Legislation Halted in Washington State to Provide Tax Subsidies to One Aspect of the Building Community

“It’s not the role of the government to pick winners and losers in the marketplace with taxpayer subsidies.”

Olympia, Washington – The Washington State Legislature is no longer considering a bill that would have granted tax breaks for the use of a product known as cross laminated timber (CLT). At the onset, the legislation seemed like a bill designed to promote the state’s venerable timber industry, but local advocates pushed back citing a number of unintended consequences that they believe jeopardized the safety of at-risk populations, including the disruption of the market place for building/design products, and the unintended consequences on an already tight state budget.

“We understand the natural attraction to wood products here in Washington, but simply because wood is abundant does not mean it is the right choice for safe growth,” said Allen Hamblen, president of CalPortland Co. and chairman of the Board of Directors of the National Ready Mixed Concrete Association. “Different buildings have different design needs that require the use of different products, but they all should meet certain safety standards that CLT cannot. Wood burns, rots and molds, and that is not a product we want in schools, multi-family housing, or retirement homes.”

NRMCA and its local allies are citing not only safety issues with CLT, but the economic impact such legislation would have on the market place and the state budget. They are concerned that designers, architects and builders will no longer be the key decision makers when it comes to what product to use, and will instead be far too concerned with price differential.

“The state shouldn’t be in the business of picking winners and losers, when someone invests, designs and builds a new structure in Washington State they should be free to do so with the building material that is right for the job, not the ones that are financially feasible on account of state intervention,” said Mario Reyes, former president of the North Central Washington Hispanic Chamber of Commerce and a former member of the State Commission on Hispanic Affairs.

Reyes continued, “Washington is in no way united behind the idea of tax breaks that bank economic growth on a single building product, especially one that puts occupants and first responders in harm’s way.”

###

Founded in 1930, the National Ready Mixed Concrete Association is the leading industry advocate. Our mission is to provide exceptional value for our members by responsibly representing and serving the entire ready mixed concrete industry through leadership, promotion, education and partnering to ensure ready mixed concrete is the building material of choice.