Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Economic Development, Agriculture & Trade Committee

HB 2383

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

Sponsors: Representatives B. Sullivan, McCoy, Conway, Ericks, Strow, Upthegrove, Ormsby and O'Brien.

Brief Summary of Bill

• Establishes a joint legislative task force to examine how underutilized property and facilities at airports of regional significance can be used to expand the aerospace manufacturing industry.

Hearing Date: 1/25/06

Staff: Meg Van Schoorl (786-7105).

Background:

Aerospace Industry in Washington State

The aerospace industry is a significant part of the Washington state economy.

- It is the state's largest manufacturing employer, providing 71,300 jobs as of December 2005.
- It is the state's largest exporter, accounting for \$17 billion or 51 percent of the \$33 billion in total state exports in 2004.
- 98 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:

- <u>Commercial Service</u>: Airports providing scheduled passenger service and meeting FAA criteria for Commercial and Primary Airports
- <u>Regional</u>: 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.
- <u>Local Community</u>: Serve small to medium-sized communities and local business activities and are capable of accommodating single and multi-general aviation aircraft.
- <u>Recreation or Remote</u>: Serve recreation areas and communities, destinations and back country airports. May be strategically located for emergency, medical, firefighting access.
- <u>Seaplane Bases</u>: Approved as designated water land areas.

Services available on airport property generally include aviation-related facilities and services (e. g., commercial and charter flights for passengers and cargo, equipment repairs, flight instruction). However, some airports also include special operations (e.g., search and rescue, medical evacuations, air shows) or specialized industries (e.g., 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, 2007.

Membership and Staffing

The fifteen-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;
- two airport tenant representatives;
- two higher education and workforce training representatives;
- one county planning organization representative; and

• one Federal Aviation Administration representative.

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.

Appropriation: The sum of \$250,000 from the State General Fund for Fiscal Year 2007.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect immediately.