

APPENDIX: Materials Provided from Work Session Presenters

Note: Presenter names included here reflect those who provided materials, not all presenters who spoke in front of the committee.

1. **June 16, 2020**
 - a. National perspectives on the Covid-19 economic crisis
 - b. Unemployment challenges
 - i. [Anneliese Vance-Sherman, Employment Security Department](#)
 - ii. [Dr. Debra Glassman, University of Washington](#)
 - c. Regional perspectives on the economic crisis
 - i. [Charlie Davis, Boston Consulting Group, Updated](#)
 - ii. [Grant Forsyth, Avista Corporation](#)
 - iii. [Hart Hodges and James McCafferty, Western Washington University](#)
2. **July 21, 2020**
 - a. Introductions
 - b. Rebuilding an inclusive economy: an intersectional perspective
 - c. Broadband
 - i. [Russ Elliot, Washington State Broadband Office](#)
 - ii. [Vickie Robinson, Microsoft Airband](#)
 - d. Healthcare
 - i. [Larry Levitt, Kaiser Family Foundation](#)
 - e. Local economic development
 - i. [Lisa Brown, Washington State Department of Commerce](#)
 - ii. [Suzanne Dale Estey, Washington Economic Development Association](#)
3. **September 29, 2020**
 - a. Economic impact of 2020 forest fires
 - i. [Jason Marquiss, Washington Military Department Emergency Management Division](#)
 - b. Overview from Employment Security Department on Washington's current labor market
 - i. [Anneliese Vance-Sherman, Employment Security Department](#)
 - c. Main street Washingtonians perspective on the pandemic and their experience with health care and childcare.
 - d. Small Business Challenges
 - i. [Justin Norman, Yelp](#)
 - ii. [David Blandford, Washington Tourism Alliance](#)
 - iii. [Tom Norfolk, Visit Seattle](#)
 - iv. [Shiloh Burgess, Wenatchee Valley Chamber of Commerce](#)
4. **October 27, 2020**
 - a. Aerospace
 - i. [Richard Aboulafia, Teal Group Corporation](#)
 - ii. [Scott Kennedy, Alaska Airlines](#)
 - iii. [Spencer Cohen, Aerospace Sector](#)
 - b. Manufacturing
 - i. [Lisa Brown, Washington State Department of Commerce](#)
 - c. Next Steps

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PRESENTATION TO
**SENATE SPECIAL
COMMITTEE ON
ECONOMIC RECOVERY**

JUNE 16, 2020

Dr. Debra Glassman

Principal Lecturer

Department of Finance & Business Economics

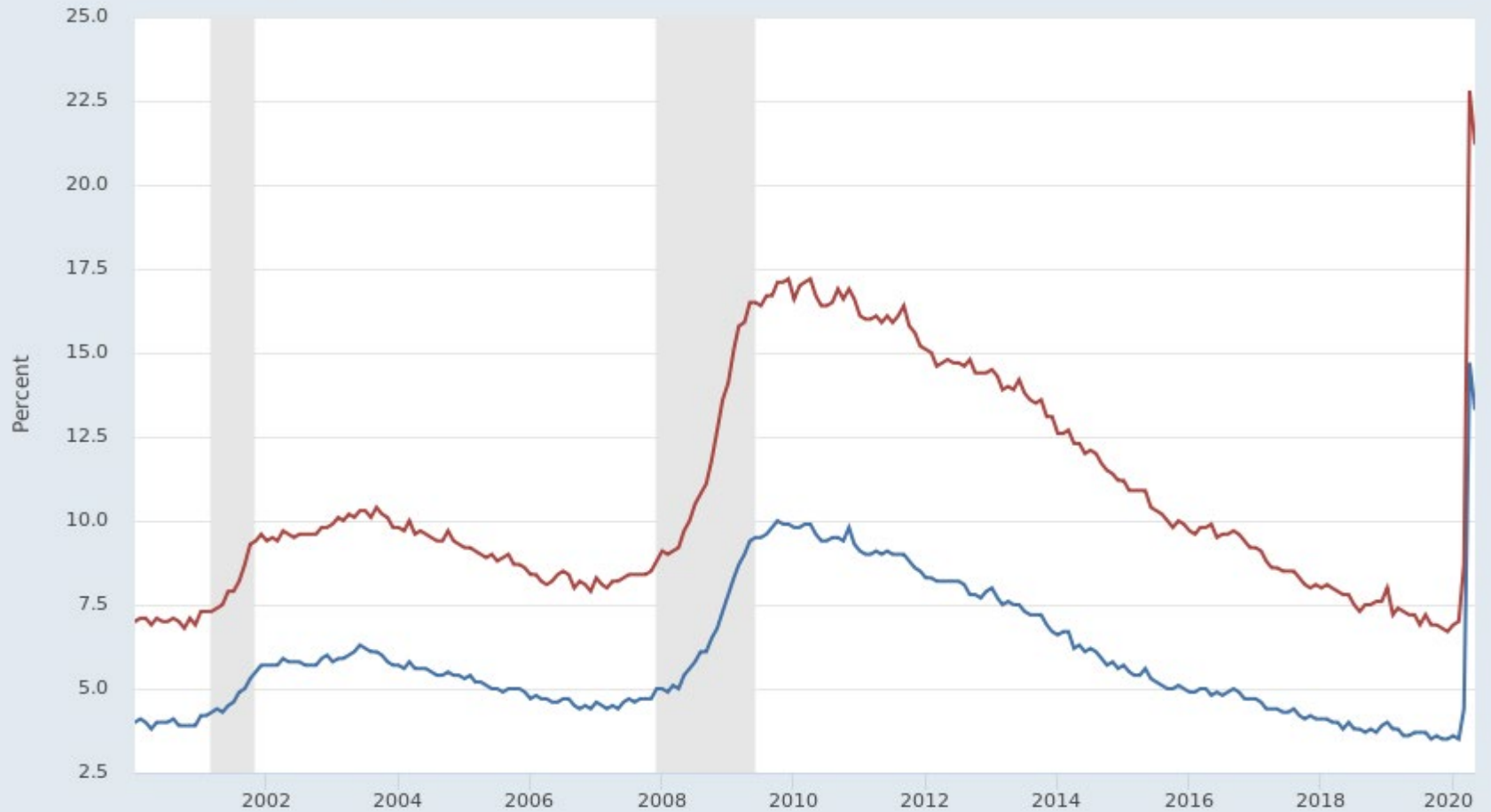
FOSTER
SCHOOL OF BUSINESS

An unusual recession?

- Unusual: cause, speed of onset and depth
- Unusual: both supply-side and demand-side
 - Overseas and domestic shutdowns
 - Stay-at-home orders prevent consumption of goods and services
- Not unusual: recovery pattern
 - Recovery of output and employment will be slow
 - “Swoosh” rather than V shape



— Unemployment Rate
— Total Unemployed, Plus All Persons Marginally Attached to the Labor Force, Plus Total Employed Part Time for Economic Reasons, as a Percent of the Civilian Labor Force Plus All Persons Marginally Attached to the Labor Force (U-6)

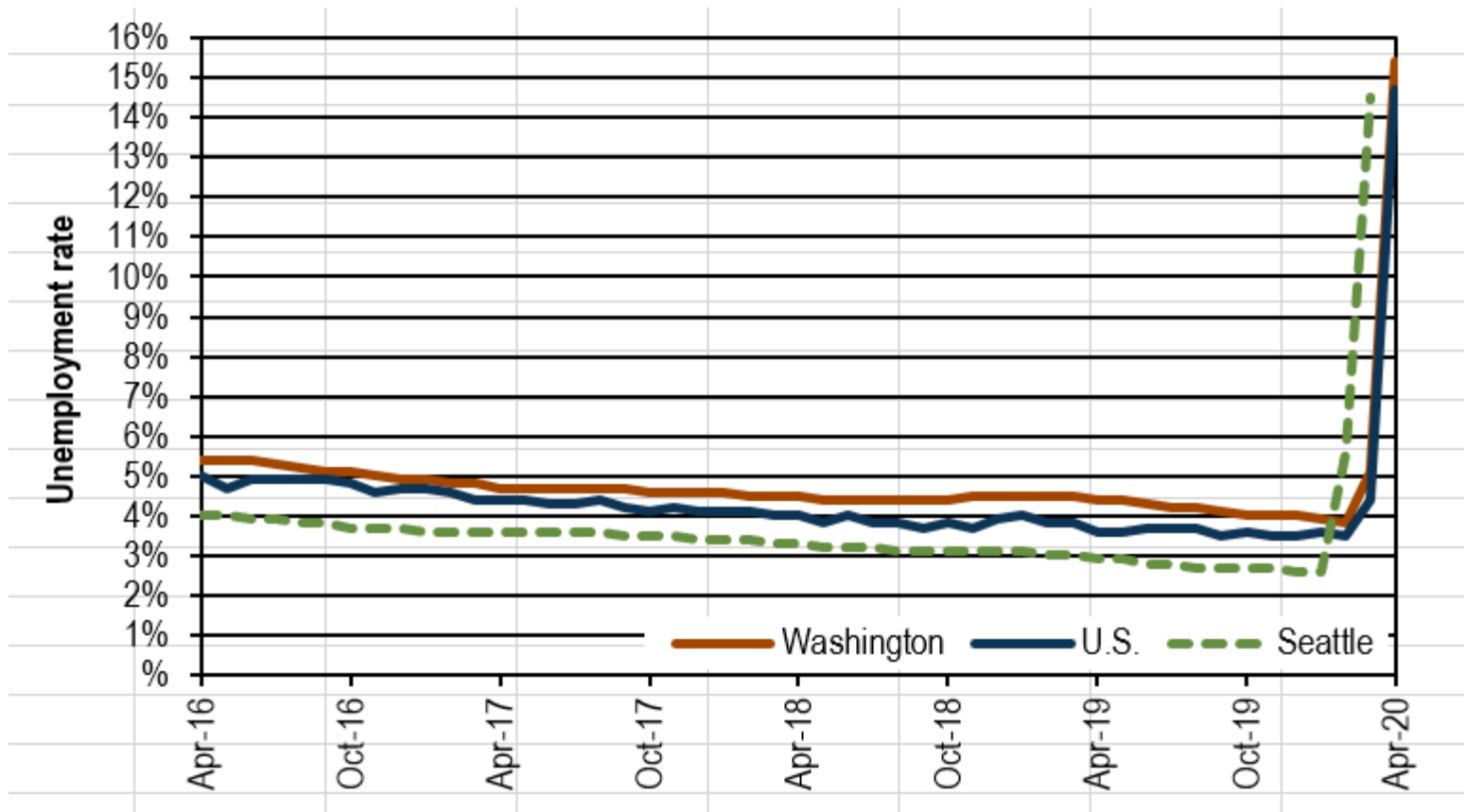


Shaded areas indicate U.S. recessions

Source: U.S. Bureau of Labor Statistics

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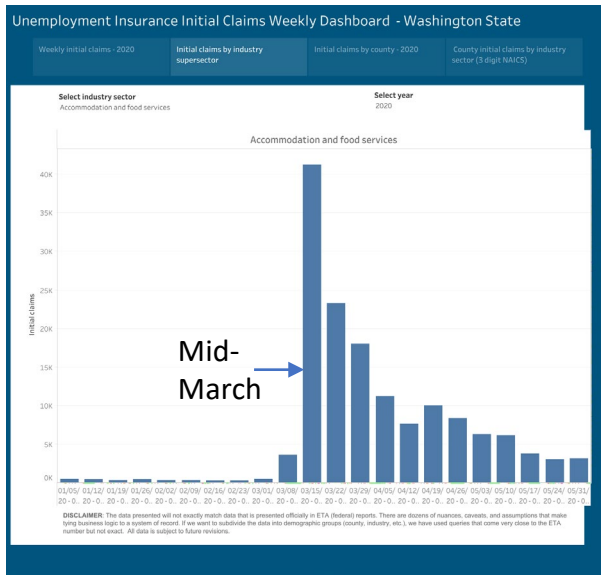
Source: Federal Reserve Economic Data, accessed June 15, 2020



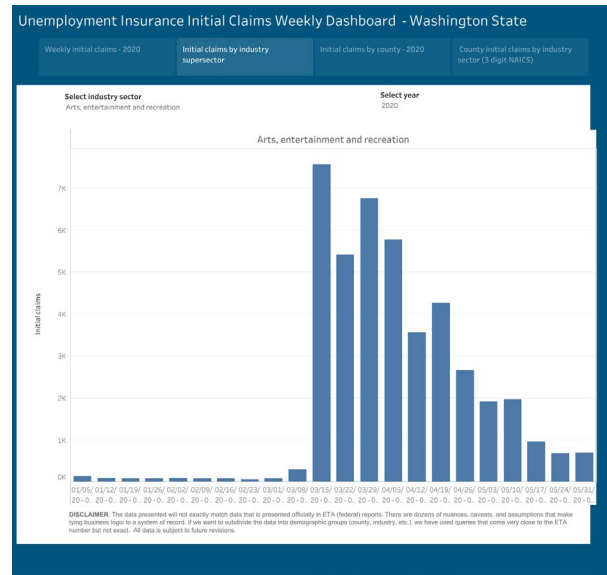
Source: Unemployment rates, seasonally adjusted, from Monthly Employment Report, April 2020, Washington State Employment Security Department

