September 8, 2016

On behalf of the Pacific Northwest Regional Council of Carpenters, we support JLARC’s recommendation for continuation of the state’s construction tax preferences for the construction development of data collection centers in order to expand the tax base of our rural counties.

Since 2004 Carpenter representatives across the region report a significant, steady increase in dispatches to work on data centers, in Quincy and other rural communities. Not all general contractors were union, so it’s difficult for us to provide an accurate number of employment hours from our own trust data. We support WA’s JLARC’s 2016 recommendation to continue the tax preference. However, their analysis did not calculate the positive returns to the public and our industry to take into account the substantial benefits (since 2004) from increased construction employment and local and state tax revenues. We believe agency employment and revenue data would be more inclusive and readily available from the Depart of Revenue, Employment Security Dept. and Labor and Industries if you seek closer examination of these benefits to the public.

Whether this work and tax revenue is derived of the professional construction trades we represent, or the other industry professionals involved like architects, engineers, accountants etc., the construction industry, rural communities or the state as a whole, continuation of this tax preference is right on target with legislative intent and public policy.

These particular rural data construction facilities have produced thousands upon thousands of hours of work for journeymen and apprentices alike. Our estimate is that approximately 20 percent of our Carpenters have been apprentices. Well in compliance with a workforce goal of the Legislature and the aging construction industry that desperately seeks to prepare the next generation of highly skilled construction builders and installers on high tech operations like data centers. The added benefit of so many local job opportunities has and will continue to relieve stress on working, rural families with nearby commutes vs across the state and region. Thank you for allowing our statement to be part of your record and deliberations.

Sincerely,

Jimmy Haun
JH/pc, OPH-U1 #8

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