



SEATTLE CITY COUNCIL | DISTRICT 3

COUNCILMEMBER KSHAMA SAWANT

Tuesday, February 11, 2020

Dear Representative Macri:

I'm writing to you to follow up on our communication over the weekend.

As you know, Seattle's working people are facing the worst affordable housing crisis in our city's history. Communities of color, immigrants, and LGBTQ people are especially feeling the stress of housing displacement. The private, for-profit housing market has utterly failed working people, with [average rents in Seattle up 69 percent](#) since 2010.

Consulting firm McKinsey & Company – not exactly a hotbed of socialist advocacy – estimates that the region needs, [“between \\$450 million and \\$1.1 billion each year for the next ten years.”](#)

I genuinely appreciate any effort to expand progressive revenues. My office and Seattle's Tax Amazon movement have been fighting to tax big business to fund a major expansion of social housing - publicly-owned, permanently affordable housing built to green standards and using union labor - for over two years. House Bill 2907, of which you're the main sponsor, would create the authority for King County to raise big business tax revenues up to a maximum of \$121 million annually. We would welcome it in its current form, while noting that it would still be quite inadequate and that the region would urgently need additional big business taxes.

It is, however, with great dismay that I have been hearing about the so-called "preemption" clause proposed in relation to your bill.

This clause would create a statewide ban on cities like Seattle being able to tax big businesses, with working people losing our right to address the deep social crises inflicted on us. It would in reality be an egregious selling out of working people.

If passed, it would do historic damage in our already highly unequal city and state, with Washington having the most regressive tax system in the country.

It's clear to those following HB 2907 that [most companies are dead set on preemption](#), and are biding their time to declare their support or opposition to the bill at present, in order to maximize their ability to bully working people into accepting the ban.

I am deeply troubled by your failure to stand publicly against any such ban, as a progressive Democrat and the prime sponsor of the House bill. Crosscut reported that you have not ruled out including the ban. You instead emphasized that you were worried about corporations being "double-taxed."

I unfortunately haven't received a response from you after having communicated these concerns to you directly. At no point before bringing this bill forward did you reach out to me, nor to my knowledge any of the hundreds of people helping to lead the Tax Amazon movement, nor ordinary people in your district. In fact, I was stunned to learn from the City's Office of Intergovernmental Relations at yesterday's City Council briefing that your first priority after the committee vote last week was to begin negotiations with business representatives.

The Tax Amazon campaign is planning to come to Olympia tomorrow to talk to you and other Democratic legislators. I write this letter in the hope you will meet with this Tax Amazon delegation, and speak out jointly with us against the threatened ban, instead of enabling this historic attack on working people. As long as you keep the door to the state ban open, our efforts for progressive revenues will unfortunately remain mutually exclusive, by definition.

I believe it is important for us to recognize that Mayor Durkan, King County Executive Constantine, and other corporate politicians, at whose initiation this bill has been put forward, represent the same big business and super-wealthy interests who fought tooth and nail against our movement in 2018 to avoid paying even a small tax. Their (overwhelmingly failed) effort to buy last year's City Council elections was a continuation of that attack on working people.

It is now only out of fear of our growing Tax Amazon movement that big business is reluctantly open to a lesser-evil tax in King County (which amounts to pocket change for them), but only if they can win the real prize: a statewide ban on any further taxes on them. I urge you to stand with the working people who are struggling with an ever-deepening housing crisis against this craven attack by the billionaires. All you need to do is publicly make clear your opposition to the preemption poison pill.

I would welcome you to also join our Tax Amazon movement. Hundreds of activists have twice gathered in the last three weeks to discuss, debate, and democratically vote

on our plan to tax big business to build social housing. The Tax Amazon coalition is a broad umbrella which has gathered renters, homeowners, union members, tech workers, rank-and-file Democratic party members, students, the elderly, people of color, immigrant and LGBTQ communities, Native communities, people experiencing homelessness, and small business owners.

Other elected officials have attended, or have sent their representatives. You are welcome to observe and participate as well, and I hope that going forward we can work together in winning affordable housing for all, by ensuring that the wealthiest pay their fair share.

Sincerely,

Kshama Sawant