Pattern of economic recovery

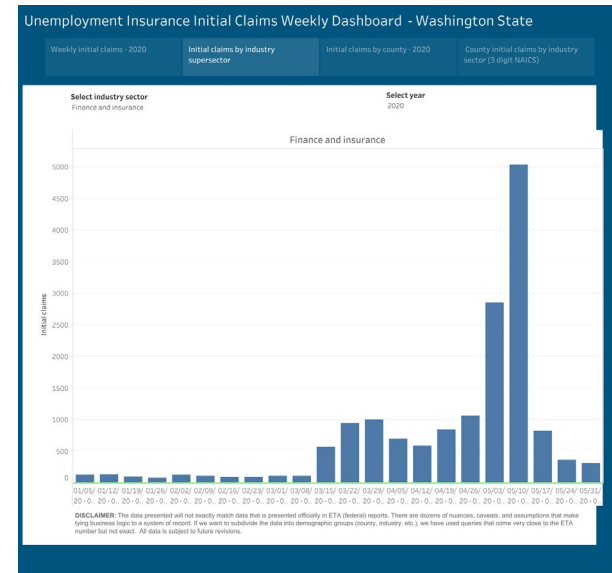
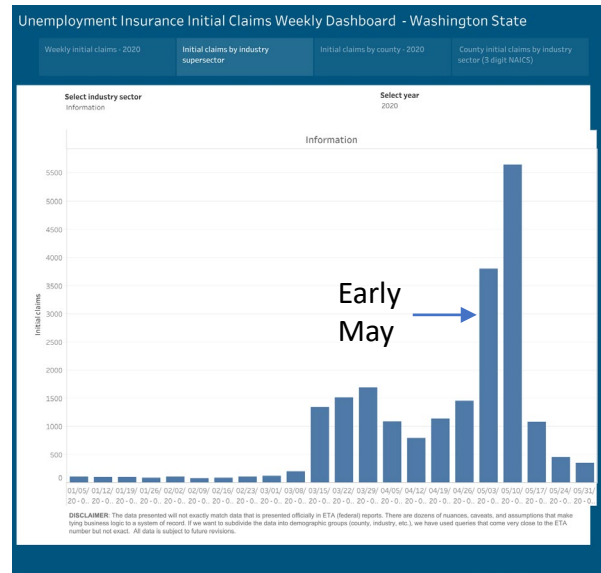
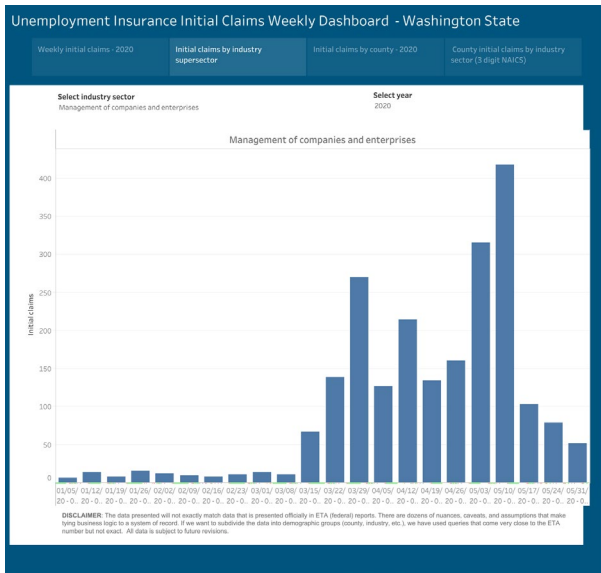
- Typical recovery of employment after recession is years-long (see slide 3)
- Initial hopes of temporary shutdown and quick snap-back of employment
 - Policy problem was maintaining firms and households through the shutdown
 - Economic pain would be confined to sectors like airlines, hotels, restaurants
- Once we saw ‘multiplier effects’ on other sectors, we knew there was a more generalized recession



Accommodation and food service
Management Information



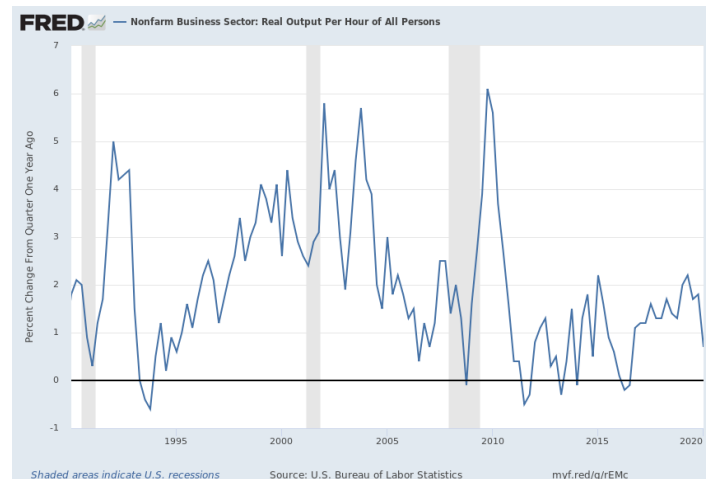
Arts, entertainment and recreation
Finance and insurance



Source: Washington State Employment Security Department, Weekly Dashboard, Initial Unemployment Claims by Industry, accessed 6/14/20

Recessions accelerate automation and productivity

- All 3 recessions over last 30 years led to big increases in automation, increasing productivity [Brookings Institution]



- Why is recession a good time to automate?
 - Interest rates are low, capital goods become cheaper, people are relatively more expensive

Structural unemployment is caused by permanent shifts in labor demand

- “Mismatch” between skills and location of workers and the required skills and location of jobs
 - Long-term: requires re-training and/or re-location of workers
- Some examples of pandemic-driven structural change:
 - E-commerce accelerates decline in physical retail
 - Return of manufacturing to US to build supply chain resilience for future
 - Automation in manufacturing and distribution
 - Telework
- Structural change has broad multiplier effects – e.g., telework affects:
 - Office construction, demand for gasoline (and gas tax revenue), business travel/convention/hospitality industries

Policy responses to structural unemployment

- Support education and job (re-)training using existing institutions, such as
 - Community college programs
 - Apprenticeships
- Support re-locations of jobs (office to home) and people (big cities to small)
- Support small businesses and start-ups

Unemployment Challenges: *Who are the unemployed?*

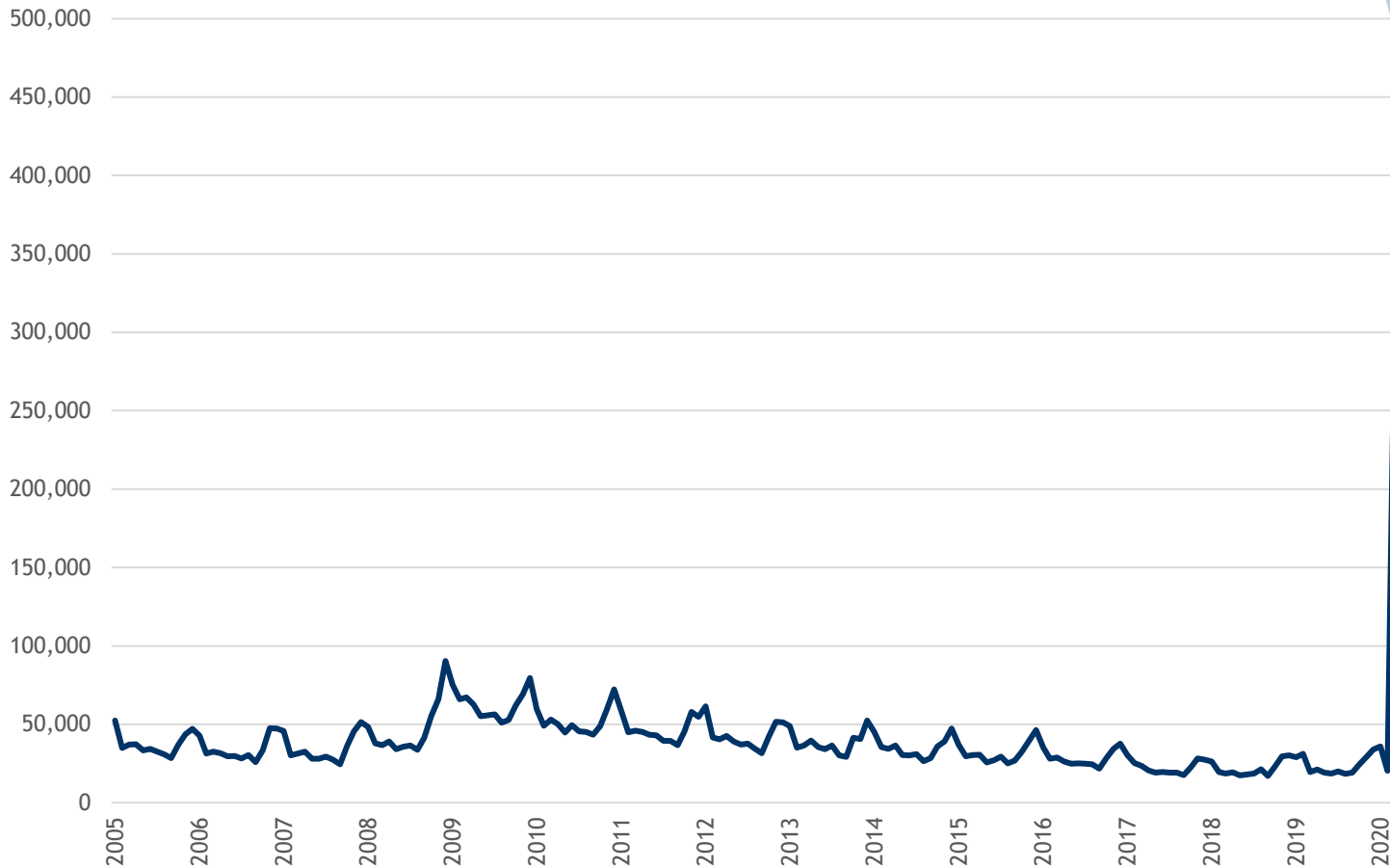
Senate Special Committee on Economic Recovery
Virtual work session
June 16, 2020

Anneliese Vance-Sherman, Ph.D.
Regional Labor Economist
Washington Employment Security Department
Labor Market and Economic Analysis

