

# Inslee to propose Washington carbon tax

## Governor sees twin benefits

By DON JENKINS  
Capital Press

OLYMPIA — Washington Gov. Jay Inslee presented a budget Thursday that relies on a two-year \$1.5 billion carbon tax to expedite and sustain higher teacher salaries ordered by the state Supreme Court.

Inslee, speaking at a press conference, said putting a price on greenhouse gases will help K-12 education and respond to climate change.

Washington “is being ravaged by climate change. We saw the ash on the hood of our cars this summer,” said Inslee, referring to smoke from wildfires that blew over Puget Sound. “We need to act, and



Don Jenkins/Capital Press  
Washington Gov. Jay Inslee says a carbon tax would help fund education and curb climate change.

this is one way of doing it, at the same time we fill this educational mandate.”

The budget proposal will

go to the 2018 Legislature and would amend a two-year \$43.7 billion spending plan that lawmakers passed

in June. Inslee’s plan would increase the budget to \$44.6 billion.

Some \$950 million would go to increase pay for public school employees. The budget passed in June provided for the pay increases beginning with the 2019-20 school year, but the Supreme Court ordered lawmakers to raise salaries a year sooner.

A carbon tax would not be needed to balance the current budget. But the revenue would be needed to maintain the salaries and restore a reserve fund tapped to expedite the pay hikes.

The Legislature has not acted on previous carbon-tax proposals from Inslee, who has made climate change his signature issue. The Washington Farm Bureau’s policies include opposition to any

carbon tax, which would presumably increase the cost of fuel and other manufactured goods, such as fertilizer.

Inslee said he will propose what he called a “carbon pricing plan” in January, but declined to reveal specifics Thursday.

“We’re going to have all of these details for you in January,” Inslee said. “We are still working on some of the details of the proposal”

Senate Republican Leader Mark Schoesler, R-Ritzville, said he was concerned about Inslee’s proposal to tap the reserve fund.

“I also worry the governor’s as-yet-unveiled ‘carbon pricing plan’ would affect family jobs in Washington. If he can’t explain the difference between a carbon tax and a carbon pricing plan, then it’s

a tax. It is an energy tax,” Schoesler said in a written statement.

Democrats regained control of the Senate in a special election in November. Democrats have been in control of the House during Inslee’s administration but have not passed a carbon tax.

Inslee focused on funding education when he talked Tuesday about the carbon tax. “It also skins another cat, which is to fight climate change,” he said.

Under the plan approved by lawmakers earlier this year, base teacher salaries were to be increased from \$36,521 to \$59,333 in 2018-19 and then \$65,385 in 2018-19. The Supreme Court wasn’t satisfied and ordered lawmakers to boost pay to the higher level by next school year.

## Washington AG: State not overreacting to culvert order

### Case put on Jan. 5 conference calendar

By DON JENKINS  
Capital Press

Puget Sound tribes and the U.S. Justice Department are wrong to downplay the significance of ordering Washington to remove hundreds of fish-blocking culverts, according to the Washington Attorney General’s Office.

The attorney general, in a brief filed Dec. 11, again urged the U.S. Supreme Court to review a circuit court’s ruling that the culverts violate treaty rights. Washington said it doesn’t object to not “destroying” fish runs, but the order tees up more lawsuits holding the state responsible for providing enough fish for tribes to earn a “moderate living.”

The 9th Circuit Court’s opinion, the brief states, “imposes ill-defined burdens on the state of Washington.”

Northwest farm groups are closely watching the case. The Washington, Oregon, Idaho and Montana farm bureaus joined in a separate brief in October asking the high court to hear the state’s appeal. The farm groups echoed Washington’s argument that if left standing, the order to remove culverts could be cited as precedent in challenging other land uses seen as harming fish, including agriculture.

Washington’s petition was placed on the Supreme Court’s Jan. 5 conference calendar. The calendar includes dozens of appeals. At least four of the nine justices must agree to take up a case.

The tribes and the U.S. Justice Department argue that the case isn’t important enough for the Supreme Court to bother with. The circuit court’s ruling only concerned state-owned culverts and doesn’t have broader implications, according to the tribes and Justice Department.

Washington responded to that argument in Monday’s brief filed.

“The Ninth Circuit opinion is not a narrow restriction on ‘destroying’ salmon runs. If it were, Washington would not have sought” review, the brief states. “In reality, the panel held that the treaties make a promise beyond the state’s control: ‘that the number of fish would always be sufficient to provide a moderate living to the tribe.’”

