



June 17, 2020

Dear Governor Inslee, Majority Leader Billig, and Speaker Jenkins,

We have never been faced with a crisis of this magnitude in any of our lifetimes. The COVID-19 pandemic has already cost the lives of hundreds of Washingtonians and is continuing to climb every day. Over half a million are now unemployed. With the predictions of a second wave of infections later this year alongside the usual flu epidemic, and no vaccine on the horizon, we are only at the beginning of an increasingly desperate moment in history.

We, the undersigned, write to you in urgency asking for your support of new progressive revenue to support our state's families, communities, and small businesses in this unprecedented time of need. We represent organized labor, refugee and immigrant advocates, women's rights organizations, direct-service providers, and more. If ever there was a time to act boldly and write a new deal for Washington's short-term and long-term recovery and resiliency, it is now.

While thousands of lives have been saved due to the early actions taken, we know that our state now faces the beginnings of a budget crisis unlike any seen in recent history. Unfortunately, the largest tax cuts in recent years have been to the top income tax rate, which disproportionately benefits the highest-income households while middle- and low-income taxpayers feel tremendous losses in areas such as childcare, public education, and healthcare. Additionally, we know that the families who have been hardest hit by the COVID-19 crisis are those furthest from opportunity: immigrant families, families of color, and families living on low incomes.

Unfortunately, our state's over-reliance on the sales tax has exacerbated this crisis compared to other states. Washington's upside down tax system means Jeff Bezos can reap extra billions from e-commerce during this crisis while millions of families across Washington suffer. This suffering will only be compounded if lawmakers do not take swift action to raise new, progressive revenue and stave off devastating cuts to essential services and programs. But more so, this is an opportunity to make a historic shift in how our state approaches revenue, a shift to make our tax system equitable and just, formidable to economic downturns, and responsive to a 21st century economy where traditional revenue streams are changing.



As you work to build a path to recovery, we request that you prioritize new, progressive revenue and work to build a more just state economy. Further, we ask that you and your colleagues utilize the principles below to guide your decision making as our state navigates this crisis. We are eager to be your partners in the hard work ahead, and we stand ready to support solutions that embody the following principles:

1. **Reject an austerity mindset:** Raise revenue to protect services and make critical investments. Even in this time of economic crisis, our state is home to individuals with massive wealth and hugely profitable businesses. We have the resources to preserve essential public services while also making new investments that boost Washington's economic recovery and mitigate impacts on those most impacted by COVID-19. Making budget cuts that eliminate jobs and reduce essential support services for vulnerable people will only deepen and prolong our economic crisis. Ensuring we have revenue to fund the public services that benefit us all will require adopting sustainable and equitable new funding sources. It's time to eliminate wasteful tax breaks for large corporations and impose new taxes on the richest households who have long been given a special deal at the expense of people with low and middle incomes.
2. **Make permanent fixes to underlying structural failures by modernizing our state tax code:** The pandemic has surfaced and elevated the ways in which our state systems were structured to benefit certain groups while disadvantaging others even before the public health crisis began. Gaps in wealth, opportunity, and prosperity are getting worse. We cannot afford to go back to the status quo of regressive and inequitable systems. Lawmakers must make bold, permanent structural changes – particularly to our broken tax code that over-relies on low- and middle-income households to fund the investments that benefit us all. Big, visionary solutions – not short-term, incremental changes – are the only way to advance an equitable recovery and to prepare our state for future crises.
3. **Lead with equity:** The current health and economic crisis has exacerbated inequities in our state created by past and persistent policy and budget decisions. The recovery efforts must center communities experiencing the greatest health and economic impacts. That includes people with low incomes, immigrants, undocumented workers, communities of color, tribal nations, people with disabilities, rural communities, young workers, older adults, women, domestic violence survivors, and trans and nonbinary people. Many impacted communities are already working in innovative and resourceful



ways to meet community needs. We need policymakers to include them in decision-making processes and prioritize resources to these communities first. Without an inclusive and intentional response, the current health and economic crisis will only continue to compound existing inequities.

4. **Provide immediate, impactful, and sustained relief in the form of direct cash assistance and bolstering public services:** Hundreds of thousands of Washingtonians have been severely impacted by sudden job loss, income reductions, the loss of employer-sponsored health coverage, and other forms of financial devastation. Many who were already struggling to make ends meet before the pandemic's onset face the increasingly profound challenges of paying for housing, putting food on the table, and meeting other basic needs. To prevent the economic downturn from being deeper and longer than necessary, leaders must deliver immediate, direct, and sustained relief to Washingtonians most in need, including direct cash assistance. In many cases, this will require thinking beyond our existing services and systems. Lawmakers can't simply focus on delaying hardship for the short-term, but instead they must truly position all Washingtonians to thrive over the long-term.

5. **Implement policy responses rooted in trust and dignity, not paternalism:** As Washingtonians turn to public resources for critical financial support, they're encountering the many barriers that have been built into our anti-poverty policies and programs for decades. Strict eligibility and work requirements, onerous application processes and reauthorizations, and a lack of information in languages other than English perpetuate inequities and restrict access to vital support, especially for communities of color and immigrant communities. Because our safety net is only effective if communities can access it, Washington state's policy response must prioritize implementation that is primarily automatic, low-barrier, and inclusive. The same is true for community and nonprofit organizations, tribal nations, and small businesses that are also seeking support – relief to these entities need to be accessible and free from red tape.

We stand ready as individuals, organizations, and coalitions to aid you in this work to support all Washingtonians. Together, we've got this.



SIGNED:

350 Seattle
Adriana Senior Housing Residents
AFT Washington
All In For Washington
Alliance for a Healthy Washington
Anti-Hunger & Nutrition Coalition
Balance Our Tax Code Coalition
Catholic Community Services of Western WA
Coalition of Immigrants, Refugees and Communities of Color
Communities of Concern Commission
Economic Opportunity Institute
Faith Action Network
Firelands Workers Action
Food Lifeline
Fuse WA
Islamic Civic Engagement Project
League of Women Voters of WA
Legal Voice
MomsRising
Multicultural Community Coalition
NAMI Washington
NARAL Pro-Choice Washington
National Association of Social Workers -- WA Chapter
North Sound ACH
Northaven
Northwest Harvest
Northwest Health Law Advocates
Northwest Progressive Institute
Our Climate
Partners for Our Children
Planned Parenthood Advocates of Greater Washington and North Idaho
Planned Parenthood Mt. Baker

Planned Parenthood Votes Northwest and Hawaii
PolyRev
Progress Alliance of Washington
Rainier Valley Greenways Safe Streets
Retired Public Employees Council of WA
Seattle/King County Coalition on Homelessness
Sierra Club Washington State Chapter
State Innovation Exchange Action
Statewide Poverty Action Network
Tech4Recovery
The Arc of Washington State
The Auburn Food Bank
University District Food Bank
Washington Association for the Education of Young Children
Washington Community Action Network
Washington Low Income Housing Alliance
Washington Physicians for Social Responsibility (WPSR)
Washington State Association of Head Start and ECEAP
Washington State Budget & Policy Center
Washington State Labor Council, AFL-CIO
Washington State Parent Ambassadors
Washington State Senior Citizen's Lobby
Washington's Paramount Duty
West Consulting
Worldbridgers
YouthCare