Unemployment and Labor Force

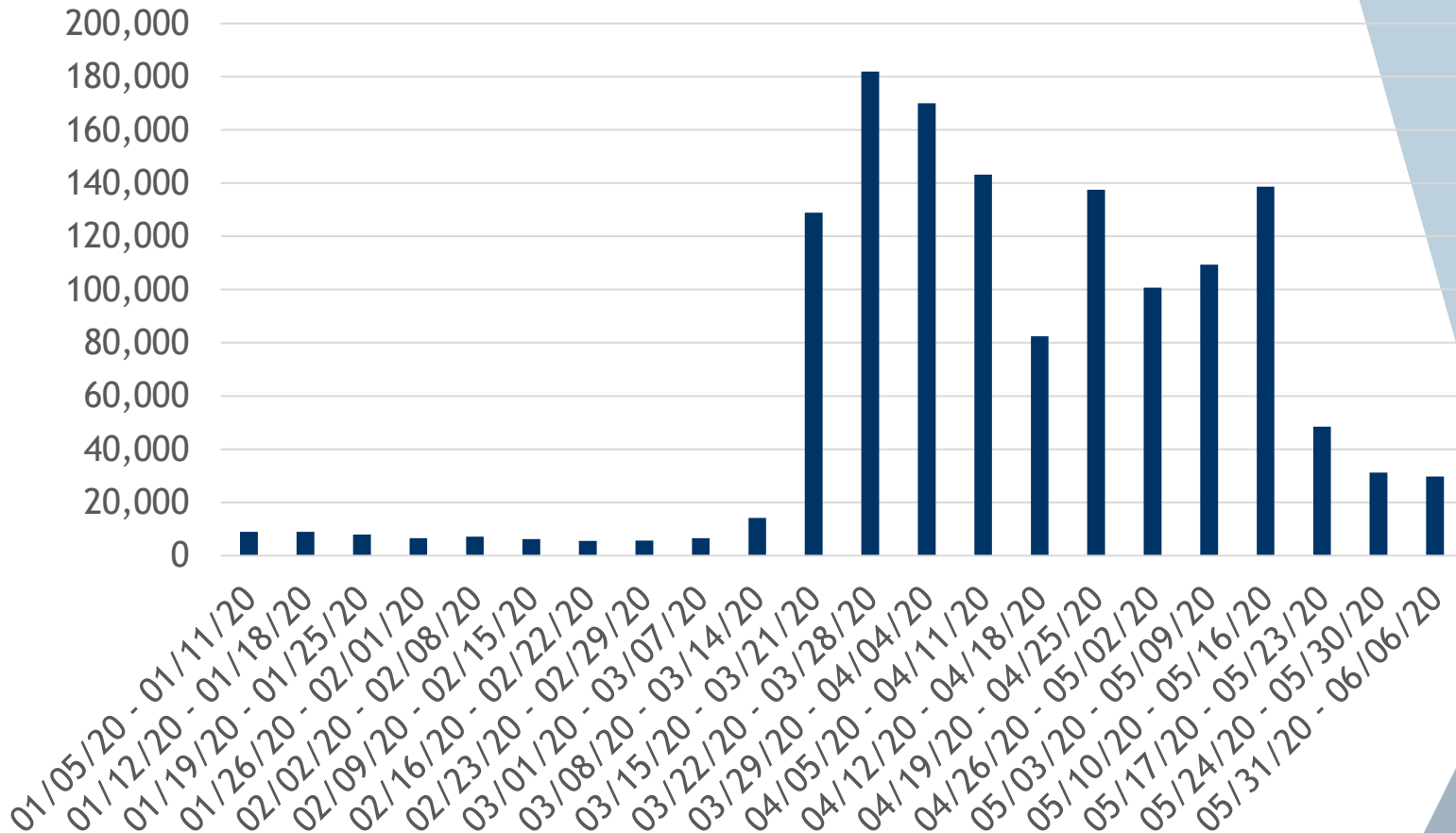


467,127 new claims were filed in Washington during the month of April 2020

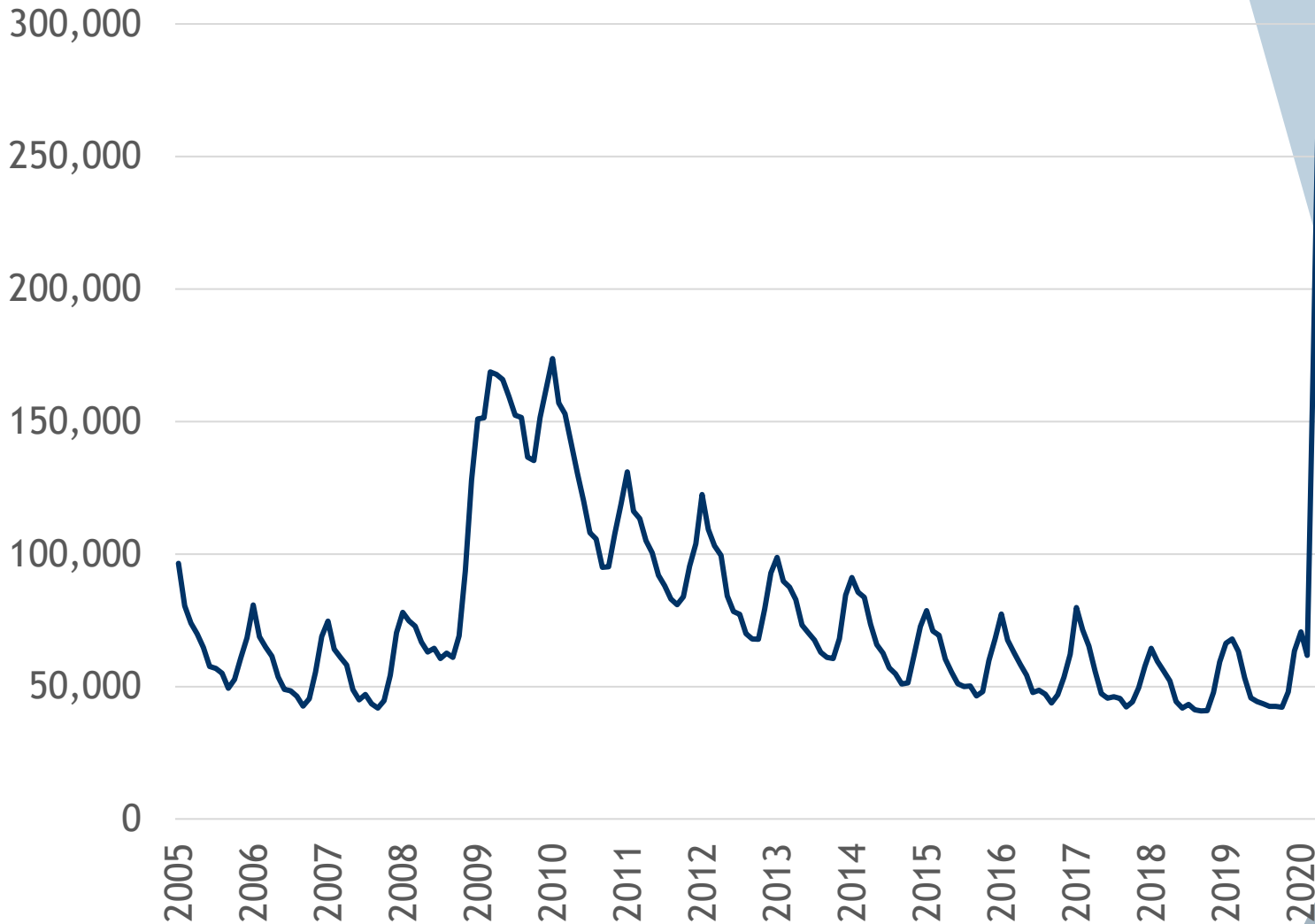


Employment Security Department, Initial Claims for Unemployment Insurance

Since the March 1, 2020, ESD has received more than 1.3 million applications for Regular Unemployment Insurance

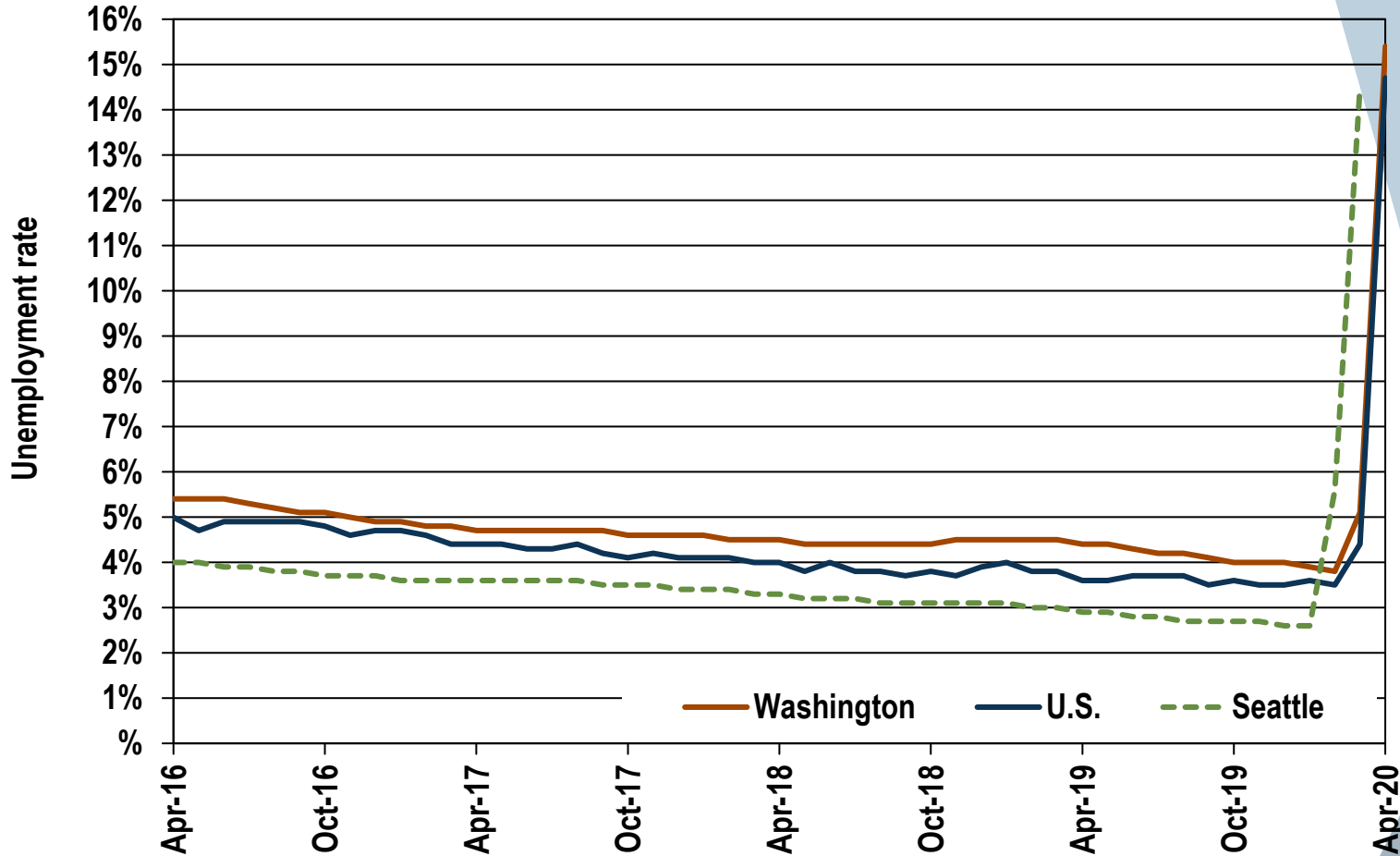


295,594 regular UI claims were paid in April 2020



Employment Security Department, Continued Claims of Unemployment Insurance

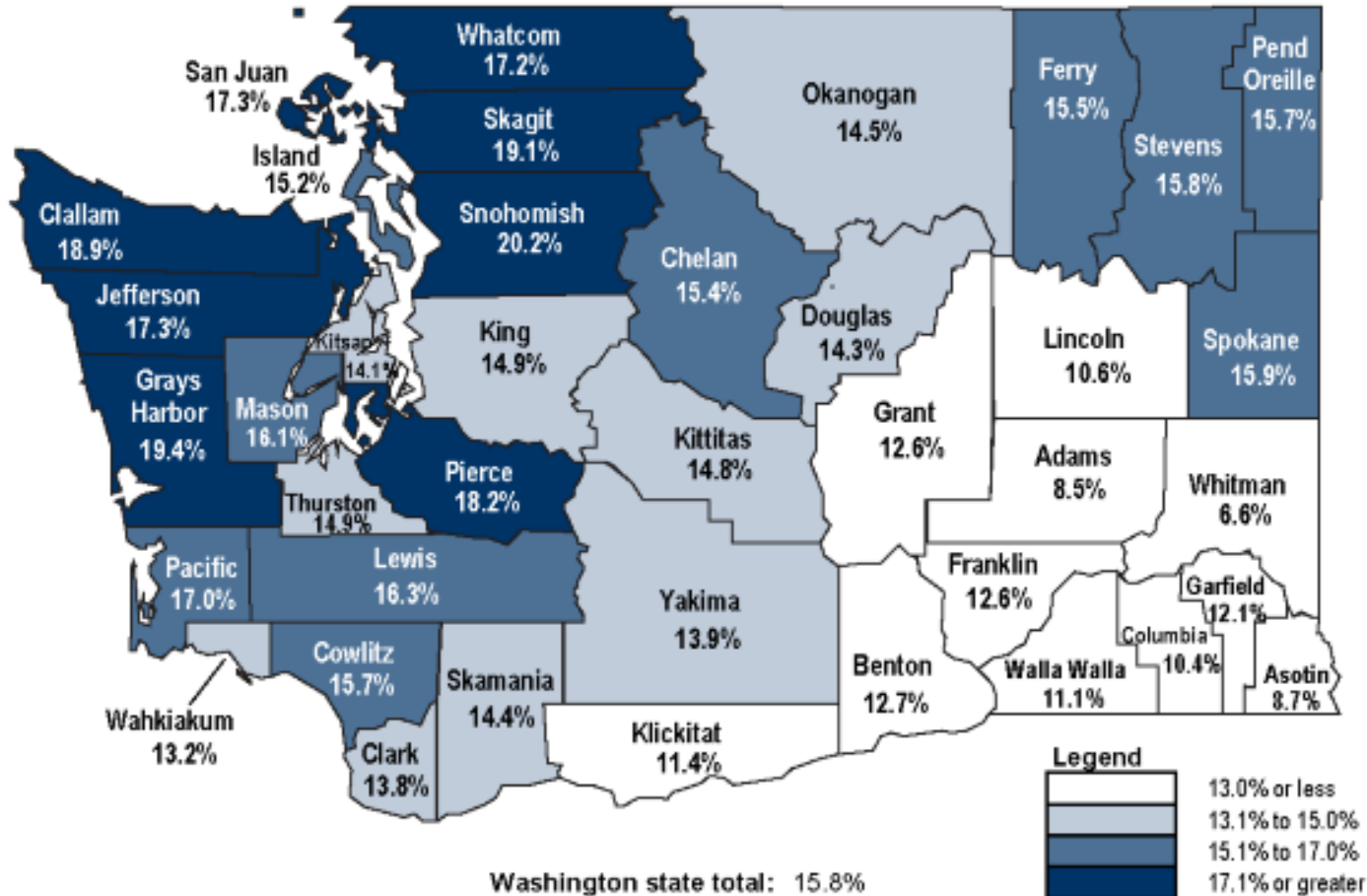
The unemployment rate in Washington reached 15.4 percent in April



