
**Community & Economic
Development & Trade Committee**

HB 3076

Brief Description: Creating a joint legislative task force on aerospace manufacturing.

Sponsors: Representatives Lias, Rodne, Ericks, Campbell, Sells, Upthegrove, Warnick, Jarrett, Roberts, Loomis, Kelley, Pettigrew, Darneille, Skinner, Linville, Priest, Williams, Simpson, Schual-Berke, Sullivan, McIntire, Conway and Ormsby.

Brief Summary of Bill

- Establishes a joint legislative task force to examine the potential use of underutilized property and facilities at regionally-significant airports to expand the State's aerospace industry.
- Specifies task force membership, scope of review, staffing, timelines, and reporting.

Hearing Date: 1/30/08

Staff: Meg Van Schoorl (786-7105).

Background:

Aerospace Industry in Washington State

As the state's largest manufacturing employer, the aerospace industry is a significant part of the Washington State economy, with an estimated economic impact of \$42 billion.

- As reported by the Employment Security Department, average wages in the aerospace industry have grown substantially in recent years, reaching an all-time high of \$90,166 in 2006.
- Aerospace manufacturing employment increased by 9.4 percent in the third quarter of 2007, compared to other manufacturing which increased by 2.7 percent.
- Transportation equipment, primarily made up of aircraft and parts, is the State's largest export, accounting for \$33 billion or 63 percent of the total state exports in 2006.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

- Ninety eight percent of the jobs in aerospace are concentrated in King, Snohomish, and Pierce counties.
- Aerospace companies are present in 17 of 39 counties.
- According to the 1997 Washington State Input Output Study, aerospace manufacturing has a multiplier effect of 2.5; for every aerospace job created, another 1.5 jobs are created elsewhere in the economy.

Airports in Washington State

The state aviation system includes 139 public use airports. Airports are owned by: cities or towns (61); counties (3); port districts (31); private businesses (22); the State (16); and local governments jointly (6). In 2004, a Washington State Department of Transportation (WSDOT) Aviation Work Group identified five airport classifications:

- Commercial Service: Airports providing scheduled passenger service and meeting FAA criteria for Commercial and Primary Airports.
- Regional: High activity airports capable of accommodating all types of aircraft including business jets, including aircraft in inclement weather. Have 40 or more based aircraft and a runway length of 4,200 linear feet.
- Local Community: Serve small to medium-sized communities and local business activities and are capable of accommodating single and multi-general aviation aircraft.
- Recreation or Remote: Serve recreation areas and communities, destinations and back country airports. May be strategically located for emergency, medical, firefighting access.
- Seaplane Bases: Approved as designated water land areas.

Services available on airport property generally include aviation-related facilities and services, such as commercial and charter flights for passengers and cargo, equipment repairs, and flight instruction. However, some airports also include special operations such as search and rescue, medical evacuations, and air shows, or specialized industries such as food processing, aerospace manufacturing and services, aerial sightseeing, and higher education.

Summary of Bill:

Task Force Creation, Scope, Report and Timeline

A Joint Legislative Task Force on Aerospace Manufacturing (Task Force) is created to examine the potential use of underutilized facilities and property at regionally-significant airports to expand the State's aerospace manufacturing industry, associated research and development, education and training businesses. The Task Force will review:

- current industry composition;
- major trends impacting business retention, expansion, recruitment;
- types of companies that are now or could in the future be sited at these airports;
- inventory of underutilized facilities and property;

- statutory or regulatory changes required; and
- availability and gaps in financial and technical resources.

The Task Force will report its findings and recommendations to the Legislature by June 30, 2009.

Membership and Staffing

The 20-member Task Force will be appointed by the President of the Senate and the Speaker of the House, will have bi-partisan co-chairs, and will include:

- two Senators, one from each caucus;
- two Representatives, one from each caucus;
- three aerospace industry representatives;
- two airport owner and manager representatives, one from eastern Washington and one from western Washington;
- two airport business tenant representatives;
- two higher education workforce training representatives;
- two members representing counties, one from eastern Washington and one from western Washington;
- two members representing cities near a regional airport, one from eastern Washington and one from western Washington;
- one Federal Aviation Administration representative; and,
- two members from organized labor representing transportation and aerospace unions.

The departments of Transportation and Community, Trade and Economic Development will each maintain a non-voting liaison member to cooperate with the Task Force and provide information as requested.

The Task Force will be staffed by Senate Committee Services and the House Office of Program Research, will use legislative facilities, and may, if necessary, hire additional staff or contractors with technical expertise.

The expenses of the Task Force, including the travel expenses of the legislative and nonlegislative members, shall be paid jointly by the Senate and House of Representatives.

Appropriation: None.

Fiscal Note: Requested on January 22, 2008.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.