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Stop L&I Tax Increases and Save Our Jobs!

NEWS RELEASE

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Labor Pulls the Puppet Strings and L&I Dances

Agency won't announce workers' comp tax hikes until after election

OLYMPIA—Demonstrating the degree to which the state Department of Labor & Industries (L&I) is a puppet of labor unions, the agency today announced they would not release the proposed workers' compensation tax increases until after the November 2 election.

“Based on an independent audit of this year's workers' comp rates, we know next year's rate should increase by at least 33%,” said Patrick Connor, NFIB/Washington State Director, a key supporter of I-1082, the business community's measure to end the state's workers' comp monopoly. “A double digit tax increase wouldn't help labor unions' campaign against I-1082, so L&I is hiding the ball for them until after the election,” said Connor. “They know it will be a significant rate increase and they are hiding it from voters—this is a government agency actively engaged in election year campaigning, using taxpayer dollars to help defeat I-1082.”

Historically, L&I announces an “indicated” rate projection in August, giving business owners an idea of what workers' comp taxes they will be paying the upcoming year. By September, L&I releases their “proposed” rate and holds hearings across the state to give the public an opportunity to weigh in. The new rate is formally adopted after these hearings, usually in November.

But on the eve of an election in which voters will have the opportunity to end L&I's monopoly on workers' comp, the agency suddenly declares they will not announce any rate indication or proposal until after the election.

L&I's lame excuse that I-1082 would change how rates are calculated doesn't hold water. If I-1082 passes Washington will no longer be the only state in the nation that calculates rates based on hours worked instead of total payroll. The businesses supporting I-1082 believe L&I has an obligation to tell taxpayers what their workers' comp taxes will be based on the current system.

(more)



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YES on I-1082
L&I Puppet Dance
Page 2 of 2
09-15-10
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“Labor & Industries has been working on the indicated rates for months,” noted Connor. “They must know what that rate is, and it must prove what we’ve said all along—a massive tax increase is coming,” he said. “If it was good news, they’d be shouting it from the rooftops to prove what a good job they do running their monopoly system.”

“This delay proves, once again, that the department is either incompetent or playing politics on the public’s dime,” added Connor. “Either way, small businesses shouldn’t be held hostage to an inept, corrupt and failing government monopoly any longer; I-1082 will finally give small businesses the opportunity to seek workers’ compensation insurance from professional firms concerned about customer service as well as the bottom line.”

L&I’s blatant stalling tactic to keep voters in the dark is not limited to just the impending tax hike. Every year at this time, along with the rate proposal, L&I releases the most current stats on time loss duration of claims, increases in medical costs per claim, L&I’s cost to administer claims, pension trend projections and more.

This data consistently shows Washington’s workers’ comp system to be among the most inefficient and costly in the nation—and getting worse.

“An agency that is afraid of the political ramifications of releasing this kind of information must have something really damning to hide,” said Connor.

This kind of government manipulation by bureaucrats beholden to organized labor is exactly why dozens of business organizations and hundreds of small business owners are supporting I-1082.

For more information on I-1082, visit www.SaveOurJobsWA.com and www.JobsNotLies.com.

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The Save Our Jobs WA / Yes on I-1082 campaign is composed of the state’s leading business organizations and supported by hundreds of small businesses across the state. For more information, visit www.SaveOurJobsWA.com.