The unemployment rate varies by location

April 2020

County unemployment rates, not seasonally adjusted

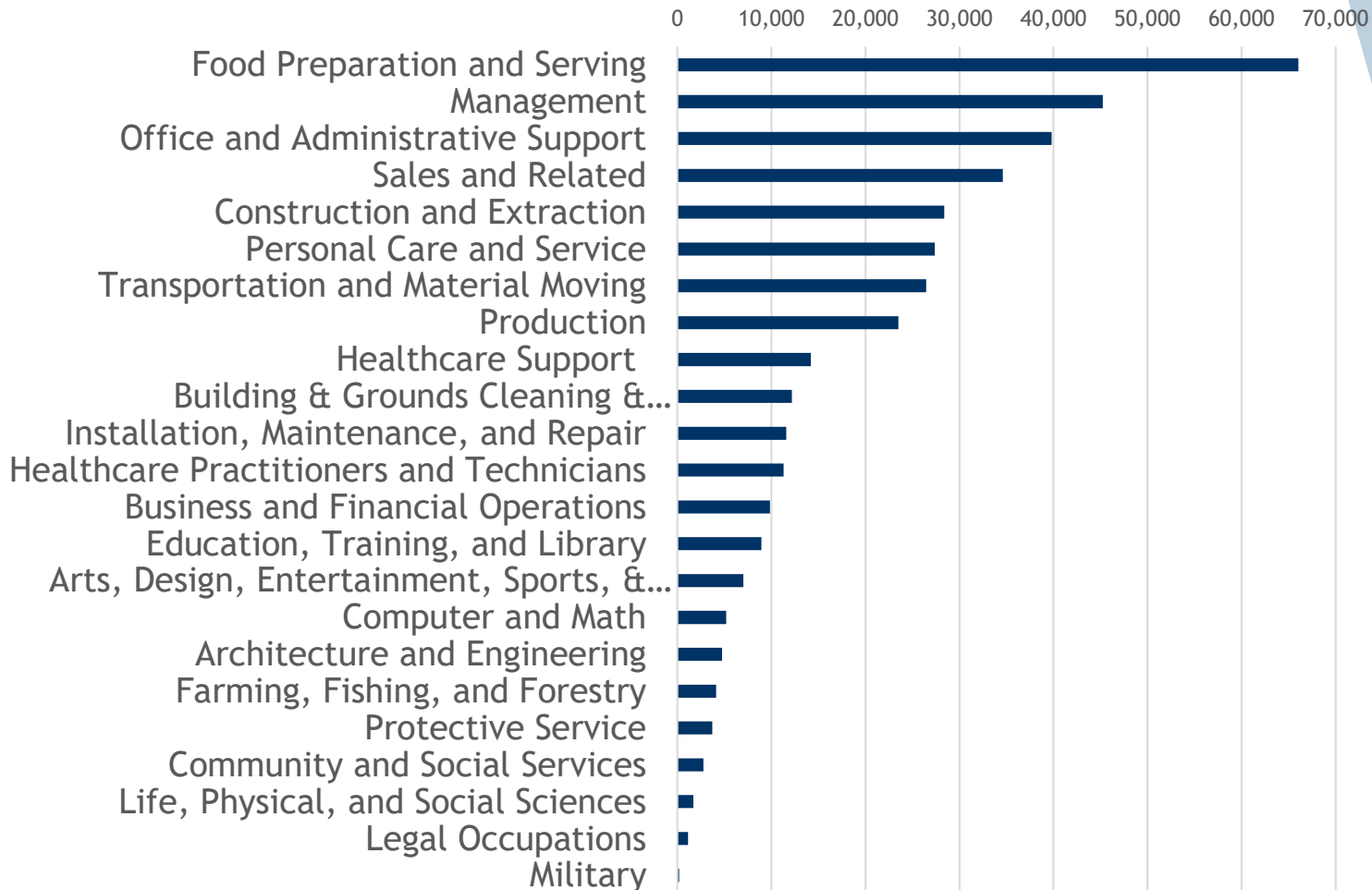


Who are Washington's unemployed?



Who are the unemployed?

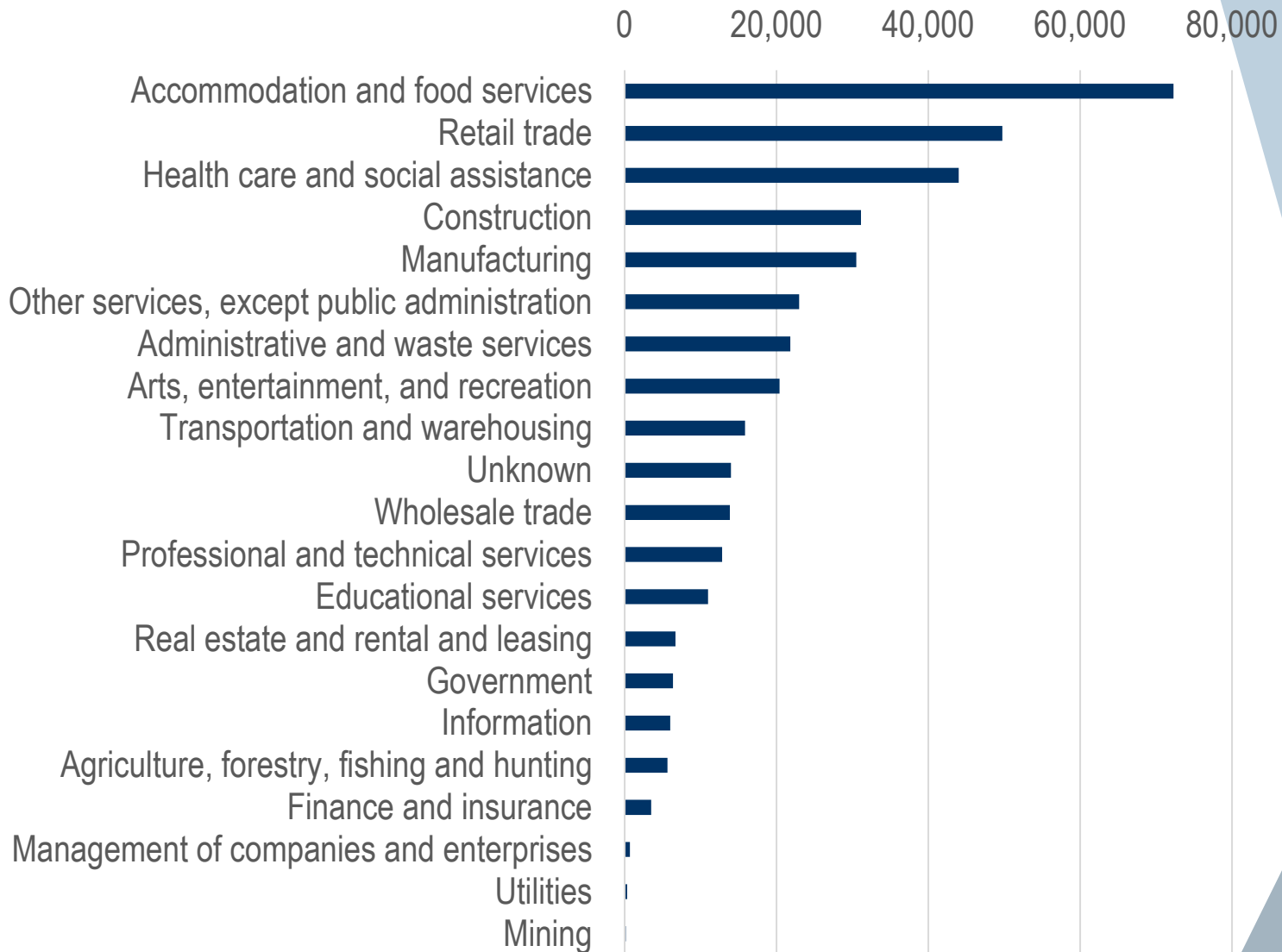
Occupation



Occupations with the most active claims

Occupational Group	State Total
Waiters and Waitresses	19,980
Retail Salespersons	14,772
Bartenders	10,756
General and Operations Managers	8,433
Sales Managers	8,128
Cashiers	7,015
Production Workers, All Other	6,920
Cooks, Restaurant	6,583
Carpenters	5,756
Managers, All Other	5,497
Hairdressers, Hairstylists, and Cosmetologists	5,284
Stock Clerks and Order Fillers	5,263
Chefs and Head Cooks	5,140
Maids and Housekeeping Cleaners	4,914
Food Service Managers	4,518
Receptionists and Information Clerks	4,252
Counter Attendants, Cafeteria, Food Concession, and Coffee Shop	4,227
Janitors and Cleaners, Except Maids and Housekeeping Cleaners	3,955
Childcare Workers	3,874
Sales Representatives, Services, All Other	3,775

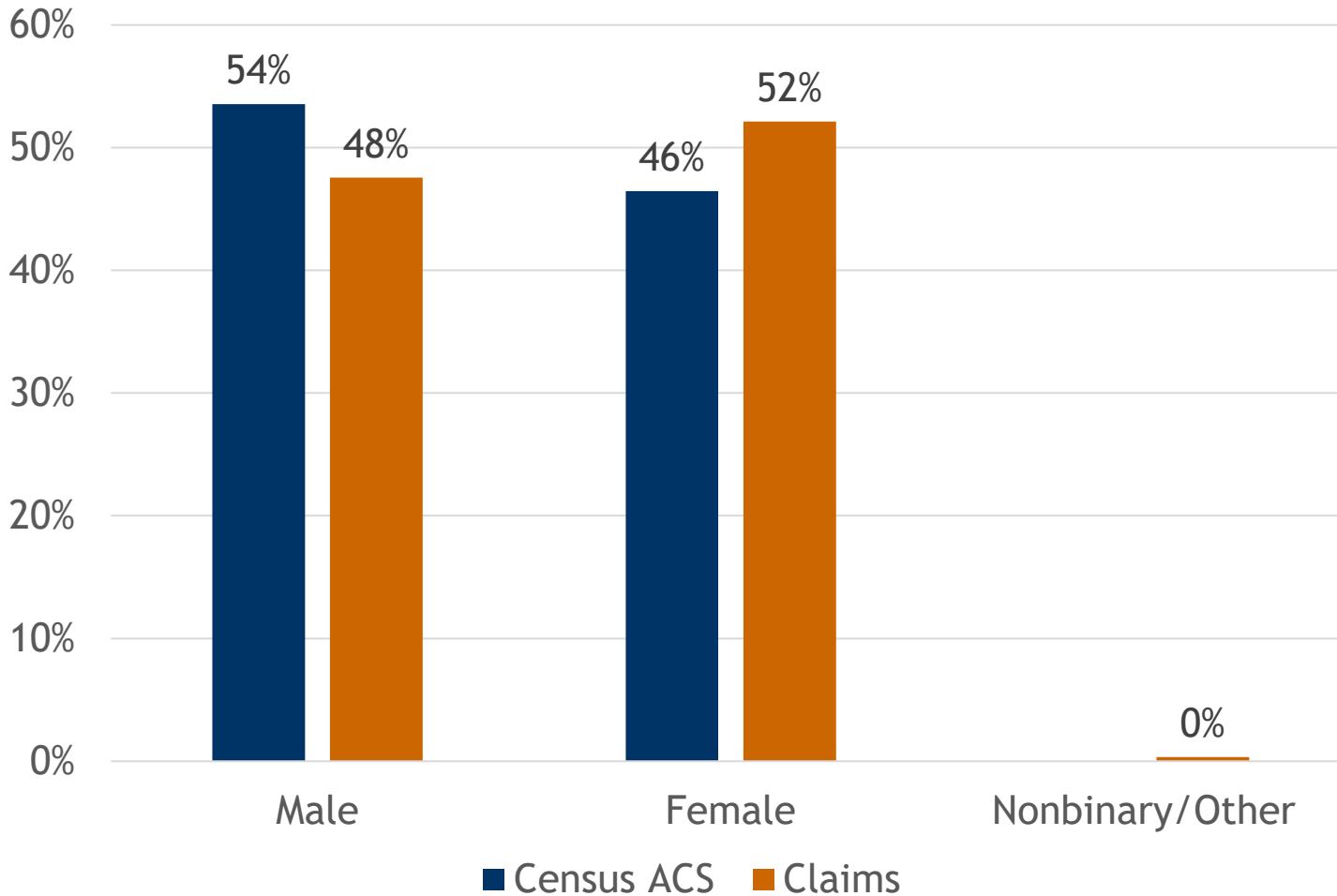
Claims by industry:



