



**City of Seattle**  
Mayor Jenny A. Durkan

July 17, 2020

Monica Martinez Simmons  
Seattle City Clerk  
600 4<sup>th</sup> Avenue, 3<sup>rd</sup> Floor  
Seattle, WA 98124

Dear Ms. Martinez Simmons,

I have returned Council Bill 119811 unsigned, understanding it will become law. CB 119811 establishes a broad spending plan for the projected revenues from Council's new payroll expense tax. For the same reasons why I cannot support the payroll expense tax established in CB 119810, I regretfully cannot support CB 119811. My concerns with this tax are outlined in my statement regarding CB 119810.

I recognize that this bill, along with the bill establishing the payroll tax, passed by a veto-proof margin at Council, and therefore a veto will not change the outcome of this legislation. I also recognize that our city will need additional revenues to make it through and emerge from these unprecedented times. As Mayor, we have spent unprecedented new resources for affordable housing, the City's Equitable Development Initiative, and Seattle's small businesses and agree that we continue to need more resources to address these issues.

As detailed in that statement, I believe a better alternative path forward is a city income tax, with new revenues used for: 1) new investments in the Black community as determined by a community-led participatory process; 2) housing and homelessness; 3) permanently rolling back regressive taxes and taxes on small business; and 4) a universal basic income for our lower-earning residents. I would look forward to collaborating with Council on a spending plan for the income tax revenues that also share the goals and objectives outlined in CB 119811. I also believe a regional payroll tax can address many of these shared priorities.

I hope that we can use the 2021-22 budgeting process to finalize outstanding issues around progressive revenue sources and related spending plans. I look forward to continued work with the Council on these issues.

Sincerely,

Jenny A. Durkan  
Mayor of Seattle