



WASHINGTON MARITIME FEDERATION

A Coordinated Voice for Maritime Progress

2018 LEGISLATIVE PRIORITIES

THE WASHINGTON MARITIME FEDERATION RESPECTFULLY SUBMITS ITS 2018 LEGISLATIVE PRIORITIES

- Support permitting processes that are transparent, protect the environment, and provide certainty that the rules and scope of review are fair and consistent.
- Dedicated funding for maritime-specific workforce training and education, including: youth programming, CTE at K-12, community college, and four year universities.
- Incentives for the modernization and recapitalization of Washington's Commercial Fishing Fleet.
- Work to ensure that Washington State continues to be a leader in scientifically-supported environmental leadership.
- Work to maintain and preserve Washington's maritime, manufacturing, and industrial lands.
- Full funding for the Industry Sector Development Program, including the Governor's Maritime Sector Lead and associated programs within the Department of Commerce.

The Washington Maritime Federation (WMF) represents a coordinated and unified voice of the diverse and interdependent sub-sectors of the maritime industry. WMF supports policy and investment priorities that support the vitality, growth and competitiveness of Washington's maritime industry. Regional, state and federal priorities are based on a full consensus decision-making process by WMF members advised by associate members and a broad group of business, labor and government stakeholders.

MARITIME POLICY FOCUS AREAS

WORKFORCE DEVELOPMENT, EDUCATION AND TRAINING

To enhance the competitiveness of Washington's exceptional maritime industry, we must invest in innovative, relevant education and training to faculty, students, and the incumbent workforce.

The WMF supports the following objectives to meet the immediate needs of the industry:

- **K-12 Education** – Support for systemic expansion of **Career and Technical Education (CTE)** funding, including the work of the Youth Maritime Collaborative to grow a diverse and inclusive maritime workforce and Core Plus programming to enhance industry-driven skills building.
- **Community and Technical Colleges** – Funding delivered to the State Board of Community and Technical Colleges (SBCTC) for **dedicated maritime education and training FTE's**.
- **Four Year Universities** – Support for the development of **Ocean Engineering, Marine Mechanical and Electrical Engineering** and **Naval Architecture** programs across the state.
- **Merchant Mariner Credentials** – Support for programs for licensed mariners to attend USCG approved training courses and providing afloat internships for aspiring seafarers.
- **Apprenticeships and Work-based Learning** – Support for increased funding and access to work-based learning, registered apprenticeship, and pre-apprenticeship programs.



Employment in the Maritime industry increased at an annual rate of 2.7% between 2012 and 2015. The Maritime industry paid nearly **\$4.5 billion** in wages in 2015 with an average salary of **\$65,150** (does not include benefits).*



In 2015, a total of **78 million tons** of imports and exports passed through Washington State's marine terminals.*

LAND USE, INFRASTRUCTURE AND COMPETITIVENESS

At a time with immense global shipping pressures, coupled with increased gentrification in industrial areas of the state, it is critical for our ports and maritime infrastructure to be competitive and resilient.

The WMF supports any process that aligns often competing, redundant or conflicting permitting processes and provides a predictable and efficient process for those wanting to do maritime business in our state—while at the same time retaining all necessary environmental protections. The Washington State Department of Commerce's **Regulatory Road Map** program is such a process.

In addition to improved permitting, Washington State must also preserve its maritime, manufacturing, and industrial lands in order to remain competitive. Currently, these lands are under threat from competing uses throughout the state. **The WMF supports efforts to clarify and protect industrial lands** to be determined critical and essential public facilities for manufacturing and trade.

It is critical that costs controlled by the state to shipping and freight movement are minimized to maintain port competitiveness. Since 70% of imported cargo to the state is bound for other parts of the US it is considered discretionary. This cargo supports critical jobs and infrastructure our exporters must have to access their markets. Additional costs of using our ports will result in losing market share. **The WMF supports efforts to maintain or reduce costs for shippers utilizing Washington ports.**

ECONOMIC DEVELOPMENT OPPORTUNITIES

Modernization of the North Pacific Fishing Fleet – The State of Washington is the historic home of the North Pacific commercial fishing fleet. Over 34,000 direct and indirect jobs** in the state are attributed to the Alaska seafood industry. These activities contribute a tremendous positive economic impact. The average age of the North Pacific fleet is over 40 years, and half of the boats currently fishing in the Bering Sea and other Alaska fisheries need to be replaced.

