

JAY INSLEE
Governor



STATE OF WASHINGTON
Office of the Governor

January 16, 2014

The Honorable Mark Schoesler
Washington State Senate
P.O. Box 40409
Olympia, WA 98504-0409

The Honorable Rodney Tom
Washington State Senate
P.O. Box 40448
Olympia, WA 98504-0448

The Honorable Curtis King
Washington State Senate
P.O. Box 40414
Olympia, WA 98504-0414

The Honorable Joe Fain
Washington State Senate
P.O. Box 40447
Olympia, WA 98504-0447

Dear Senators Schoesler, Tom, King, and Fain:

I believe that a transportation investment package is unfinished business for our state, and we simply need to get it done this session.

I'm encouraged by the tremendous leadership that has already advanced this issue. I'm encouraged by the legislators who participated in negotiations late last year. I'm encouraged by the broader coalition of business, labor, environmental groups and local governments who are continuing to advance the conversation as a unified voice of support. And I'm encouraged by everyday citizens — the thousands who took time out of their day to make their voice heard in numerous transportation forums, hearings and surveys across the state last year, including the Senate's summer listening tour.

It's clear that both the need and the demand for new investment in our transportation infrastructure are at an all-time high. We know why we need to get a package across the finish line as soon as possible. Fundamentally, this is about safety, jobs, traffic relief and accountability.

As you know, I pushed hard to get a bipartisan compromise during recent transportation negotiations. Although substantial progress was made, it became clear to everyone involved that this phase of the process had run its course and the next step was to continue the dialogue in the legislative process.

The good news is the House has already passed a package and the MCC has drafted bills and held a work session for a proposal it released in November. I see no reason why we can't pick up from where we left off. I ask that the Senate negotiate a package among both caucuses that can garner a majority of votes in your chamber. When you develop such a proposal, I commit to

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working with you to find the needed votes on a package acceptable to both chambers. I would not expect you to pass a package on the Senate floor before having assurances the package could win sufficient House votes. I believe this path offers our best chance of success, and I stand ready to work with you.

Senator King, you have publicly called on me to “come clean” about my plans for a “carbon fuel tax.” I’d like to clearly address this issue. First, I have never proposed, nor discussed proposing, a “carbon fuel tax.” I have discussed a low carbon fuel standard as a mechanism to develop cleaner fuels for our state. There is no element of a clean fuels standard that could in any way be called a “tax.” That you choose to call it a tax suggests that this effort is more about fear-mongering or excuses for inaction than an actual discussion of the costs of reducing pollution from our transportation system. That you have cited hypothetical costs in excess of one dollar per gallon reinforces my impression that this is about politics and not substance.

Here are the facts: a clean fuels standard (or “low carbon fuel standard”) would require the fuel industry to reduce the overall carbon pollution in transportation fuels, gradually over time, through a variety of possible means including blending biofuels into gasoline or diesel, supplying cleaner gasoline or diesel, more use of natural gas or electricity to power motor vehicles, and other options. The standard would include cost containment measures to ensure that fuel prices are not significantly affected.

In the Climate Legislative and Executive Workgroup, we have discussed a suite of measures that could meet our carbon pollution reduction goals. I believe that, if constructed well, a clean fuels standard could be one such measure. I have stated this belief many times, and a well-designed, economically sound clean fuels standard should remain under consideration. But nowhere does there exist a proposal from my Administration for how such a standard would be designed. Be assured that any such proposal from me would include strong cost-containment measures, and would learn from and improve upon the experience of other states. Therefore, without the existence of such a proposal, I don’t understand your contention that “my proposal” will cost anything, let alone in excess of a dollar per gallon. What’s more, studies show that a properly constructed, clean fuel standard could actually save money at the pump.

If anyone tells you my proposal will cost money, or save money, they are not telling you the truth. No such assumptions can be made regarding a proposal that doesn’t exist, and I can assure you that no proposal from me that adds significant costs at the pump will ever materialize. I will ensure this by demanding real cost-containment measures and a thorough and very public analysis of all costs and benefits associated with any clean fuels proposal before moving forward.

That you say I have to “come clean” implies I have in some way been hiding my intentions. This is offensive and untrue. Anyone that knows me knows that I am interested in effective ways to combat carbon pollution, including cleaning up our fuels. If in the future you have questions about my intentions, I suggest you ask me.

Finally, I have to express disappointment that in the months we have spent together in transportation negotiations, never once did any of you bring this up to me as a concern. To do so

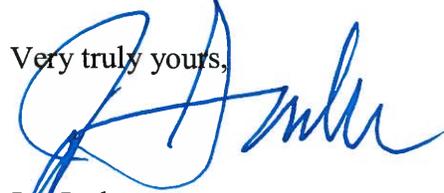
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now, with such disregard for the facts and at such a critical moment in transportation discussions, causes me great concern.

You have each spent considerable time and energy on transportation these past several months. Let us rededicate our joint efforts and focus on the real goal of providing our state with the transportation infrastructure it so desperately needs. Our goal in this process cannot be to get all of what we each might want, but instead to get what the state needs. If we follow this principle, I know we can succeed.

Very truly yours,



Jay Inslee
Governor

cc: Senator Sharon Nelson
Senator David Frockt
Senator Tracey Eide
Senator Steve Hobbs
Speaker Frank Chopp
Representative Dan Kristiansen
Representative Pat Sullivan
Representative Judy Clibborn
Representative Ed Orcutt
Representative Marko Liias