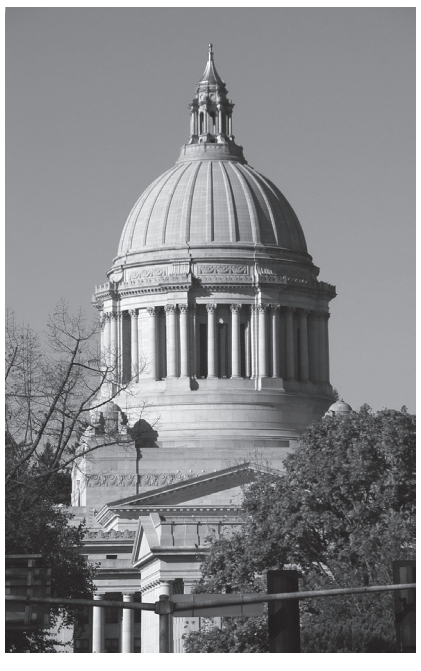
REPRESENTATIVE
DAN KRISTIANSEN
2010 LEGISLATIVE REVIEW • 39TH LEGISLATIVE DISTRICT

The Tax List – I voted NO!

Here's the list of increased taxes approved by the House and Senate majority party. Although **all Republicans and even some Democrats voted no**, the tax package (Senate Bill 6143) passed and was signed into law. Go online to see who voted for/against it: **http://apps.leg.wa.gov/billinfo/summary.aspx?bill=6143**.



TAX INCREASES (dollars are in millions)	Next year	2011-2013
A 0.30% increase in the B&O tax on all services, except hospitals and scientific R&D =	$241.9	$483.1
B&O tax increase on direct sellers =	$155	$199.4
Cigarettes ($1 per pack) and other tobacco products =	$101.4	$197.8
B&O tax on economic income =	$84.7	$407.3
50-cent per gallon (28 cents per six pack) beer tax =	$59	$118
Sales tax on bottled water =	$32.6	$69.2
2 cent per 12-ounce soda tax =	$33.5	$72.4
Sales tax on candy/gum =	$30.5	$62.4
Taxes on business structure transactions =	$8.5	$30.4
B&O tax on property management salaries =	$6.9	$14.8
B&O increase on certain canned meat (Spam) products =	$4.1	$8.8
B&O tax increase on mortgages =	$3.6	$7.9
B&O tax increase on corporate officer salaries =	$2.1	$4.6
Tax increase on bad debts =	$1.7	$4.1
Tax increase on livestock nutrient management (manure) =	$1.3	$2.8
Tax increase on PUD electric bills =	$1.2	$2.2
Personal liability for tax debts =	$1.1	$2
Additional lottery marketing =	$15	--
Convention center tax payment (Seattle) =	$10	--
TAX INCREASES (dollars are in millions) TOTAL =	794.1	$1,687.2

➤ **Read about our fight to reform state government, create jobs and protect citizens against these tax increases – SEE INSIDE!**

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See Inside:

- Budget and Taxes: I-960 - Defending taxpayers
- Why I voted against tax increases
- Made in Washington: A plan to create jobs and solve the budget crisis
- Using the experience of retired firefighters

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May 2010

Dear friends,

After a 60-day regular session and 30 days in a special session, the Legislature finally adjourned April 13. Both legislative sessions were dominated by the state operating budget, which faced a $2.8 billion shortfall. Two different approaches emerged to solve this problem.

The first proposal focused on raising taxes, relying on federal dollars and transferring state funds dedicated to other purposes. The second solution, which I supported, sought to provide fiscal responsibility by restructuring state government, reforming the budget process, and generating long-term revenue by helping employers create jobs in the private sector. Unfortunately, the first approach was chosen.

I'm very concerned **that tax increases will further damage our local business climate, hurt families and prolong the economic recession. That's why I'm fighting to PROTECT PRIVATE-SECTOR JOBS.**

I invite you to **open this newsletter** and read the details of our **"Made in Washington" jobs plan**, the reason we felt this plan and restructuring the state budget would be the better approach for our state, how we fought for taxpayers by defending Initiative 960, and how **I'm continuing to stand up for YOUR interests in Olympia.**

It's my great honor to serve you. Please contact my office anytime you have questions, comments or suggestions about state government.