The state argues the circuit court opinion conflicts with the U.S. Supreme Court’s Fishing Vessel decision in 1979. In that case, the court said Puget Sound tribes were entitled to up to half the available fish, though the percentage could be reduced if tribe membership dwindled, as long as the remaining members were allowed to catch enough fish for a moderate living.

Washington claims the circuit court misinterpreted Fishing Vessel to impose a duty to provide a certain quantity of fish. Tribes say Fishing Vessel was about sharing fish and that the pending case is simply about whether the state can build roads across streams and destroy fish runs.

## Judge orders anti-development petition to be filed

By SEAN ELLIS  
Capital Press

BOISE — A judge has ruled that an effort to ask voters to overturn a planned development on 350 acres of irrigated farmland and 1,050 acres of grazing land in the foothills just north of Boise may proceed.

Members of a group called the Dry Creek Valley Coalition want to ask Ada County, Idaho, voters to overturn a Feb. 21 ordinance passed by the Ada County Board of Commissioners that made amendments to the development plan.

They are using a section of the Idaho Code that allows people who gather a certain number of signatures to put a county decision that is legislative in nature to a public vote.

After Ada County Clerk Christopher Rich rejected the group’s initial petition to start the referendum process, Dry Creek Valley Coalition founder Stephanie Rael, a local farm hand, filed a lawsuit that sought to force Rich to file it.

Boise Hunter Homes, the developer of the \$80 million project, asked the court to prohibit Rich from filing the petition.

District Judge Jonathan Medema on Dec. 13 ordered Rich to file the petition. In his written ruling, he said Ada County has granted its citizens “the right to ‘repeal any ordinance.’”

He also said the county decided its clerk shall file any petition with 20 valid signatures and added that the county’s language on this issue is plain.



Sean Ellis/Capital Press File  
Stephanie Rael, a farm hand and leader of the Dry Creek Valley Coalition, stands near some of the 1,400 acres of farmland that would be developed as a planned community north of Boise. A judge has ruled that the Ada County, Idaho, clerk must file the coalition’s petition, which seeks a vote on the county commission’s approval of the development.

“The clerk has been given no discretion in that regard,” Medema wrote. “The coalition’s petition contains the proper number and type of signatures. Therefore ... the Ada County clerk is hereby ordered to immediately file the coalition’s petition....”

In a statement, Rael said the group chose to pursue the referendum process because its members believe the community was “deprived of the opportunity to have their voices heard and valued in any meaningful way throughout this process.”

If the petition is approved by the county prosecutor, coalition members will have 180 days to collect the

estimated 40,000 signatures it will take to prompt a special election.

BHH officials have told Capital Press that all farmers and landowners in Idaho should be concerned if the petition succeeds because it could threaten their private property rights by allowing any land-use decision made by elected officials to be challenged.

In a statement, BHH attorney Hethe Clark said Medema’s decision only requires Rich to process the petition “and nothing more. They may elect to proceed with gathering signatures for their petition; however, it does not change the fact that Boise Hunter Homes has vested property

rights in these approvals that cannot, under Idaho law, be challenged by referendum.”

He said Medema “merely decided that the issue is not yet ripe and will not become so unless and until the coalition obtains more than 40,000 signatures and hoodwinks a majority of county voters into accepting their extremist view that voters can take away an individual property owner’s property rights.”

Clark said BHH is confident that even if the coalition gathers the signatures and prompts a special election, “the courts will prevent this attempt at ‘ballot box zoning’ from having any effect.”

## Wilco celebrates retirement of longtime CEO

### Doug Hoffman served in position for 23 years

By GEORGE PLAVERN  
Capital Press

SALEM — Members and employees of Wilco gathered Dec. 14 to celebrate the retirement of longtime president and CEO Doug Hoffman, who led the farmers’ cooperative based in Mt. Angel, Ore., for 23 years.

Hoffman, 65, will officially retire Dec. 31, but first the co-op sent him off with a party at the Salem Convention Center featuring hors d’oeuvres, speeches and a 13-minute video tribute.

Sam Bugarsky, president of retail farm stores for Wilco, also presented Hoffman with more than \$91,000 in donations raised by the co-op, which will go toward charities supporting Hoffman’s missionary work overseas.

The money, Hoffman said, will go around the world to help those in need.

