

TO: RBAW Board

FROM: Doug Levy – 4/6/2022

RE: Report from State Lobbyist – **MARCH 2022**

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March was the month where state lawmakers finished their work for 2022 (*ended March 10*), so this report will focus on key outcomes from the Legislature's 60-day Session, along with updating a couple of our state agency discussions.

Before diving into that, however, **I would like to give a shout-out to members of RBAW's newly formed Legislative Committee**, of which Vice President for Government Affairs Steve Finney will chair the committee. My thanks to all these folks (*who will serve alongside Board Executive Officers Steve Finney, Andrea Pierantozzi, Wayne Gilham, Loyd Walker, and Linda Newland*) who will help us stay abreast of legislative and regulatory matters at the state and federal level. In alphabetical order, they are: Jordan Glidden (RBAW Director – Freedom Boat Club); Bill Gray (Queen City YC Delegate); Kevin Haistings (RBAW Director, Puget Sound YC); Dave Kircher (RBAW Director, Bremerton and Eagle Harbor YC's); Doug Larson (Richland YC Delegate); Jim Metcalf (RBAW Director, Edmonds YC); and Steve Mitchell (RBAW Director, Seattle and Tyee YC's) and Doug Schumacher (RBAW Director and Delegate Rainier YC). Bravo to each of you for taking the time!

As for the **2022 Session of the Legislature**:

It was a sharply focused and very successful Session for RBAW, and what I would certainly label an "activist" 60-day run for the lawmakers. They passed 303 bills to the Governor in all – nearly as many as they would in a longer 105-day Session (*of those, the Governor vetoed six (6) measures and made partial vetoes to a dozen others – none directly impacting us*).

Legislators put an 18-month hold on a controversial long-term care tax; passed a landmark "Move Ahead Washington" transportation package; enacted new gun-safety measures; approved key clarifications to 'unintended consequences' from some of the policing reform bills passed in 2021; invested well over \$500 million in additional affordable housing and homelessness prevention programs and projects; expanded a motion picture and television film incentive program; imposed new requirements on employers to publish information about wages and benefits for job postings; and more.

The Session also keyed off the fact that legislators, unbelievably, had nearly \$12 billion in revenue for their Operating Budget that was over and above four-year projections – due to booming business for tech employers; a white-hot real estate market; a major rebound in sales taxes; etc. Majority Democrats used it primarily to bolster the transportation package and the capital budget, to add investments to a number of programs, to pass a few targeted tax cuts, and to leave a couple billion dollars in reserves. Minority Republicans were sharply critical of what they saw as a failure to provide people with across-the-board tax relief and to put more money aside for future “rainy days” and emergencies.

We at RBAW zeroed in on a few things, virtually all of which ended well from our perspective:

- **HB 1700 – Expanded and sustainable funding for the Derelict Vessel Removal Program:** Through a perfect storm of good timing, a robust General Fund budget, and support from well-placed legislators, this bill flew through the legislative process with *very* few no votes along the way. **HB 1700** re-directs 25 percent of the *existing* Watercraft Excise Tax that had been going into the General Fund and places it into the DVRP. RBAW helped conceive and develop this bill and helped the Department of Natural Resources lead the successful lobbying effort for it. For us, **1700** will help ensure that \$8 million a biennium or more will go from the ‘black hole’ of the General Fund to a program that boaters care about. It will enable DNR to put more funding into the Vessel Turn-In Program, to efforts to address derelict vessels on non-public lands, and toward vessel-recycling efforts. We certainly don’t like paying the Watercraft Excise Tax in the first place, but if we have to pay it, we would rather see the funds directed towards activities that benefit boaters. Passage of this bill also sets an important precedent for us to go back and see if *other* Watercraft Excise Tax proceeds can be re-directed in the future.
- **Watercraft Excise Tax – Defending against any increases:** As legislative transportation leaders worked on the “Move Ahead Washington” transportation package, we kept a close eye on the revenue sources being tapped to pay for it. In 2021, as the Senate was working on a transportation package, one idea to help fund it involved a proposed *doubling* of the Watercraft Excise Tax. RBAW and the Northwest Marine Trade Association (NMTA) organized and led a furious opposition to that idea, including Action Alerts that generated 16,000+ “don’t do it” messages to legislators. The proposed increase was rejected, and we are pleased to say that lawmakers never seriously considered it in 2022 as they built what became a 16-year, \$16.9 billion package of investments.