Recapitalizing the fleet will provide significant economic benefits to the shipbuilding and maritime industry in the state and will showcase the high quality craftsmanship and commitment to clean technology, energy efficiency, sustainable fisheries and safety.

- **Washington Jobs** – Rebuilding the vessels in our state will cement our place as the home for the fleet, and will mean new jobs for vessel owners, shipyards, and the numerous suppliers to the fishing and shipbuilding sectors.
- **Sustainable Fisheries** – Today, the fishery is stable and is considered one of the best managed in the world. The quota system now in place means that vessel owners can be assured of their catch and associated revenue going forward.
- **Economic Development** – We need to make sure that these boats are built in Washington by providing a policy and regulatory climate that encourages that activity. Between 2017 and 2026 an estimated \$785 million will be spent on the fleet.***
- **Clean Technology** – Washington State boasts global leadership in the advancement of clean technology and best management practices in vessel construction. New vessels have been, and will continue to be, built above and beyond standards that increase fuel efficiency, full utilization of every fish, and safe operation.
- **Competition** – These boats must be built in the United States, but they don't have to be built in Washington. The Washington Maritime Federation encourages the state to provide incentives to ensure these vessels are built in our state.

Specifically, the Federation supports any tax incentive, or credit, for manufacturers of qualified vessels or components of qualified vessels. A comprehensive incentive program will keep and expand jobs in Washington State. The cost to the state will be minimal and any cost will be more than offset by the value of the economic activity created by building the boats here. In addition, we believe the legislature should consider tax credits for fuel efficiency similar to those available to other transport modes. New vessels can reduce energy usage by more than 50%.



*The F/V Blue North, recently launched in Anacortes, WA, is an innovative, **state-of-the-art design utilizing clean technology** — creating one of the most environmentally friendly and safe fishing vessels in the world.*

OBJECTIVE AND TRANSPARENT ENVIRONMENTAL REVIEW

Washington State is a place where nature and humans are inextricably linked. The state's maritime industry understands this balance, has an outstanding record of leadership in environmental initiatives and is committed to preserving and protecting the environment in which it operates. It is imperative that our regulatory approach to environmental and land use regulation is in balance with the importance of a sustainable economy and family wage jobs.

Currently some of the specific concerns of the Washington Maritime Federation are:

- **Environmental Cleanup (Model Toxics Control Act)** – Use of funds from this account have been a model for how contaminated properties can be cleaned up and returned to productive, job creating uses. With a shortfall of over \$60 million dollars available for Remedial Action and Stormwater Grants through the MTCA account, the Federation is committed to work with industry, port, environmental and government interests to secure funding for projects and ensure that there are consistent and dedicated funds in the future.
- **Scientifically Supported Water Quality Programs** – The creation of water quality programs such as Aquatic Invasive Species, Ballast Water, Biofouling, Fish Consumption must be informed by the best available science, not be repetitive of existing or proposed federal regulations and must not reduce the competitiveness of Washington's ports and support services relative to other ports and areas that do not have similar programs in place.
- **Environmental Review of Projects** – State agencies must understand that the SEPA review of projects must be conducted fairly, impartially, and free from political influence. Creating new requirements or increasing the scope of review due to political pressure on one project creates new precedents for all projects, resulting in an environment where family wage jobs are lost.

The opportunity exists for creating in our region a precedent that would both achieve our desired environmental goals and encourage technological progress to support human health and sustainable economic industries—ensuring our state is positioned to thrive in the increasingly competitive national and international marketplace for maritime services.



The maritime sector contributes \$16.7 billion in direct revenue, and employs 69,500 people. Including indirect and induced impacts, the sector is responsible for 189,600 jobs in the state and \$37.6 billion in economic activity.*

*2016. Community Attributes. Washington State Maritime Economic Impact Study **2013. McDowell Group. Economic Valued of the Alaska Seafood Industry. ***2016. McDowell Group. Modernization of the North Pacific Fishing Fleet. Accessed at: www.maritimefederation.com/studies