

# Meeting Minutes

## NMTA Government Affairs Committee Meeting

**Date:** December 12, 2025

**Format:** Virtual Meeting (Microsoft Teams)

## 1. Meeting Opening & Preliminary Logistics

- The meeting was called to order shortly after 11:00 AM.
- Participants were admitted into the call as they arrived.
- General housekeeping occurred: audio checks, brief informal updates, and confirmation of the agenda.

## 2. Legislative Session Preview

### 2.1 Overview of Upcoming Legislative Session

- A reminder was issued that the legislative session begins in one month.
- It was noted that the Governor publicly stated an intent to avoid new taxes; however, stakeholders will watch closely to see if this position holds.
- Attendees were encouraged to participate in the upcoming Legislative Day on January 29, emphasizing industry visibility and engagement.

## 3. Legislative & Policy Updates

### 3.1 Marine-Related Legislation: Predation & Plastics

#### Voluntary Predation Fund Bill

- A pre-filed bill (supported by Senate Republicans) would create a voluntary donation program during vessel registration or renewal.
- Funds would support salmon preservation and sea lion predation mitigation.
- The proposal introduces **no new mandatory fees**.

### 3.2 State Budget & Taxation Discussion

A legislative analyst provided a comprehensive update:

### **Budget Outlook**

- Despite a recent \$9.5B tax increase, the state is reporting a **\$4B projected shortfall**.
- Legislative leadership is actively considering new revenue proposals.

### **Potential Tax Proposals Under Discussion**

- **Payroll tax modeled after Seattle's JumpStart tax** (carryover from prior year).
- **Wealth tax proposal**, targeting high-value assets (also carryover).
- **New payroll tax proposal** affecting incomes above \$125,000 at approximately 5%.
- **Allowing counties to levy B&O taxes**, expanding current authority.
- **State-level income tax proposal:**
  - Suggested 9.9% tax rate on adjusted gross incomes above \$1M.
  - May be structured as a payroll tax to circumvent legal challenges.
  - Expected to face legal hurdles and potential ballot initiatives, meaning any revenue would likely not materialize before 2028.

### **Political Considerations**

- Some legislators view tax increases as aligned with their constituency expectations.
- Little political cost was seen in prior elections for supporting tax increases.
- A short 60-day session may nonetheless see aggressive movement on revenue-focused bills.

## **4. Guest Presentation: State Boating Program & Funding Challenges**

A representative from the **State Boating Program** delivered a major briefing.

### **4.1 Program Overview**

- The state boating program includes:
  - Marine law enforcement training.
  - Public education (including the mandatory Boater Education Card).
  - Clean Vessel Act grants.
  - Winter and non-motorized recreation oversight.
- The program is **entirely federally funded** through the U.S. Coast Guard using Dingell-Johnson Trust Fund dollars collected via excise taxes on boats, gear, and other recreational items.

## 4.2 Funding Trends

- A 15-year funding chart showed:
  - A low point of ~\$1.77M in 2019.
  - A COVID-era spike to ~\$2.74M.
  - Stable recent funding around \$2.4M–\$3M.
- Reduced activity during the pandemic left some unspent balances.

## 4.3 New Federal Restrictions

- For the first time in 40 years, a state reimbursement request was **denied**.
- Cause: The federal government added new immigration-related compliance conditions for all DHS-linked grants.
- The state is party to litigation challenging these conditions.
- As a result, reimbursement flow has become uncertain.

## 4.4 Operational Impacts

- The program has prepared a **significantly reduced FY26 budget**.
- A stakeholder group is being convened to determine which program functions should be prioritized if funding remains constrained.
- Core statutory duties include:
  - Administering the Boater Education Card.
  - Approving entities eligible for Vessel Registration Fee (VRF) passthrough funding.
  - Approving (but not providing) marine law-enforcement curriculum.
  - Maintaining the state boating incident database.

## 4.5 Program Outputs (Recent)

- 125+ law enforcement officers trained in 2025.
- ~\$1.7M in pass-through equipment and training funds distributed.
- VRF distributions for counties approved and pending Treasury release.
- More than 520,000 Boater Education Cards issued since inception.

# 5. Technical Discussion: Marine Electrical Code Compliance

The meeting shifted to an in-depth discussion on marina electrical safety and new NEC ground-fault requirements.

## 5.1 Background

- Following the Marine & Boatyard Conference's full-day electrical track, marinas have raised questions regarding:
  - New code requirements.
  - How to detect and address vessel electrical leakage.
  - Liability and compliance expectations.

## 5.2 Key Technical Themes

### Ground Fault Protection Requirements

- New construction must meet updated GFCI requirements:
  - **30 mA protection at pedestals.**
  - **100 mA protection at feeders.**
- Existing infrastructure typically does **not** require full rewiring unless being replaced.

### Common Causes of Leakage

- Neutral-to-ground connections on vessels (most frequent).
- Miswired inverters or battery chargers.
- Faulty appliances (water heaters, microwaves, HVAC units).
- Cord failures (reported as ~50% of issues at one marina).
- DIY electrical modifications by vessel owners.

## 5.3 Testing Procedures & Best Practices

- Proper testing requires:
  - Breakout cords to isolate conductors.
  - Turning on **all** on-board loads (not just breakers).
  - Certified ABYC-qualified marine electricians.
- Incorrect testing (e.g., clamping the ground conductor) can create false leakage readings.
- Some marinas conduct full-facility audits annually or more frequently.

## 5.4 Accumulated Leakage Challenges

- In daisy-chained systems, multiple boats each leaking small amounts can collectively exceed a feeder's trip threshold.
- This can trip the feeder without any single vessel exceeding its pedestal limit.
- Diagnosing requires:
  - Sequential vessel isolation.
  - Turning loads on/off individually.
  - Systematic retesting.

## 5.5 Isolation Transformers

- When correctly installed on the vessel, isolation transformers:
  - Eliminate neutral-ground leakage into the marina system.
  - Create a new onboard power source that limits current return paths to the vessel itself.
- Not a “band-aid,” but a legitimate technical remedy.
- Portable dockside transformer carts were discussed; concerns were raised about the safety of metal housings on unbonded equipment carts.

## 5.6 Enforcement & Liability

- If a vessel leaks current and cannot be brought into compliance, marinas may choose to disconnect or remove the vessel from the facility.
- Liability concerns are significant:
  - A marina could be sued if an electrical injury occurs and due diligence was not exercised.
- Freshwater environments carry higher electrocution risk, but saltwater marinas also face exposure.

# 6. Additional Operational Challenges

- Differences between 208-V and 240-V service were discussed, particularly for 50-amp circuits.
- Some vessels experience equipment malfunction when using 208-V power; marinas were advised to document voltage levels clearly for tenants.

# 7. Closing

- Participants were encouraged to continue sharing experiences and resources, especially regarding testing vendors and electrical compliance.
- Meeting adjourned with holiday well-wishes.