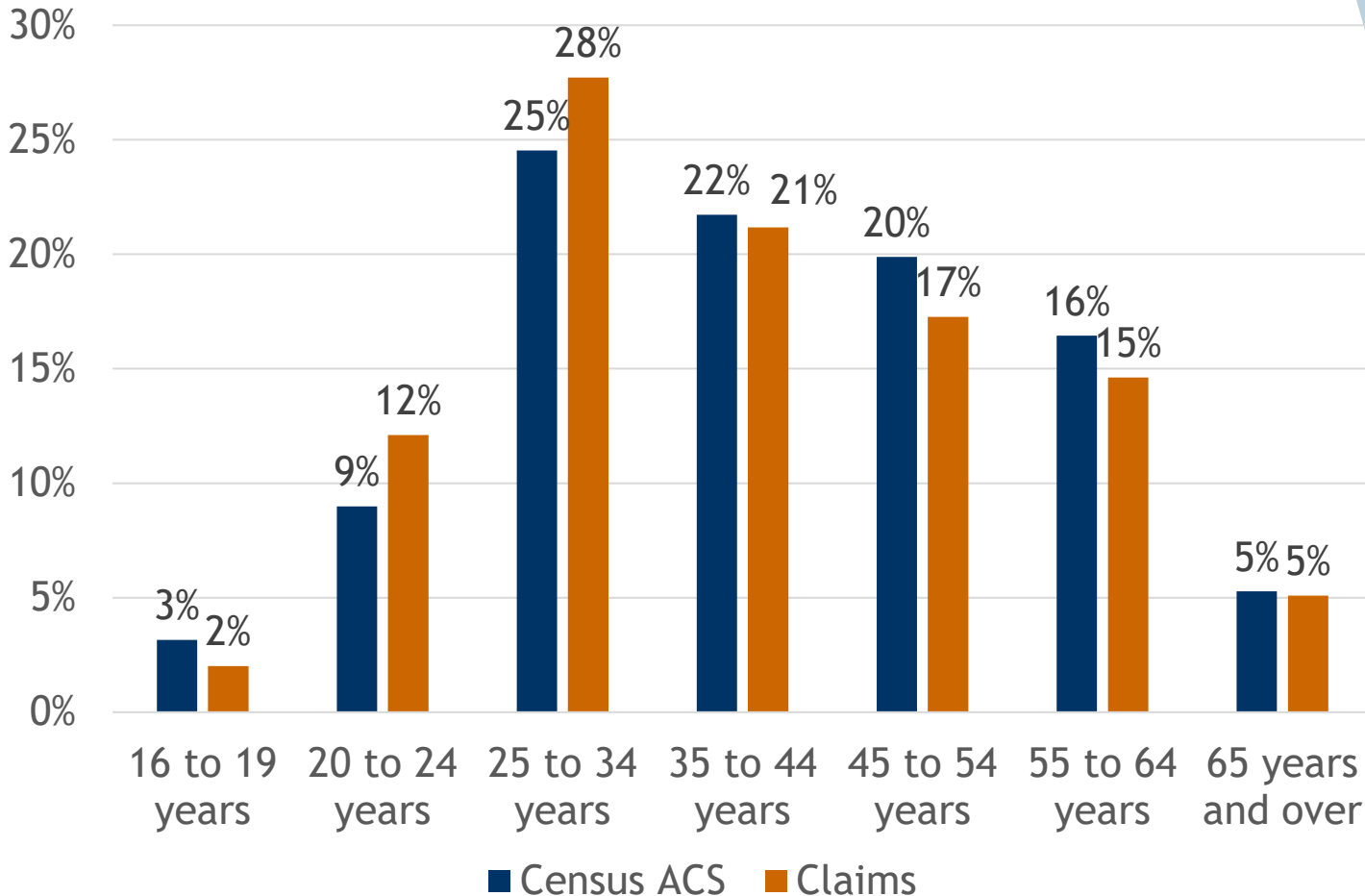
Racial minorities make up a larger share of active claims in Washington.

Race / Ethnicity	Percent Employed 2018 ACS	Percent Claims Week 22
White alone	79%	65%
Black or African American alone	4%	6%
American Indian and Alaska Native alone	1%	2%
Asian alone	10%	10%
Native Hawaiian and Other Pacific Islander alone	1%	2%
Some other race alone	5%	NA
Two or more races	5%	4%
Unspecified	NA	11.0%
Hispanic or Latino origin (of any race)	12%	11%
White alone, not Hispanic or Latino	69%	60%

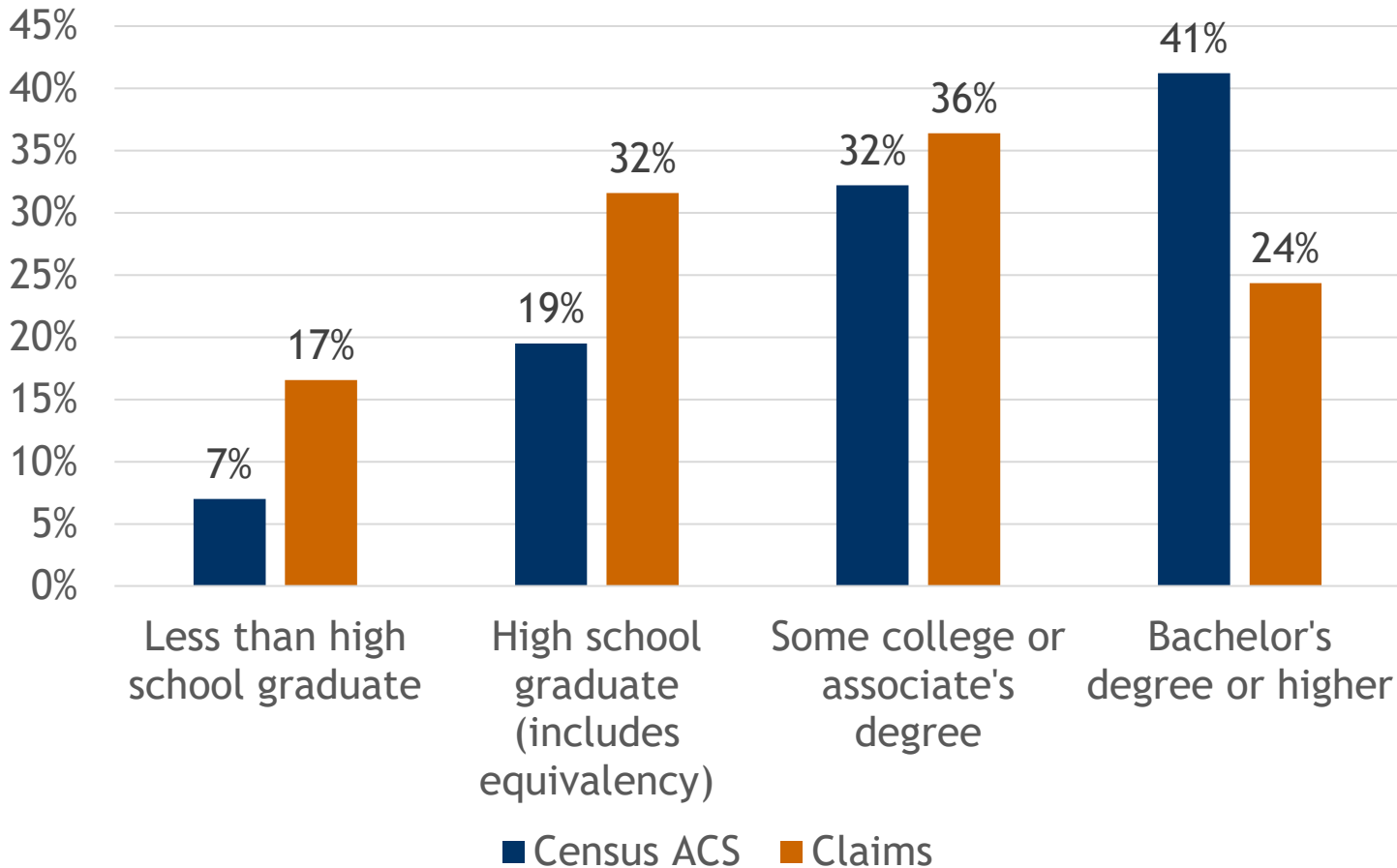
Women make up a larger portion of active claims in Washington.



Young workers are more likely to be unemployed.



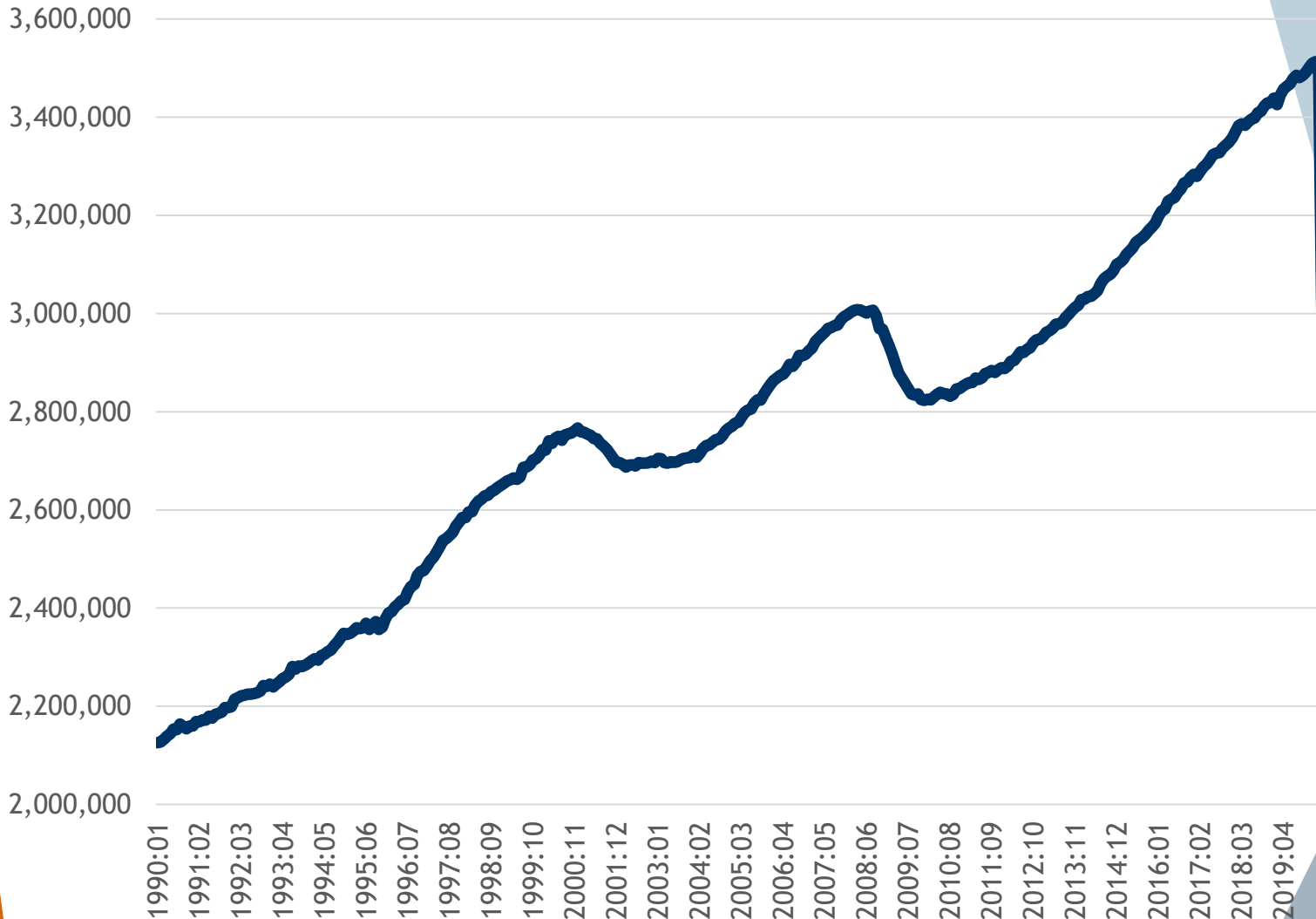
Workers with lower levels of education are more likely to be collecting unemployment insurance.



Payroll employment



Washington nonfarm employment dropped by 527,000 from March to April



Employment Security Department, Washington Employment Estimates (seasonally adjusted), April 2020

All industries were impacted - some more than others

	Total employment, April 2020	March 2020 to April 2020	March 2020 to April 2020
Total Nonfarm	2,961.1	-527.0	-17.8%
Mining and Logging	5.3	-0.5	-9.4%
Construction	144.4	-81.0	-56.1%
Manufacturing	262.7	-27.5	-10.5%
Wholesale Trade	124.7	-12.7	-10.2%
Retail Trade	352.4	-45.6	-12.9%
Transportation, Warehousing, and Utilities	106.0	-9.5	-9.0%
Information	147.8	-3.2	-2.2%
Financial Activities	151.6	-7.6	-5.0%
Professional and Business Services	410.5	-35.3	-8.6%
Education and Health Services	439.6	-66.7	-15.2%
Leisure and Hospitality	155.3	-177.7	-114.4%
Other Services	95.3	-31.2	-32.7%
Government	565.5	-28.5	-5.0%

Thank you!