Sincerely,

Rep. Dan Kristiansen

Join me for a telephone town hall meeting!

Mark your calendar for May 13 and let's spend the hour in a telephone "community conversation" talking about the issues you care about. My telephone town hall is conducted much like a radio call-in talk show. You can talk to me by pressing Star 3 (*3) on your telephone keypad. Call in from your home on Thursday, May 13, from 6:50 p.m. to 7:50 p.m. Here's the phone number: 1-877-229-8493 • PIN number 15786
I look forward to hearing from you!

REPRESENTATIVE DAN KRISTIANSEN

2010 LEGISLATIVE REVIEW • 39TH LEGISLATIVE DISTRICT

Budget and taxes

Defending I-960 — Fighting for taxpayers

More than 8,400 people in the 39th Legislative District are collecting unemployment checks and looking for work. That's more than any other legislative district in the state. Raising taxes in this recession when people have lost their jobs, families are struggling to pay their bills, and employers have cut back workers and hours just to stay afloat, is a bad idea.

We shouldn't ask people who are unemployed and others who are barely getting by to pay more because of the Legislature's bad overspending habits. That's why my House Republican colleagues and **I fought for 10 hours on the House floor against suspension of Initiative 960,** because it protected taxpayers from the Legislature's old tax-and-spend habits. Plus, it was the people's will to hold the Legislature accountable in its budgeting and spending practices.

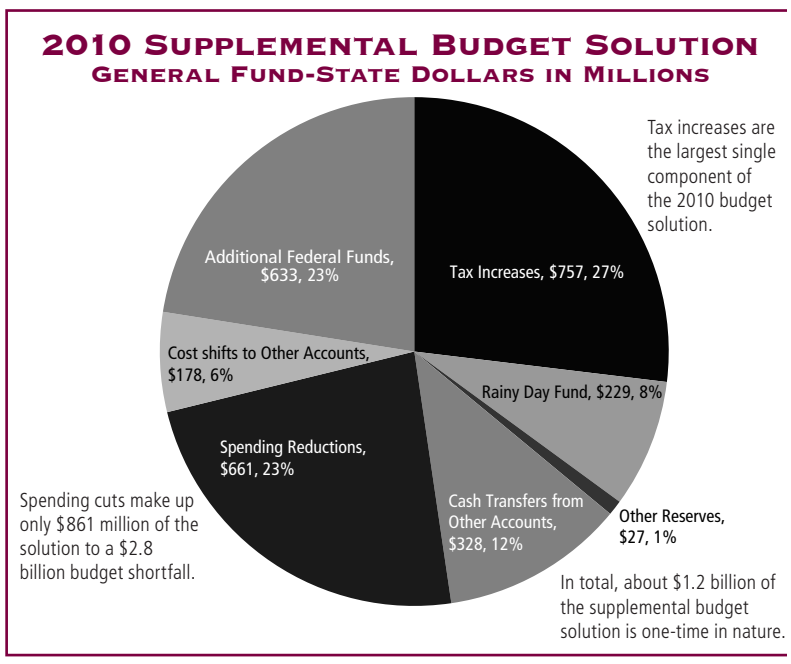
Unfortunately, **the majority party voted to sweep the initiative out of its way so that taxes could be raised.**

Overspending causes budget crisis

Three years ago, Washington had **a budget surplus of nearly $2 billion.** The reason for this year's $2.8 billion shortfall is that **state government continued to spend more money than it brought in.** While incoming revenues were increasing by 6 percent, the Legislature was spending 14.7 percent, more than double the intake. That's largely what got the state into this budget mess. **We don't have a revenue problem – we have a SPENDING problem.**

Record Tax Increases – I voted 'NO!'

