tribal Fuel Tax Case

On October 30, 2018 the U.S. Supreme Court heard *Washington State Department of Licensing, Petitioner v. Cougar Den, Inc.* In *Cougar Den* the Washington State Supreme Court held the 1855 treaty between the federal government and the Yakama Indian Nation, providing the tribe the freedom to travel the roads and highways of the United States, exempted the tribe from the imposition of the state motor vehicle fuel tax as a part of using roads and highways to engage in commercial activity (in this case, the importation and sale of tax free fuel).

This case has tremendous implications across the country in that the decision under appeal would appear to not only include the taxation of fuel but the taxation of any commodity sold by tribes having this treaty right, even when there is no connection between the tax being imposed and the use of road and highway infrastructure. WOMA joined the case as an amicus (friend of the court) along with fourteen other states and the federal government. It has been reported that oral arguments were felt to have gone well before the Court and we are cautiously optimistic to get a favorable result in the coming months.

There were also three other major statewide initiatives on the ballot this year:

049 evitaitinI • (Passed) makes it easier to prosecute law enforcement for improper use of force. The legislature passed and then immediately amended this initiative during the legislative session, however, the courts found this illegal and sent the initiative to the ballot. With this initiative passing, it is expected that

the legislature will again amend the initiative in the next legislative session.

4361 Initiative • (Passed) preempts local governments from imposing a tax on soda and other grocery items. The soda industry spent \$20 million to pass this initiative.

9361 Initiative • (Passed) puts new restrictions on the purchase of semiautomatic rifles, requires additional safes for gun owners in homes, and makes it concerning for citizens as you can be charged with a felony if someone else uses your gun in a crime resulting in harm or death. This is scary, as it would be like someone drinking and driving YOUR car, hitting and killing someone – and you spending time in jail because it was your car. Gun control advocates spent more than \$5 million to pass this initiative. Expect to see this one challenged in a court as well.

Here is a summary of the results in key races (*denotes incumbent), **bolded** is assumed winner and *italicized* is leader, but too close to call:

STATEWIDE INITIATIVES

Initiative 940 (Police use of force)

Yes – 59.22% No – 40.78%

Initiative 1631 (Carbon Tax)

Yes – 43.70% **No – 56.10%**

Initiative 1634 (Ban on Grocery Tax)

Yes – 54.77% No – 45.23%

Initiative 1639 (Gun Control)

Yes – 60.38% No – 39.62%

FEDERAL RACES – With the exception of the Rossi v. Schrier race in the 8th District, all of our Congressional players won their elections, so no new players for us in Washington, DC. Over \$30M was spent on the District 8 race, and the Democrats outspending the Republican Camp 2:1. It was a race the Democrats wanted and they bought it. Dr. Kim Schrier is a pediatrician turned candidate that campaigned heavily on health care reform and prescription drug cost reduction. While WOMA would have preferred Dino Rossi serving us in Congress, and it make the most sense, voters chose to have a fresh voice, a doctor, and a female in DC. Let's see how DC tarnishes up this bright copper penny.

U.S. SENATE

Maria Cantwell* (D) – 58.63% Susan Hutchison (R) – 41.37%

CD 03

Jaime Herrera Beutler (R) – 52.25%* Carolyn Long (D) – 47.75%

CD 05

Cathy McMorris Rodgers* (R) – 55.95% Lisa Brown (D) – 44.05%

CD 08

Dino Rossi (R) – 47.00% **Kim Schrier (D) – 53.00%**

WOMA's Holiday Party was held on December 6th at the Hyatt Regency in Renton, WA this year. We hope everyone turned out for this event!