- **Funding in 2022 Supplemental Operating Budget (\$300,000) to help minimize conflicts on Lake Union between vessels and seaplane landings/takeoffs:** We worked with Kenmore Air and others to ensure this funding was included in the final 2022 Operating Budget – **ESSB 5693**. With Kenmore Air restarting service from Lake Union to Vancouver, B.C., the objective of this funding is to help inform droves of new Lake Union users about how critical it is to follow the “rules of the water” to minimize/eliminate conflicts between vessels and seaplanes. I previously shared the budget language, which turned out very well for RBAW (*it is reprinted below in small type*). RBAW now must decide if it wants to pursue, through the Marine Parks Conservancy, any effort to be involved in directly administering the \$300,000 in funds.

*(18) \$100,000 of the general fund—state appropriation for fiscal year 2022 and \$200,000 of the general fund—state appropriation for fiscal year 2023 are provided solely for motorized and nonmotorized boater education and outreach on Lake Union, with a specific goal of preventing boat and airplane conflicts on the lake during peak recreation season, given the provisions of United States coast guard navigation rules that seaplanes must in general keep well clear of other vessels. The office may grant funding to local or federal government agencies or nonprofit organizations. The office must publish a publicly available summary report by June 30, 2023, on funding recipients, uses of the funding, and the successes and failures of programs funded. Funding provided in this subsection may not be used to preclude or restrict public use of Lake Union, including recreational, commercial, or tribal use of the waters of the state.*

- **Boating Safety Legislation – HB 1707:** We at RBAW had a lot of discussion around this bill and ultimately decided to take what I would call a very soft support stance based on interim work with which we were involved – though we felt no obligation to see **HB 1707** enacted. It wasn’t. To recap, the bill required (*with a few notable exemptions*) that those in stand-up paddleboards, kayaks, and canoes have their Personal Flotation Devices (PFDs) on whenever they are on the water. We took the stance we did because the bill was narrowly crafted and because a State Parks Boating Advisory Council that includes our RBAW Treasurer Loyd Walker spent months vetting the language and coming to consensus on it. But many of our members were uneasy at best regarding the idea of new government mandates for waterway enthusiasts. **HB 1707** narrowly cleared its policy committee and made it to the House Floor, but never received a vote and “died.” Many legislators, on both sides of the aisle, have mixed feelings over this issue targeting safety on the one hand but including “big brother” aspects on the other.

Our Work with State Agencies – a few notes:

- **Department of Natural Resources (DNR) – Lakebay Marina, meeting with agency leaders:** We continued our work on Lakebay in March, working to finalize the paperwork needed to secure the \$250,000 Pierce County had allocated toward the project. Additionally, we are working to schedule a meeting on several topics, including Lakebay, derelict vessels, aquatics lands leasing issues, and more, with DNR leadership.
- **Washington State Parks:** I have been working with State Parks’ Legislative Director and we are looking to schedule a mid-May meeting to discuss issues with buoys, Clean Vessel Act and possible state funding to augment it, and more. Unfortunately, that meeting likely won’t include new State Parks Director Diana Dupuis, though we have been assured a subsequent meeting with her will be on the docket.
- **Recreation & Conservation Office (RCO):** We continue our quarterly meetings with RCO, the last of which was March 9. We also will be putting together a meeting with the Agency to give them recreational boaters’ feedback for a state Recreation & Conservation Plan update in the works.
- **Department of Revenue – Watercraft Excise Tax Depreciation Schedule:** We also have DOR outreach on our scope. Even while we felt very good about the way the final update of the Depreciation Schedule treats the tax on boats purchased within a period of 1-10 years, we continue to have heartburn about what we see as a disproportionate impact on older vessels.
- **Governor’s Office & US Senator Patty Murray’s Office:** These two offices are leading up a public-outreach and stakeholder effort designed to see what types of mitigation, offsets, and other actions would be needed to address all the benefits that come with having Lower Snake River Dams – *if* indeed there is a future decision to breach them. We have taken a policy position to **oppose** that, but I also have direction that we should be “at the table” as discussions ensue. I’m working to schedule a focus/outreach meeting with the “Lower Snake River Dam Options” group.