

**Putting Washington to Work,
Rebuilding our Economy**

Governor Inslee's top priority is to create and sustain a thriving economic climate that spurs job growth in every industry sector and every corner of Washington state. Our schools and businesses must work together to prepare students and workers for today's jobs and the jobs of the future. The comprehensive jobs plan builds on Washington's long tradition of innovation and harnesses our unique abilities to lead in the global economy.

WORKING WASHINGTON AGENDA

Educating a 21st century workforce

Improving the business climate and expanding our workforce

**Advancing Washington's
aerospace leadership** ▶

Health care reform: healthy people,
healthy economy

Clean energy, climate action and
plentiful water

Advancing Washington's Aerospace Leadership

Washington has exerted nearly a century of leadership in aerospace innovation that today supports a cluster of more than 1,250 aerospace-related companies employing more than 131,000 people across the state. Last year, aerospace companies paid out 7.5 percent of all wages earned by Washingtonians. Preserving and promoting this industry and its good-paying jobs are of the utmost importance to our state's economic future.

Governor Inslee understands the strategic importance of expanding Washington's aerospace industry. He will build on the successful efforts to win the KC 46A aerial refueling tanker and 737 MAX for Washington and the significant state investments that support the aerospace sector. The Governor's proposals will make Washington even more competitive when future airplane assembly decisions are made.



GROWING A QUALIFIED WORKFORCE

Our deep and talented workforce is an essential reason for Washington's preeminent aerospace position. One reason is the emphasis on education in STEM — science, technology, engineering and math. Whether an individual wants to gain skills for employment opportunities or upgrade skills for advancement, having access to specific skills training and a broader base of STEM education is a must.

Governor Inslee will ensure we have ready, qualified aerospace workers as Washington prepares for ramp ups in commercial airplane production with the following actions:

Kindergarten through 12th grade

- » Provide funding for a second round of STEM grants. In 2012, the Legislature provided start-up money for three grant programs to prepare students for careers in aerospace and other STEM fields. A second round of start-up grants will double the reach of STEM education and aerospace skills training:
 - Entry-level aerospace assemblers certification training (six grants)
 - Advanced manufacturing skills courses in skills centers (four grants)
 - Advanced high school coursework, such as Project Lead the Way aerospace engineering (10 grants)
- » Establish a “talent pipeline” from high school to community and technical college to career by expanding industry-developed high school skills curricula, allowing credits earned to transfer to college.
- » Establish the National Career Readiness Certification assessment program for 2,500 students each year. This will provide testing for graduates of the 50 aerospace assembly and advanced manufacturing programs in high schools and skill centers across Washington. With these certificates in hand, students will clearly demonstrate to prospective employers that they have the requisite skills to go to work immediately.

Community and Technical Colleges

In 2012, the Legislature created the Washington Aerospace & Advanced Manufacturing Workforce Pipeline Advisory Committee to better connect the state’s aerospace training programs with industry needs. The committee identified areas where additional resources should be focused. Governor Inslee recommends the following:

- » Fund 500 enrollment slots in high-demand aerospace training programs.
- » Expand the staffing and resources of the Center of Excellence for Aerospace &

Advanced Materials Manufacturing to establish a central entry point for prospective students and job seekers who need help navigating through the array of training programs.

- » Ensure instructors have the skills and knowledge to teach the latest technologies and manufacturing processes by funding “Return to Industry” grants across the 24 community and technical colleges that offer aerospace-related programs. These grants allow instructors to spend time on the factory floor to learn about new technologies to include in their teaching.
- » Expand the revolving loan program for short-term aerospace training such as those at the Washington Aerospace Training Center (Everett), Inland Northwest Aerospace Technology Center (Spokane) and Renton Technical College. This financial aid gets more students on the job faster.
- » Expand the aerospace training capacity in the central Puget Sound region by developing a multi-institutional, multi-age aerospace training facility proposed by the city of Renton.

