

## **In Support of a Responsible Economic Response to COVID-19**

**Whereas**, Washington state is facing twin public health and economic crises due to COVID-19; and

**Whereas**, The unemployment rate was 10.3% as of May 2020 compared to 4.2% in July 2019; and

**Whereas**, More than 2.3 million Washingtonians have applied for unemployment insurance since March; and

**Whereas**, Everyday people, not corporations or CEOs, are the real job creators who drive the economy, and the economy cannot simply be ordered reopened; and

**Whereas**, Leading national and local economists agree that economic recovery will not be quick, and the impacts of COVID-19 on our economy could last years; and

**Whereas**, Washington is at risk of becoming trapped in a negative feedback loop of collapsing consumer demand, closing businesses, and lost jobs without economic intervention; and

**Whereas**, Washington is expected to have at least an \$8.8 billion revenue shortfall through the 2021-2023 biennium; and

**Whereas**, Washington state has the most upside-down tax code in the United States, where lowest-income households pay up to six times more of their income in taxes than the wealthiest; and

**Whereas**, Washington depends on the taxes generated by consumers having enough money to spend in their local economies; and

**Whereas**, Austerity budget cuts do not improve unemployment, participation from the private sector, or increased participation in the states economy, in addition to causing more pain for already-struggling people and families; and

**Whereas**, States that cut their budgets during the Great Recession saw a slower recovery and worse long-term results than states that actually increased spending and investments; and

**Whereas**, Increasing investments in critical services and infrastructure injects capital back into struggling economies, creating jobs and driving spending and economic growth; and

**Whereas**, Over 20 economists and policy experts signed an open letter to the Washington State Legislature that recommends the “best response to the looming recession is to increase long-term investments in education, health care, infrastructure, and economic security”;

**Therefore, be it resolved** that the 46th Legislative District Democrats urge our elected representatives at all levels of government to avoid making cuts to local, state and federal budgets, which are proven to worsen economic recoveries during recessions; and

**Therefore, be it further resolved** that the 46th Legislative District Democrats urge our elected representatives to keep money flowing to our communities and stimulate growth by protecting and increasing investments in critical services, providing relief for workers, families, and small businesses, and saving Washington’s economy; and

**Therefore, be it further resolved** that the 46th Legislative District Democrats urge our elected representatives at all levels of government to utilize the most progressive forms of taxes and fees currently available to the jurisdiction; and

**Therefore, be it further resolved** that the 46th District Democrats support implementing progressive taxes and fees, including but not limited to, a state income tax, a capital gains tax, a wealth tax, a higher estate tax, and taxes on large businesses, and encourage our state and local elected officials to vigorously pursue these remedies to replace regressive tax revenues; and

**Therefore, be it further resolved** that the 46th Legislative District Democrats urge our representatives at all levels of government to place racial, social, and environmental justice, and economic equity, at the forefront of all revenue and expenditure decisions; and

**Therefore, be it further resolved** that copies of this resolution be publicized on our website and sent to each elected official at the city, county, and state level who represent the 46th Legislative District.

Submitted by Resolutions Committee 46th L.D., September 16, 2020  
Based on suggested resolution from Civic Ventures

Reviewed and recommended by: Hunter Brown, Patricia Tressel, Bill Meyers, Phillipa Kassover, Larry Goldman, Andrzej Montaño, Sanaz Sadat, Melissa Taylor

Additional reference sources:

- [July 2020 Jobs Report](#), Washington Employment Security Department, 7/2/20
- [Initial unemployment insurance claims for week of August 2-8, 2020](#), Washington ESD, 6/18/20
- [‘Everything is on the table’ as WA stares down a \\$9B shortfall](#), Crosscut, 6/17/20
- [Austerity Is Hammering State Economies](#), Center for American Progress, 6/21/12
- [Letter from Washington Economists](#) (Google Drive)