**Employment
Security
Department**
WASHINGTON STATE

Sources:

- ▶ Employment Security Department / Labor Market and Economic Analysis; Unemployment Insurance Claims
- ▶ Employment Security Department / Labor Market and Economic Analysis; U.S. Bureau of Labor Statistics; Labor Area Unemployment Statistics (LAUS) and Current Population Survey (CPS)
- ▶ U.S. Census Bureau, American Community Survey (ACS), 2018
- ▶ Employment Security Department / Labor Market and Economic Analysis; Washington Employment Estimates

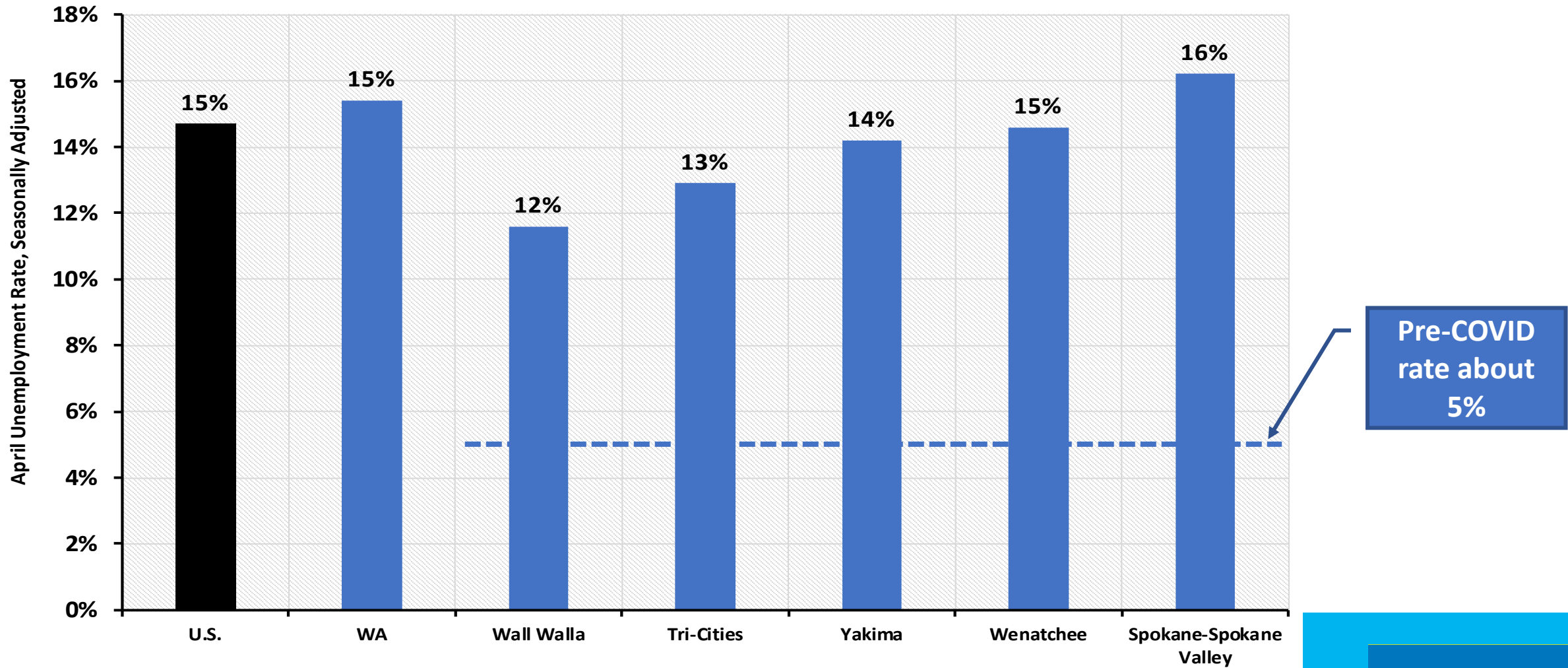


East Washington Issues Related to COVID-19

Presented to: Senate Special Committee on Economic Recovery

Grant Forsyth, Ph.D.
Chief Economist
June 16, 2020

Eastern Washington April Unemployment Rates



Supporting the Economic Recovery, General Comments

- Acknowledging under-employment and not just unemployment.
- Continued support for state and local ESD re-employment activities, as well as regional work force councils, economic development agencies, and community colleges.
- Support pre-COVID capital projects if they have significant direct and indirect employment impacts and support long-term economic growth.
- The provision of highspeed internet outside of population centers.
- State push back against another significant international trade conflict.

Supporting the Economic Recovery, Areas of Analysis



- **Healthcare, including public health.**
- **Resiliency of utilities and emergency services.**
- **Food network farm to table: growing, transporting, processing, and distribution.**
- **K-12 education and the connection to employment, household budgets, and food security.**

Questions?



COVID-19 economic recovery planning

Senate Select Committee on Economic Recovery

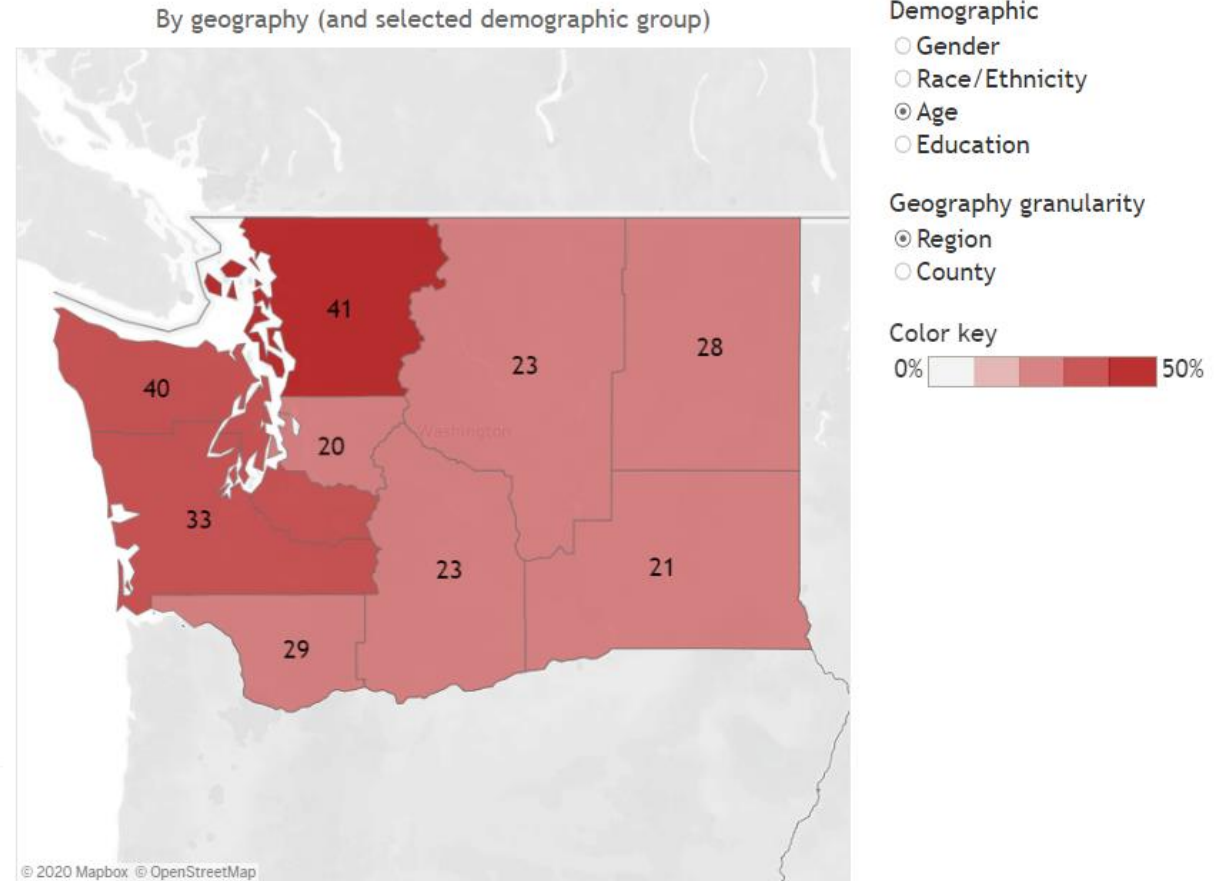
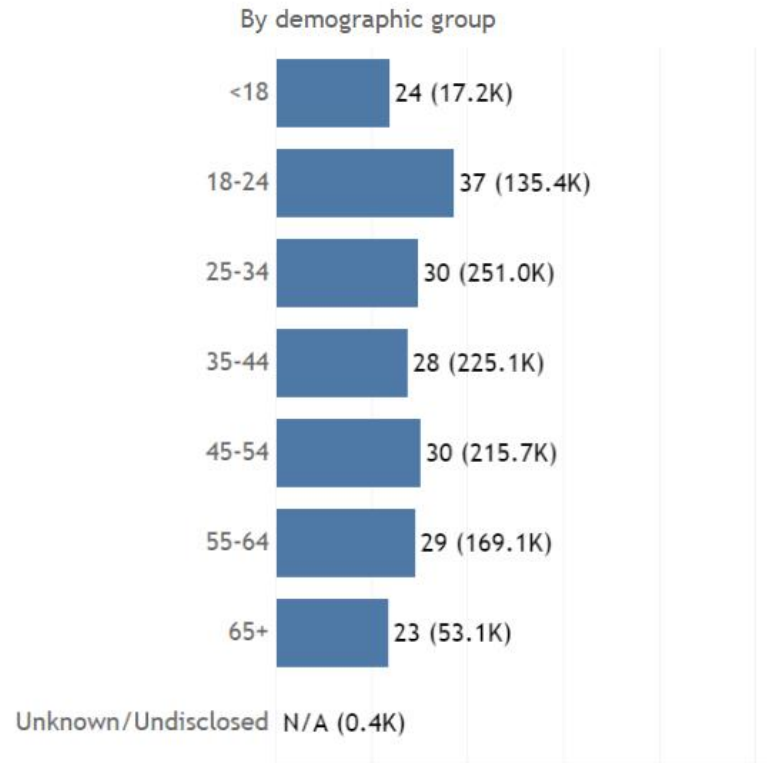
16 JUNE 2020

This presentation is guidance only. It does not constitute medical or safety advice, nor is it a formal endorsement or recommendation of a particular response.



Washington State has seen >1M unemployment claims since March

UI Claims per 100 workers
Since 3/1/2020



History suggests job recovery will take multiple years

Prior shocks (WA & other states)

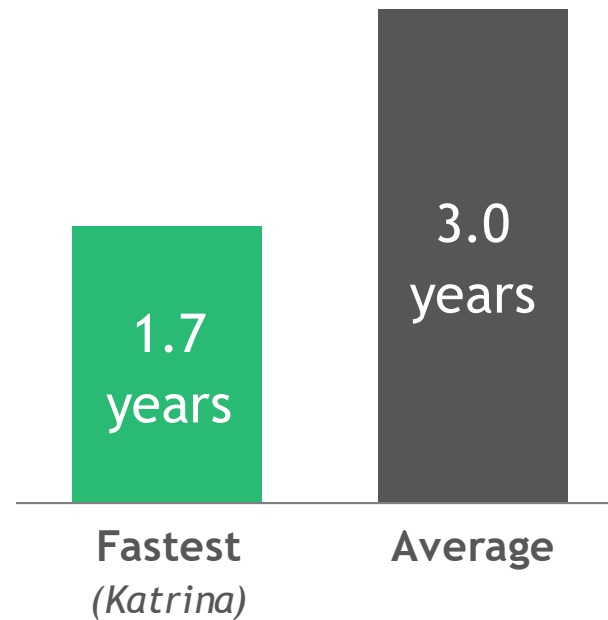
WA State

- Great Recession (2008-10)
- Post 9/11

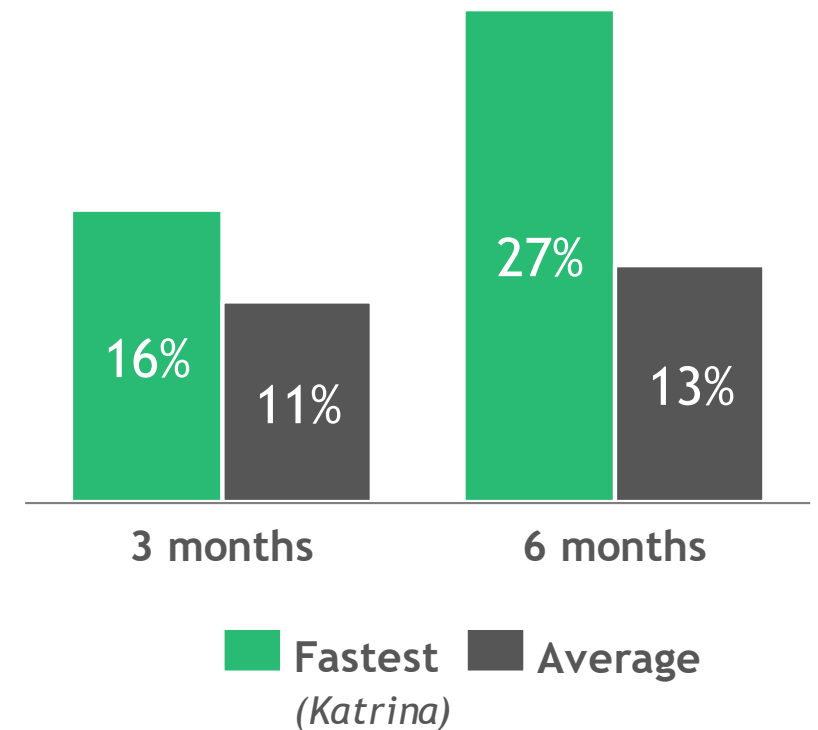
Other States


- NY: Post 9/11
- LA: Katrina

Multi-year recovery observed (Time from 'trough' to prior peak)



Limited recovery in initial months (Avg. % of jobs recovered after 'trough')





Planning for economic recovery

- ▶ There is no 'silver bullet'

- ▶ We are in a resource-constrained environment

- ▶ This crisis has deepened existing inequality

- ▶ Opportunity to strategically invest in State priorities

Four categories of levers for Washington State to consider

Programs funded by the
Operating budget

Investments funded by
the Transportation Budget

Investments funded by
the Capital Budget

Non-monetary policy levers



We are compiling a 'long list' of potential ideas

Programs funded by the Operating budget

Provide loan guarantees to support small businesses

...