Public Universities

Governor Inslee will expand upon successful STEM programs with investments to:

- » Create a STEM enrollment pool. The competitive nature of the pool will reward the best-designed and most cost-effective proposals from the six public baccalaureate institutions to offer these programs that often cost more to operate.
- » Support colleges of engineering. Last year, the University of Washington and Washington State University committed to graduate an additional 425 students from their respective colleges of engineering. New investment will support these enrollments and implement best practices in engineering programs to help meet these targets.
- » Establish an electrical engineering program in Everett through Washington State University.

CREATING JOBS IN THE AVIATION SERVICES SECTOR

Today there is a multi-million dollar market for the furnishing, repairing, maintaining and storing of large, non-commercial aircraft in which Washington is not able to compete. Given our state's strong aerospace industry and the 1,250 aerospace-related companies located here, our state should be a hub for this activity. For instance, furnishing a single 747-8 Boeing business jet can cost \$100 million and keep as many as 100 skilled laborers gainfully employed for nearly two years.

Similarly, Washington's use and property tax provisions make it too costly for large aircraft owners to store planes in the state, despite the ideal climate and facilities in Eastern Washington. In storage, these planes require teams of skilled workers to keep them ready to re-enter service when called upon. Yet Washington's tax laws are pushing aircraft finishing work to other states and countries.

Governor Inslee supports House Bill 1707 and Senate Bill 5622, which level the playing field by eliminating uncompetitive tax policies that do not generate a single dollar for the state. These bills exempt:

- » Non-resident owned aircraft weighing more than 41,000-pounds (Boeing 737s and larger) from sales and use tax.
- » Large aircraft in storage for at least one calendar year from property tax.

PROVIDING THE PUBLIC INFRASTRUCTURE COMPANIES NEED TO GROW

Governor Inslee understands that private companies rely on public infrastructure to remain competitive. While budgets are tight, strategic investments in targeted programs and facilities can promote jobs in Washington's aerospace industry. In this vein, the Governor proposes to:



- » Continue the Joint Center for Aerospace Technology Innovation that promotes industry/university collaborations in developing new technologies and performing research. Established by the Legislature in 2012, the center has awarded its first round of grants to 16 innovative research projects. The Governor proposes to build on this momentum by eliminating an upcoming sunset provision and continuing the center.
- » Position Washington to win the 777X and future Boeing programs by continuing funding for the Governor's Office of Aerospace. Matched with outside contributions, the office can continue its work in analyzing, developing and implementing strategies to create aerospace-related jobs, including those for future commercial airplane assembly lines and components.
- » Invest in the Port of Everett roll-on/roll-off cargo berth. This will boost efficiency and add capacity at the main point of entry for airplane parts manufactured in Asia, and help ensure the 777X and future Boeing airplane programs are built in Washington.
- » Invest in Port of Moses Lake hangar improvements. This will expand capacity for the modification of large aircraft.

Governor Inslee's priorities

- » Fund second round of grants to double the reach of STEM education and aerospace training
- » Establish a high school-to-career “talent pipeline”
- » Create the National Career Readiness Certification assessment program for students in aerospace and advanced manufacturing programs
- » Fund 500 enrollment slots in high-demand aerospace training programs
- » Expand staffing, resources of Center of Excellence for Aerospace & Advanced Materials Manufacturing
- » Enhance instructor skills and knowledge through “Return to Industry” grants
- » Expand revolving loan program for short-term training programs
- » Develop multi-institutional aerospace training facility in Renton
- » Create competitive STEM enrollment pool for baccalaureate institutions
- » Fund engineering enrollments at UW, WSU
- » Establish electrical engineering program in Everett through WSU
- » Exempt certain non-resident owned aircraft from sales and use tax
- » Exempt large aircraft in storage from property tax
- » Continue the Joint Center for Aerospace Technology Innovation
- » Fund the Governor’s Office of Aerospace
- » Invest in the Port of Everett cargo berth
- » Invest in Port of Moses Lake hangar improvements