



## Keep Washington Competitive Newsletter

**February 2015**

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*The 2015 legislative session continues with activity on topics of interest to our membership. Included below you'll find information and links to news on a variety of topics related to Keep Washington Competitive. You are invited to circulate this update to your membership so they can stay informed. Have a news item, event or feedback to share? Please contact us at [info@keepwashingtoncompetitive.com](mailto:info@keepwashingtoncompetitive.com).*

### **Competitiveness**

[The Hill](#) this week published an op-ed by Kris Johnson, president of the Association of Washington Business, that discusses the importance of keeping trade viable in Washington in the midst of increasing environmental regulations. With the Department of Energy set to begin its Quadrennial Energy Review in the coming weeks, Johnson writes in part:



As Energy Secretary Ernest Moniz rolls out the first phase of the administration's comprehensive strategy for modernizing the nation's energy infrastructure in a couple of weeks, it's imperative the administration consider the concerns of different regions of the country when making critical, long-term recommendations. In Washington state, 40 percent of all jobs are linked to trade-related industries that are dependent on a well-integrated network of transportation infrastructure that supports not only interregional connections, but international ones as well."

[The Spokesman-Review](#) editorial staff highlights the critical need to expand trade infrastructure in Washington and eliminate transportation bottlenecks in the Puget Sound region: *"The West Coast port dispute has apparently ended; relieving congestion on Puget Sound docks will be but one of the challenges ahead for Washington's trade-dependent economy....By a conservative estimate, 40 percent of jobs in Washington depend on trade. If you can't move goods, you can't trade. Ask the farmers who lost millions in sales because they could not get trees, apples and hay off the docks.... Washington thrives in a robust trading environment. By year-end, we need action in Olympia and Washington, D.C., that*

assures we have one." Read the piece [here](#).

An op-ed by John Fluke published today in the [Puget Sound Business Journal](#) discussed the critical role trade plays in Washington's economy, and reads in part: *"The Greater Seattle Region Global Trade and Investment Plan aims to implement an actionable strategy to increase foreign direct investment and export capacity – the heart of any trade system. And the truth is that this plan could not come at a better time. Washington is the most trade-dependent state in the nation and we must continue to expand export capacity and encourage international market connections if we wish to grow and prosper as a global trade leader."* Read more [here](#).

Don Brunell, former president of the Association of Washington Business, focused [his syndicated column for The Columbian](#) on the decreasing rates of entrepreneurship in the U.S., citing burdensome taxes and stringent regulatory environment as contributing to the decline. For the first time in American history, entrepreneurship is in decline. Brunell writes: *"According to the U.S. Census Bureau, businesses are dying faster than they're being formed. Each year, 400,000 new businesses start up nationwide; 470,000 close their doors. Gallup reports that in the 1980s, business startups outpaced business failures by about 100,000 per year, a trend that continued until the 2008 recession. Now, after six years of sluggish economic recovery, the entrepreneurial death rate in the U.S. is outpacing its birth rate. In fact, the U.S. now ranks 12th among developed nations in terms of business startups, behind nations such as Hungary and New Zealand. This matters because small and medium-sized businesses create two-thirds of the 100 million jobs in our nation."*

[The Everett Herald](#) editorial staff discussed a new effort focusing on common priorities for Washington state as a way of boosting regional economic health. [Opportunity Washington](#) is a joint effort of the Washington Alliance for a Competitive Economy, whose membership includes the Association of Washington Business, Washington Roundtable and Economic Alliance Snohomish County. The report includes streamlining regulations as one of its priority recommendations for the state. The editorial concludes: *"There will be disagreements in the details, especially regarding ...how to fund necessary transportation improvements, how to fairly reform our tax system and how to rewrite regulations that protect the things we value while not swamping business. But reaching agreement on those tasks starts with finding common ground in our goals to achieve, connect and employ."* Read the piece [here](#).

### **Gov. Inslee's Cap-and-Trade Proposal**

Earlier this month the House Environment Committee heard testimony on and passed Gov. Inslee's cap-and-trade emissions proposal. The Mid-Columbia Voice published an op-ed by Brad Peck, Chair of the Franklin County Board of Commissioners, discussing the proposal and its potential to diminish Washington's economy and competitiveness. Peck writes:



*"Increased transportation costs are particularly harmful to Eastern Washington agricultural interests whose competitiveness relies heavily on reliable, affordable movement of high-value*

*products to regional and international markets. What hangs in the balance are jobs — especially Washington jobs."* Read more [here](#)

[Washington State Wire](#) reports on a study released by the Washington Climate Collaborative that suggests the proposal will hurt the economy and cost jobs: "A new study ... finds that it will gradually drive up the price of every major energy source in Washington state... and cost the state an average of 56,000 jobs annually through 2035. ...Over the next 20 years, **the study forecasts** 9 percent increases in the price of gasoline and diesel, to \$4.49 per gallon of gasoline by 2035, and \$5.48 per gallon of diesel."

[The Seattle Times](#) also covered the issue: "While Inslee and Democrats have focused on "corporate polluters" as targets of the cap-and-trade plan, the main campuses of the UW and WSU also would fall under Inslee's climate proposal. That means they'd have to buy new pollution permits just like the state's oil refineries, fuel distributors and other top sources of carbon emissions, if the governor's proposal is enacted."

[The Columbian](#) reports that Rep. Liz Pike (R-Camas) is one of several Republican lawmakers to express her opposition: " 'I'm just furious. ... He's identified polluters, and I call them enterprising job creators for Washington's working families,' Pike said."

[The Bellingham Herald](#) reports that Senate Republicans, led by Sen. Doug Ericksen, Chair of the Energy, Environment and Telecommunications Committee, announced their own package aimed at lowering carbon emissions "without the heavy hand of the regulatory environment being the one that drives it."

*Keep Washington Competitive is a coalition of business, labor, agriculture, and trade organizations and leaders, joined together to promote bi-lateral trade growth in Washington State through sound state policies.*

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