



More than twenty years ago, Eastside business leaders formed the East King Chambers Coalition to advocate for pro growth policies in Olympia. The Coalition brings together eleven Eastside chambers of commerce representing over 3,000 companies. The coalition enables these employers to speak with a unified voice on key legislative issues and brings elected and business leaders together through various events and advocacy efforts.

## 2021 Session Position

# BUDGET AND TAXES



The business community, especially small, locally owned businesses, have been severely impacted by the Covid-19 crisis. Many are teetering on the verge of failure. New or higher taxes will generate business failures and be an impediment to the recovery of those that survive, reduce re-hiring, and damage the families of wage earners. The state should take steps to aid the recovery of our locally owned businesses. Aiding the survival of local businesses will prime the pump for future state revenue health.

The East King Chambers Coalition requests the Legislature:



### Fund State General Government Operations with Only Existing Revenue Sources

Our local businesses are being forced to make hard choices and reduce wages, lay-off employees, cut costs wherever possible, and defer plans to survive. We ask the Legislature to recognize that increasing burdens on businesses will result in additional closures and reduced revenue collections.



### Not Raise Unemployment Insurance Premiums

The economic impact of the COVID-19 pandemic has resulted in increased demand on the state's unemployment insurance program run by the Employment Security Department. Unfortunately, the Department fell victim to widespread fraud, resulting in the payment of hundreds of millions of dollars in fraudulent unemployment compensation claims. Do not burden the business community with increased premiums to correct systemic fraud.



### Resist Raising Taxes to Fund General Government Operations

As businesses struggle to survive and cut costs, do not add another burden to businesses or cities (who may in turn need to pass those burdens on the businesses). Many businesses are sole proprietors or small, family businesses. Higher taxes or new taxes, especially an income tax, sales tax, or a capital gains tax, will be another expense, a barrier to survival, and a threat to economic recovery. Higher or new taxes will lead to more business failures.



### Act Quickly

Every day the Legislature delays in amending the current budget to fit our economic reality, will lead to even larger cuts in the future. As with other western states, the Legislature should meet immediately in Special Session.