The final supplemental operating budget closes the shortfall using a combination of reductions, one-time federal money (yet to be approved by Congress), and nearly $800 million in tax increases per year.



On the other side of this newsletter is the full list of tax increases. I included them to show you the impact they will have on employers, jobs and the middle class. **I voted against the tax increases because I believe they will hurt families and prolong the economic recession. Instead of tax hikes, the Legislature should have focused on JOB CREATION and reforming state government with spending prioritized to focus on education, public safety and protection of vulnerable citizens.**

I'm also concerned that little was done to reform state spending. With all the talk about making big cuts, **the final budget only decreases spending by less than 1 percent from last year's budget**. It also relies heavily on one-time money for ongoing programs and drains the rainy-day fund. That means **next year, we may see a multi-billion deficit** without federal money or a savings safety net to cover it.

Public safety

Putting retired firefighters' experience to work

Many rural fire districts like ours rely on volunteers and could use the **experience of someone who has retired from a life-long career of firefighting.** Unfortunately, state law has prohibited retired firefighters who have been collecting a pension from volunteering their services. Soon that will be changing under a bill I sponsored that was signed into law.

Under HB 2823, retired firefighters who are at least age 65 and have been collecting a pension for at least three months would be permitted to resume volunteer firefighting.

It seems pretty basic to be allowed to volunteer to help your community and your neighbors. This legislation opens the door so communities can benefit from the vast experience of retired firefighters.

Rep. Dan Kristiansen speaks in favor of the retired firefighter measure (House Bill 2823) on the House floor.

Rep. Dan Kristiansen addresses parents and children in the rotunda of the Washington State Capitol.

Made in Washington jobs plan:

The way we should have addressed the budget

Washington has the highest unemployment in more than two decades. Between February 2008 to October 2009, 8,200 government jobs were added, but **170,400 private sector jobs were lost! We should have addressed our state's budget crisis by adopting legislation that would put people back to work in the private sector**. When people are working, they are less dependent on government assistance, and they have more income to spend, which in turn provides revenue for state government. Tax increases have the opposite effect, stifling job growth and making people more dependent on government.

Before the Legislature convened in January, I took the lead on promoting a package of bills that would revitalize our economy and spur job growth. We called it the **"Made in Washington"** jobs plan. Our legislation sought **to reduce the cost of doing business in Washington** so that employers would be able to retain existing jobs and hire once again.

Our plan proposed to:

- Reform the state-run **workers' compensation** insurance system to cut costs while still offering the benefits injured workers expect: (HB 2879 - no public hearing).
- Protect employers from sharp **unemployment insurance** rate increases: (HB 2920 - no public hearing).
- Give employers two business days to correct mistakes before an agency issues a fine or penalty: (HB 2603 - **signed into law**).
- Require new state **agency rules be reviewed** by the Legislature before being adopted: (HB 2502 - no public hearing).
- Increase affordable, renewable energy supplies: (HB 2432, HJR 4215 – no public hearing).
- Protect workers' **health care** with reforms that reduce costs and protect consumer choice: (HB 1868 - no public hearing).
- **Allow consumers to choose health insurance plans** across state lines: (HB 1871 - no public hearing).
- Create an affordable core benefit plan for young adults ages 19 to 34, our largest group of uninsured Washingtonians: (HB 1866 - no public hearing).

I believe these great, time-tested ideas would help our state. Unfortunately, **the Democrat majority rejected all but one of our solutions and immediately put their focus into raising taxes.** I will continue to fight for jobs in Washington to help our families have a better quality of life. Read more about the Made in Washington plan online at: www.houserepublicans.wa.gov/our-solutions/made-in-washington.

Want more information?

To get more information about legislative issues, visit our Washington House Republican Web site at: **www.houserepublicans.wa.gov**. If you want more information about bills specific to the topics covered in this newsletter or other legislation, go to the Legislature's Web site at: **www.leg.wa.gov**.

Please call, e-mail or write me!

As always, I welcome your questions, comments and suggestions about state government. Here's some helpful contact information for you.

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