



Vote YES on Initiative 1082

Stop L&I Tax Increases and Save Our Jobs!

NEWS RELEASE

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I-1082 Pay Raise Calculator

New tool shows workers how much their pay could increase

OLYMPIA—Workers now have an easy to use online tool to figure how much money they could save when I-1082, the business community backed measure to end the state's workers' compensation monopoly, passes. The I-1082 Pay Raise Calculator allows workers in every industry to determine their annual I-1082 pay raise with the click of a button.

In addition to ending the state's monopoly on workers' comp, I-1082 ends Washington's unique status as the only state in the nation that forces workers to pay a portion of workers' comp. While some employers voluntarily pay their employees' share of workers' comp taxes already, others do not, opting to deduct the workers' portion from every paycheck. These workers will receive a pay raise when I-1082 passes.

This pay raise will be significant for many workers in various industries. For example, a dairy farm worker will (based on 2,000 hours worked annually) save \$528 every year. Over 20 years this is an additional \$10,560 that dairy workers will be able to use to send a child to college, build a retirement nest egg, or pay off their mortgage. A roofer will save \$2,255 every year. Newspaper employees will keep \$592 of their hard-earned money, and loggers will pocket \$4,433 annually.

"These tax breaks are real money for working families," said Patrick Connor, NFIB/Washington State Director, a key supporter of I-1082. "Every penny counts, and whether a family is depositing an extra \$528 or \$4,433 every year, it is money in their account they didn't have before," said Connor. "I-1082 allows workers to keep more of what they earn."

The labor unions and trial lawyers financing the No on I-1082 campaign have tried to make political hay with the provision of I-1082 that eliminates the portion of workers' comp now paid by employees, arguing employers will pay more by picking up the workers' share of the tab. I-1082 is bad for small business they claim.

But I-1082 is supported by almost every business organization in the state, as well as hundreds of small business owners, many of which have contributed to the Yes on I-1082 campaign (in contrast to the No campaign, which has received zero financial backing from small businesses).

(more)



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YES on I-1082

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These business owners are willing to pay a little bit more now because they know the choice and competition I-1082 injects into the state's workers' comp market will lower their costs in the long run. As it has in other states.

West Virginia employers also pay the full freight of workers' comp—but the 68% drop in contested claims and significant reduction in administrative costs since privatization four years ago have reduced premiums and saved employers more than \$150 million. Similarly, Oregon's competitive system requires employers to pay the full cost of workers' comp coverage for their employees, and employers there have enjoyed decreases year after year.

In fact, Washington is the only state where employees pay a portion of the workers' compensation tax, a point about which organized labor has often complained. Last year when public hearings were held on the proposed 2010 workers' comp tax increase, labor union lobbyists testified in favor of the \$117 million workers' comp tax hike on employers, calling it "acceptable." What labor testified was "unacceptable" was the suggestion that any portion of employees' share of the workers' comp tax be increased.

"It's a surprising about-face for the same union bosses who have long opposed employees paying anything into the workers' compensation system, and demanded L&I's tax hikes only apply to employers, to now argue that exempting workers from the tax is a bad thing," said Connor. "I-1082 eliminates the employees' share of workers' comp taxes, which translates into a significant tax break for working families," he said. "Labor may think a tax break for working families is a bad idea, but I'm guessing the people working hard to earn a living might disagree."

To find out how much a specific risk class in will save, or to learn the average tax break by industry, visit www.SaveOurJobsWA.com.

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