“That’s the aspect which I believe we need to our live our lives,” he told the crowd seated in the Willamette Ballroom.

Throughout the event, Hoffman was described by friends and employees as humble, generous and driven.

Steve Keudell, former chairman of the Wilco board of directors, praised Hoffman for establishing a team-building culture at the co-op.

“Doug gets the job done,” Keudell said.

Bugarsky said it wasn’t always smooth sailing during Hoffman’s nearly quarter-century at Wilco. Over the years,



George Plaven/Capital Press

Sam Bugarsky, right, president of retail farm stores for Wilco, presents outgoing president and CEO Doug Hoffman with a plaque announcing the co-op has helped to raise money to go toward Hoffman’s mission work overseas.

he was faced with a number of difficult, often unpopular decisions that saw the co-op divest itself of several businesses, including the tire sales and grass seed cleaning operations and gas stations.

Hoffman made those decisions with the long-term future of Wilco in mind, Bugarsky said.

“We definitely wouldn’t be where we are today without Doug,” Bugarsky said.

Today, more than 3,000 agricultural producers from across the Willamette Valley are members of Wilco, and the co-op has grown during Hoffman’s tenure from 70 to 900 employees.

Hoffman said he could not have accomplished what he did at Wilco without the support of his employees.

“It’s a team effort. I could work 10,000 hours a day and not get done what we’ve gotten done,” he said.

Hoffman and his wife, Jan, will continue to live in Keizer and serve on humanitarian missions overseas in Africa. His first trip is already scheduled for March 2018 in Kenya

and Togo.

He said he will also continue to support local organizations including FFA, Corban University and the Resource Education and Agricultural Leadership Program of Oregon.

“I’ve enjoyed my career here at Wilco, no doubt about that,” he said. “It’s because I enjoy working with farmers. You’re the salt of the earth. You’re the seed.”

Tim Ramsey, the former CEO of Oregon Cherry Growers, is poised to become the next president and CEO at Wilco, and will oversee the organization’s recent merger with Hazelnut Growers of Oregon.

But the night was all about Hoffman, whom Bugarsky described as the hardest worker in the company and a man who was never satisfied with business as usual.

Bob May, a former board member, said Hoffman’s intention was always to do what’s best for Wilco.

“Thank you for your leadership and your friendship for the last 23 years,” May said.

## Senator: GOP holding firm on Hirst, budget

### Inslee: ‘No excuse’ for no budget

By DON JENKINS  
Capital Press

OLYMPIA — Washington Gov. Jay Inslee said Dec. 14 that Senate Republicans should stop the “high jinks” and pass a capital budget, but the GOP lawmaker who held up the budget said he believes Republicans will hold firm until Democrats embrace a “good Hirst fix.”

Sen. Jim Honeyford, R-Sunnyside, said a plan outlined Dec. 14 by Democrats to reopen some rural areas to new wells isn’t sufficient. The proposal would introduce new fees and new limits on water withdrawals.

“We need a good Hirst fix and the latest proposal is not a good fix,” Honeyford said in an email to the Capital Press. “I believe the R’s will hold firm.”

Honeyford, the Senate capital budget chairman during the 2017 session, made passing a \$4.5 billion capital budget contingent on Democrats agreeing to reopen rural Washington to new household wells. The state Supreme Court’s 2016 Hirst decision blocked new wells to provide more water for fish.

Democrats picked up a Senate seat in a November special election and gained a 25-24 majority.



Sen. Jim Honeyford

However, a bill to fund the capital budget requires 30 votes.

At a press conference,

Inslee renewed his call for Senate Republicans to yield and addressed them directly.

“You went AWOL from a basic obligation,” Inslee said. “Now, you wanted to use this as leverage. We all understand that. But I believe that is a virus that if it infects our Legislature, we’re not going to be able to have functioning government in our state.”

Inslee has placed a higher priority on many other issues, but his advisers have been engaged with lawmakers in crafting a Hirst bill.

“There has been some really good discussion about some way to deal with some of this water issue, and it’s been productive. And I hope it’s successful. But there’s no excuse for not passing a capital budget,” Inslee said.

Honeyford and Sen. Judy Warnick, R-Moses Lake, have been at the forefront of negotiating a Hirst bill. Warnick said Tuesday after a hearing on the Democrats’ proposal that she also believes Republicans are still determined to get a Hirst bill before passing a capital budget.