Investments funded by the Transportation Budget

Fund the maintenance / preservation backlog of roads and bridges

...

Investments funded by the Capital Budget

Expand funding for broadband to improve rural connectivity

...

Non-monetary policy levers

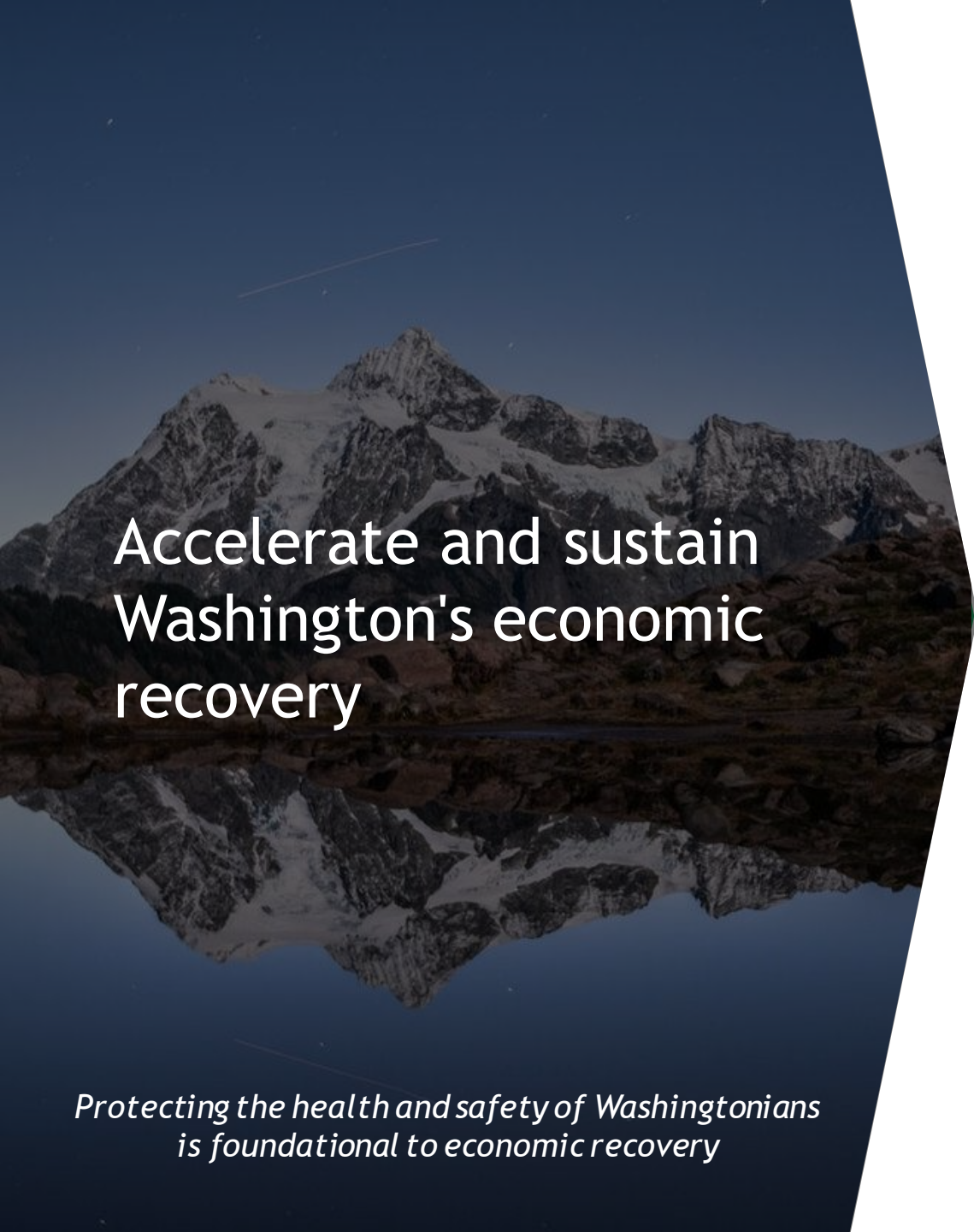
Survey state assets to determine if opportunities for higher ROI

...

Example metrics to assess:

- Jobs created
- Long-term GDP impact
- Jobs / dollar invested
- Alignment to WA State priorities (e.g., trade, equity, sustainability)
- Feasibility





Accelerate and sustain Washington's economic recovery

*Protecting the health and safety of Washingtonians
is foundational to economic recovery*

Maximize the impact of limited State resources

Tailor the approach to recover jobs and grow economy considering regional & industry needs

Ensure an equitable recovery that supports disadvantaged people & communities

Keep Washington State priorities front and center, such as maritime and sustainability

Strategically invest in innovation to grow the state's long-term advantage

This presentation is guidance only. It does not constitute medical or safety advice, nor is it a formal endorsement or recommendation of a particular response.

COVID-19 Disclaimer

The situation surrounding COVID-19 is dynamic and rapidly evolving, on a daily basis. Although we have taken great care prior to producing this presentation, it represents BCG's view at a particular point in time. This presentation is not intended to: (i) constitute medical or safety advice, nor be a substitute for the same; nor (ii) be seen as a formal endorsement or recommendation of a particular response. As such you are advised to make your own assessment as to the appropriate course of action to take, using this presentation as guidance. Please carefully consider local laws and guidance in your area, particularly the most recent advice issued by your local (and national) health authorities, before making any decision.

Puget Sound and North

Conditions, Data Needs, and Next Steps

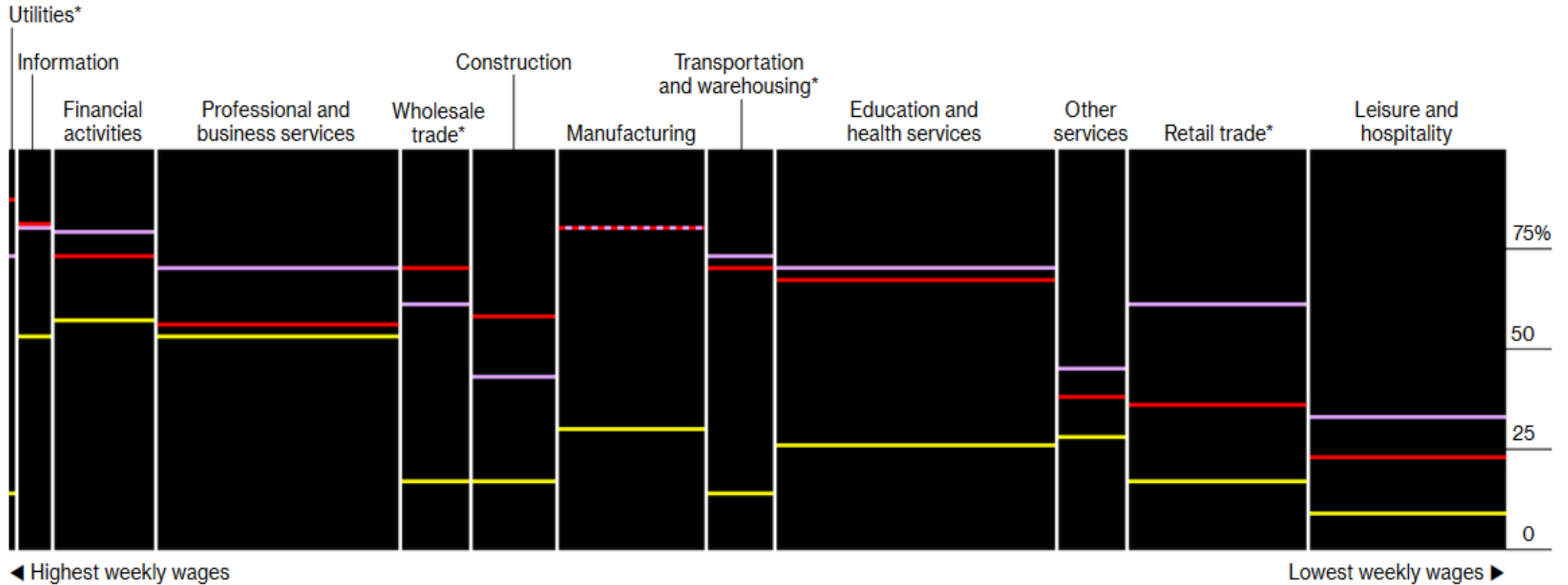


What benefits do workers enjoy in different industries?

Percentage of workers with / Access to paid leave / Health benefits / Ability to work from home

