



The Voice of the Recreational Boating Industry in the Pacific Northwest

The purpose of the Northwest Marine Trade Association is to promote the growth of recreational boating and the businesses of our members.

Government Affairs Committee 6/11/2026

Teams Meeting Notes:

- **Board of Trustees Election Results and Annual Meeting:** Jay announced the results of the Board of Trustees election, welcoming Jason Hanley Brown and Sam Bisset to the NMTA board, with Nick Graf retaining their seat, and provided details about the upcoming annual meeting at Queen City Yacht Club, encouraging participation and highlighting Lisa Samuelson's upcoming retirement celebration.
 - **Election Results Announcement:** Jay shared that Jason Hanley Brown has joined the NMTA board, Nick Graf has retained their seat, and Sam Bisset from Fluid Motion will also join, finalizing the board composition for the next term.
 - **Annual Meeting Details:** Jay provided information about the annual meeting scheduled for Wednesday, June 17th at Queen City Yacht Club, which will include a year-in-review and recognition of departing and continuing contributors.
 - **Lisa Samuelson's Retirement:** George and Jay highlighted Lisa Samuelson's 20 years of service to the industry, noting her upcoming retirement this fall and plans to celebrate her contributions at the annual meeting, including a champagne toast.
- **Marine and Boatyard Conference Planning:** Jay updated the group on the Marine and Boatyard Conference, mentioning sponsorships from Marine Floats, Bellingham Marine, and Fishery Supply Company, and announced keynote speakers including Dave Upthegrove and Delmas, with the event scheduled for October 6-8 in La Conner.

- **Conference Sponsorships and Speakers:** Jay noted generous sponsorships from Marine Floats, Bellingham Marine, and Fishery Supply Company, and announced that Dave Upthegrove, Delmas, and an electrician from Port of Seattle will be among the speakers, with more announcements to follow.
 - **Event Schedule and Location:** The conference will take place in the evening of October 6th and continue through October 7th and 8th in La Conner.
- **Legislative Boating Tour and Waterfront Challenges:** Jay described a recent legislative boating tour with Port of Anacortes, John Dumas, and Eric Fitch, focusing on the challenges and creative solutions for working waterfronts, water quality, and maritime sector jobs.
 - **Tour Overview:** Jay reported on the tour with Port of Anacortes, John Dumas, and Eric Fitch, which highlighted both the operational challenges faced by waterfront facilities and the innovative approaches being used to protect water quality and support maritime jobs.
- **Legislative Tax Changes and Industry Impact:** Jay, George, Roman, and others discussed recent legislative tax changes, including the defeat of a proposed 10% luxury tax on boats, the implementation of a half-cent sales tax increase on recreational vessels, and the broader context of state taxation and spending priorities.
 - **Defeat of Luxury Tax:** Jay explained that the NMTA and RBAW successfully opposed a 10% luxury tax increase on boats for 2025, but as a compromise, a half-cent sales tax increase on recreational vessels was enacted.
 - **Implementation Details:** Jay clarified that the new tax applies to vessels subject to the watercraft excise tax, and discussed common questions about structuring transactions to avoid the tax, cautioning that the Department of Revenue and Licensing will closely scrutinize such efforts.
 - **Legislative Spending and Taxation Trends:** Jay and Roman commented on the legislature's ongoing focus on increased spending and taxation, noting the lack of appetite for tax relief and the state's budget challenges for the 2027-29 biennium.
 - **Potential for Repeal:** Jay stated that while repealing the new tax is theoretically possible, it would require significant legislative change, which is currently unlikely given the political climate.
- **Derelict and Abandoned Vessel Policy Updates:** Jay provided updates on legislative priorities related to derelict and abandoned vessels, including ongoing efforts with Tarin, James from WPPA, and Troy from the Derelict Vessel Removal Program to ease vessel removal and protect program funding.
 - **Policy Discussions:** Jay reported ongoing discussions about legislative adjustments to facilitate the removal of derelict and abandoned vessels, with gratitude expressed for the defeat of a funding raid on the Derelict Vessel Removal Program.
- **Cruise Permit Length Extension and High-Profile Vessel Arrivals:** Jay, Roman, and Hobie discussed the recent arrival of a high-profile vessel (Zuckerberg's boat), clarifying legislative concerns about cruise permit length, the economic benefits of such visits, and plans to seek removal of the sunset on the permit length extension.
 - **Cruise Permit Clarification:** Jay clarified that the high-profile vessel did not require a cruise permit extension, as it was not staying beyond 60 days, and that the recent legislation extending cruise permit length was unrelated to this visit.

- **Economic Impact Advocacy:** Hobie and Jay emphasized the positive economic impact of large vessels visiting Seattle, advocating for the Port of Seattle to be more vocal in support and highlighting the jobs and spending generated by such visits.
 - **Future Legislative Plans:** Jay noted plans to seek removal of the sunset clause on the cruise permit length extension, though the timing may be affected by recent publicity around high-profile vessels.
- **Boatyard General Permit Revision:** Jay updated the group on ongoing discussions with the Department of Ecology regarding revisions to the boatyard general permit for stormwater, noting that a draft will not be released until January and that no major concerns have been identified so far.
 - **Permit Revision Status:** Jay reported ongoing conversations with the permit writer at the Department of Ecology, with the revised boatyard general permit for stormwater expected in January and no immediate cause for alarm identified.
- **Margins Tax Proposal as B&O Tax Replacement:** Roman, Jay Balasbas, and Trevor discussed the emerging proposal to replace the state's gross B&O tax with a margins tax, outlining the structure, potential impacts, and the need for member feedback as the discussion evolves.
 - **Proposal Overview:** Jay Balasbas explained that the margins tax proposal would allow a deduction (about \$1 million) from gross revenue, with tax calculated on the remainder, and options to recognize labor or cost of goods sold, aiming to reduce the impact of the current B&O tax.
 - **Potential Impacts:** Jay Balasbas and Jay noted that the change would create winners and losers, with larger companies potentially benefiting more, and that the transition would involve a phased implementation over five years, possibly resulting in businesses being subject to two tax structures simultaneously.
 - **Legislative Context and Next Steps:** Trevor identified Representative Berg as the lead on the proposal, with Roman and Jay emphasizing the importance of early member feedback to help shape the policy before it is finalized.
- **PAC Fundraising and Strategy:** Jay discussed the growth of the PAC fund, upcoming events such as the PAC golf tournament, and the ongoing strategy to influence legislative races and policy outcomes, with Roman and others involved in prioritizing expenditures.
 - **PAC Growth and Events:** Jay reported significant growth in the PAC balance over the past six years, attributed in part to the annual PAC golf tournament, and outlined plans for expenditures in the current biennium.
 - **Strategic Priorities:** Jay, Roman, and Trevor are coordinating on targeting legislative races and policy priorities, seeking to shift the narrative in Olympia through strategic PAC spending.

Follow-up tasks:

- **B&O Tax Replacement Proposal Review:** Review the draft proposal and one-pager on the margins tax as a potential replacement for the gross B&O tax and provide feedback on its impact to your business. (Jay, Roman, Trevor, JMB, Meeting Participants)

- **PAC Expenditure Plan Discussion:** Discuss and refine the PAC expenditure plan with members and provide updates as it becomes finalized. (Jay, Roman, Meeting Participants)