
HOUSE BILL 2730

State of Washington

69th Legislature

2026 Regular Session

By Representatives Street, Macri, Nance, Scott, Parshley, Ryu, and Pollet

Read first time 02/05/26. Referred to Committee on Finance.

1 AN ACT Relating to clarifying the metric for judging the
2 effectiveness of aerospace tax preferences; and amending 2013 3rd
3 sp.s. c 2 s 1 (uncodified).

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** 2013 3rd sp.s. c 2 s 1 (uncodified) is amended to read
6 as follows:

7 (1) The legislature finds that the people of Washington have
8 benefited enormously from the presence of the aerospace industry in
9 Washington state. The legislature further finds that the industry
10 continues to provide good wages and benefits for the thousands of
11 engineers, mechanics, and support staff working directly in the
12 industry throughout the state. The legislature further finds that
13 suppliers and vendors that support the aerospace industry in turn
14 provide a range of well-paying jobs. In 2003, and again in 2006, and
15 2007, the legislature determined it was in the public interest to
16 encourage the continued presence of the aerospace industry through
17 the provision of tax incentives. To this end, and in recognition of
18 the continuing extreme importance of the aerospace industry in
19 Washington, it is the legislature's intent to reaffirm and build upon
20 prior aerospace tax incentive legislation in a fiscally prudent
21 manner.

1 (2) The legislature categorizes the tax preferences extended in
2 this act as intended to create or retain jobs, as indicated in RCW
3 82.32.808(2)(c).

4 (3) It is the legislature's specific public policy objective to
5 maintain and grow Washington's aerospace industry workforce. To help
6 achieve this public policy objective, it is the legislature's intent
7 to conditionally extend aerospace industry tax preferences until July
8 1, 2040, in recognition of intent by the state's aerospace industry
9 sector to maintain and grow its workforce within the state.

10 (4)(a) The joint legislative audit and review committee must
11 review the tax preferences provided in this act and report to the
12 legislature by December 1, 2019, and every five years thereafter.

13 (b) As part of its tax preference reviews, the joint legislative
14 audit and review committee must specifically assess changes in
15 aerospace industry employment in Washington in comparison with other
16 states and internationally.

17 (c) Beginning with its review due by December 1, 2029, the joint
18 legislative audit and review committee must specifically assess the
19 share of aerospace industry employment in Washington in comparison
20 with other states based on a rolling five-year average. To the best
21 of its ability, the committee must consider and report on whether
22 Washington's share of aerospace industry employment was significantly
23 impacted by changes in noncommercial aerospace sectors. The committee
24 must also consider large changes in employment for different types of
25 jobs across different aerospace sectors and any changing economic
26 conditions. If a review finds that the share of aerospace industry
27 employment in Washington stays the same or grows relative to other
28 states, then the legislature intends to extend the expiration dates
29 of the aerospace tax incentives.

30 (d) To the extent practicable, the joint legislative audit and
31 review committee must use occupational data statistics provided by
32 the bureau of labor statistics and state agencies responsible for
33 administering unemployment insurance to perform this assessment.

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