Box width = number of workers

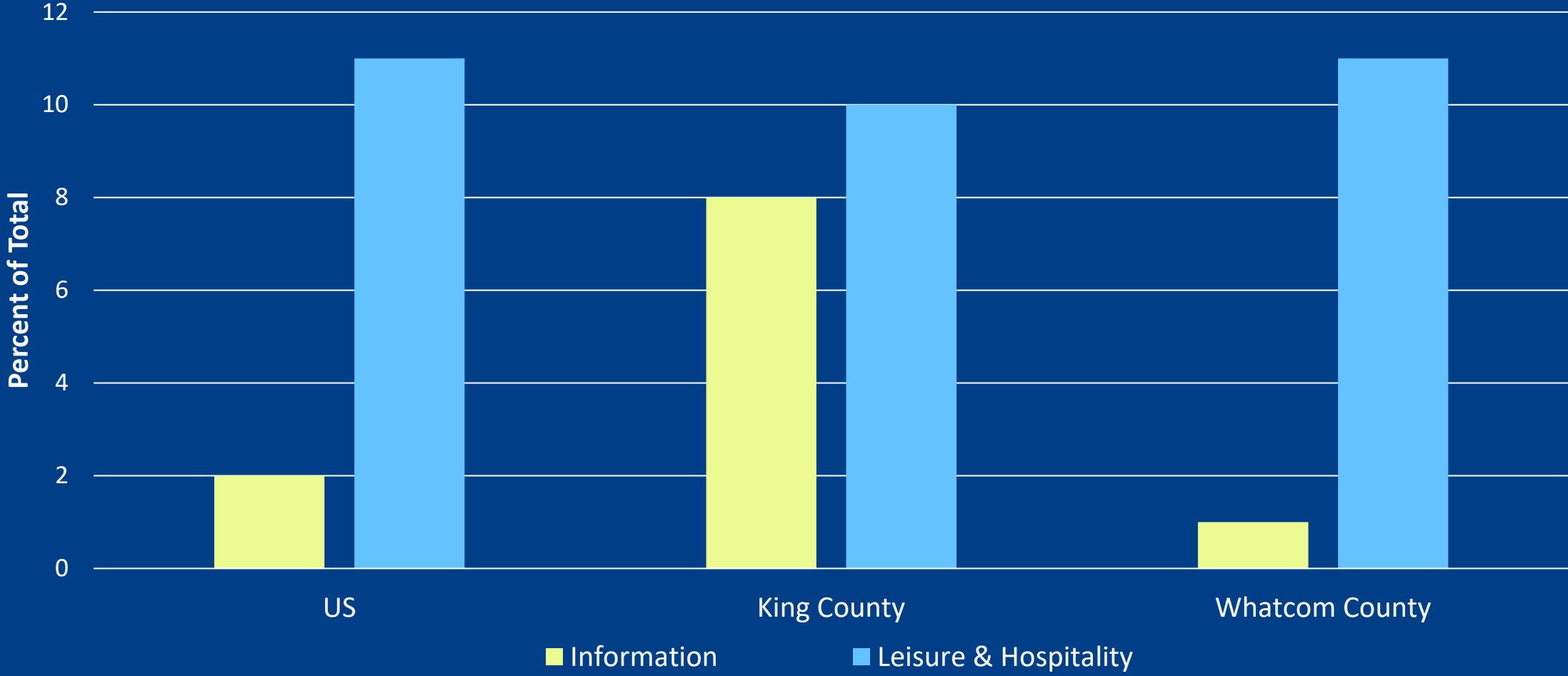
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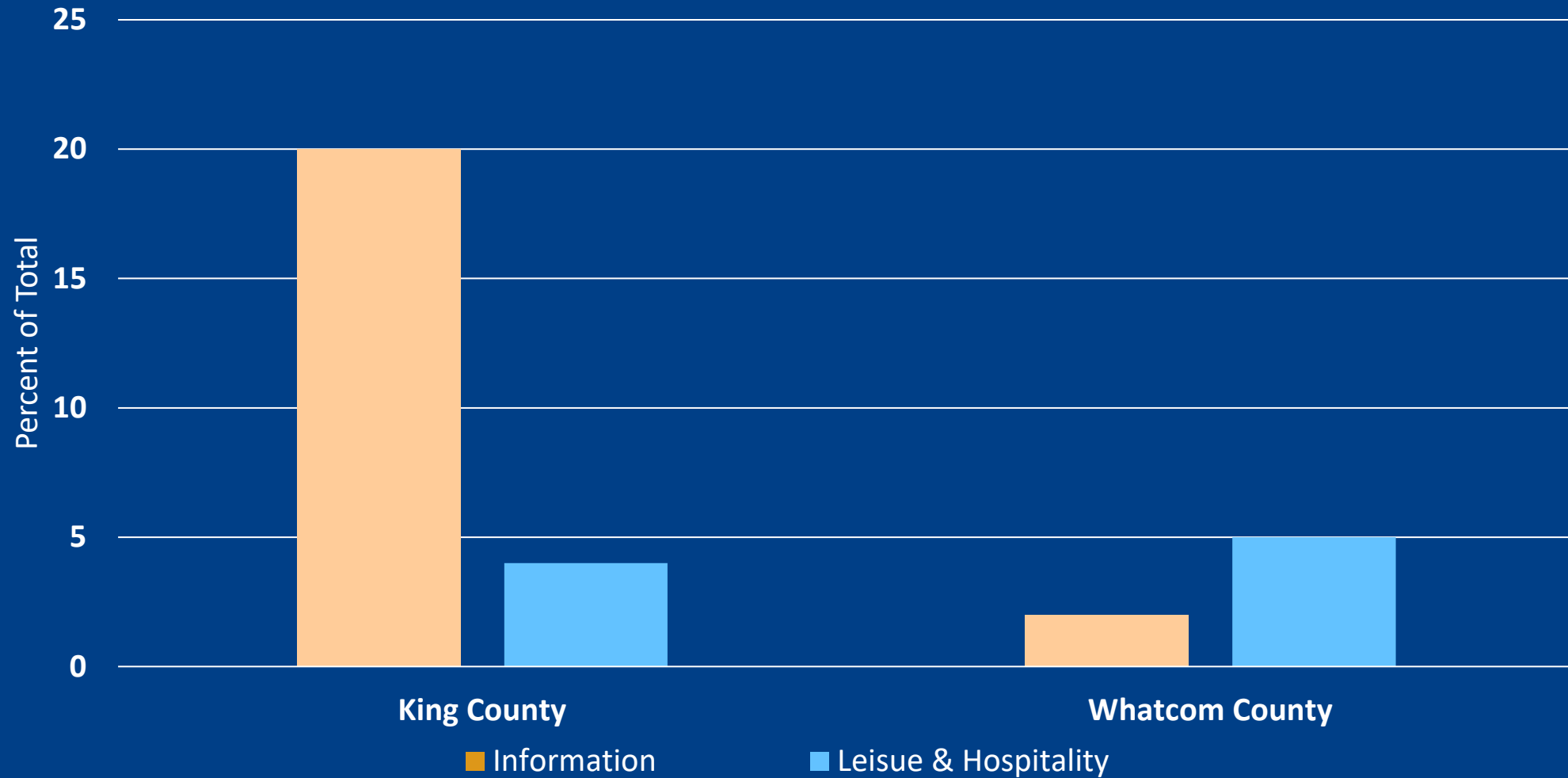
*Transportation is categorized with Utilities and Wholesale trade is categorized with Retail trade for work-at-home and paid leave data released by the Bureau of Labor Statistics. Data: Bureau of Labor Statistics

Source: <https://www.bloomberg.com/news/features/2020-03-13/how-coronavirus-affects-u-s-workforce-by-income-and-industry?sref=lxvJQkZu>

Employment in Key Sectors



Wages in Key Sectors



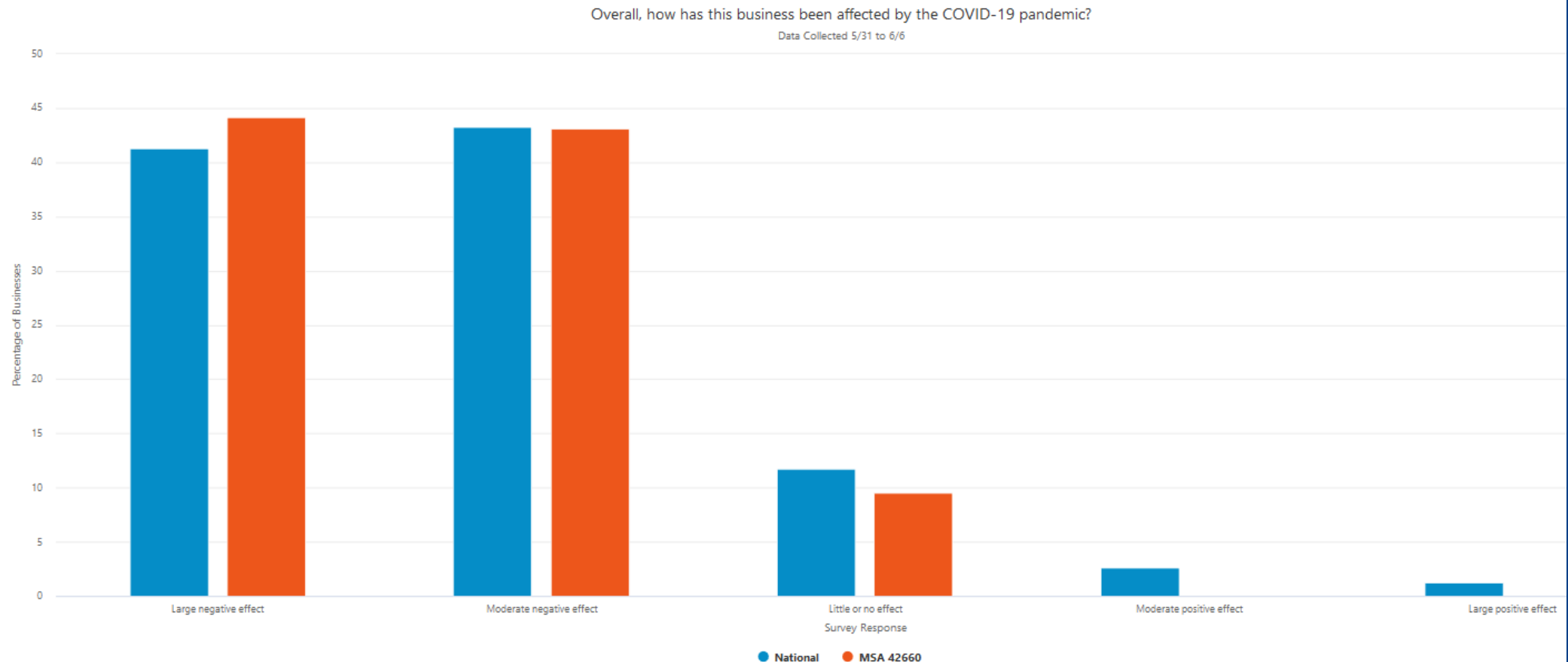
Census Small Business Pulse Survey

Need help understanding this page? [Download the Visualization Guide](#)

Collection Dates: Week 6 (5/31 to 6/6) ▾

Survey Question: Overall impact ▾

Compare: MSA ▾ 42660: Seattle-Tacoma-Bellevue, WA ▾



Census Small Business Pulse Survey

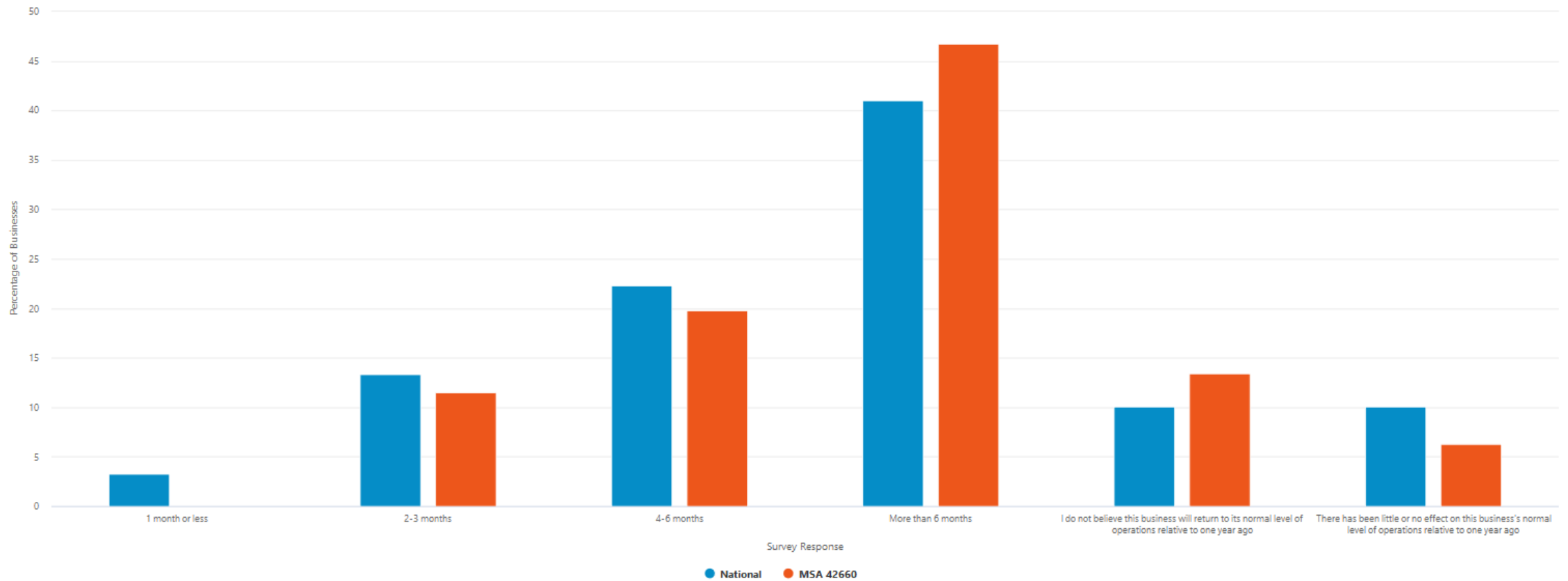
Collection Dates: Week 6 (5/31 to 6/6) ▾

Survey Question: Outlook ▾

Compare: MSA ▾ 42660: Seattle-Tacoma-Bellevue, WA ▾

In your opinion, how much time do you think will pass before this business returns to its normal level of operations relative to one year ago?

Data Collected 5/31 to 6/6



Role of the Public Sector



Information Needed

- Jobs most at risk, by region and sector
 - Where might layoffs become permanent (how should we tailor or prioritize assistance)?
- Commuting
 - The challenges public transportation agencies are facing
 - Future infrastructure needs
- Access to broad band (existing access maps can be misleading)
- Who has access to health care - not just health insurance?

Potential Steps

- Statewide testing plan(s)
- Strategy for rapid and effective distribution of vaccine (when available)
- Broad guidelines that provide certainty, but also flexibility for businesses
- Investments in infrastructure
 - Child care (** Commerce funding community child care projects)
 - ESD technology base

Washington State Broadband Office

Senate Economic Recovery Committee-
Broadband Overview

Russ Elliott

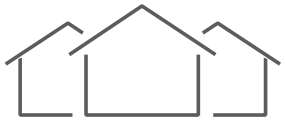
DIRECTOR, WASHINGTON STATE BROADBAND OFFICE

JULY 21, 2020



Washington State
Department of
Commerce

We strengthen communities



**HOUSING
HOMELESSNESS**



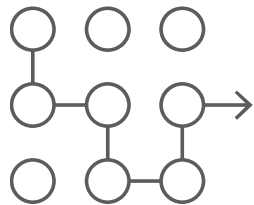
INFRASTRUCTURE



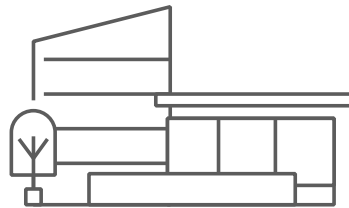
**BUSINESS
ASSISTANCE**



ENERGY



PLANNING



COMMUNITY FACILITIES



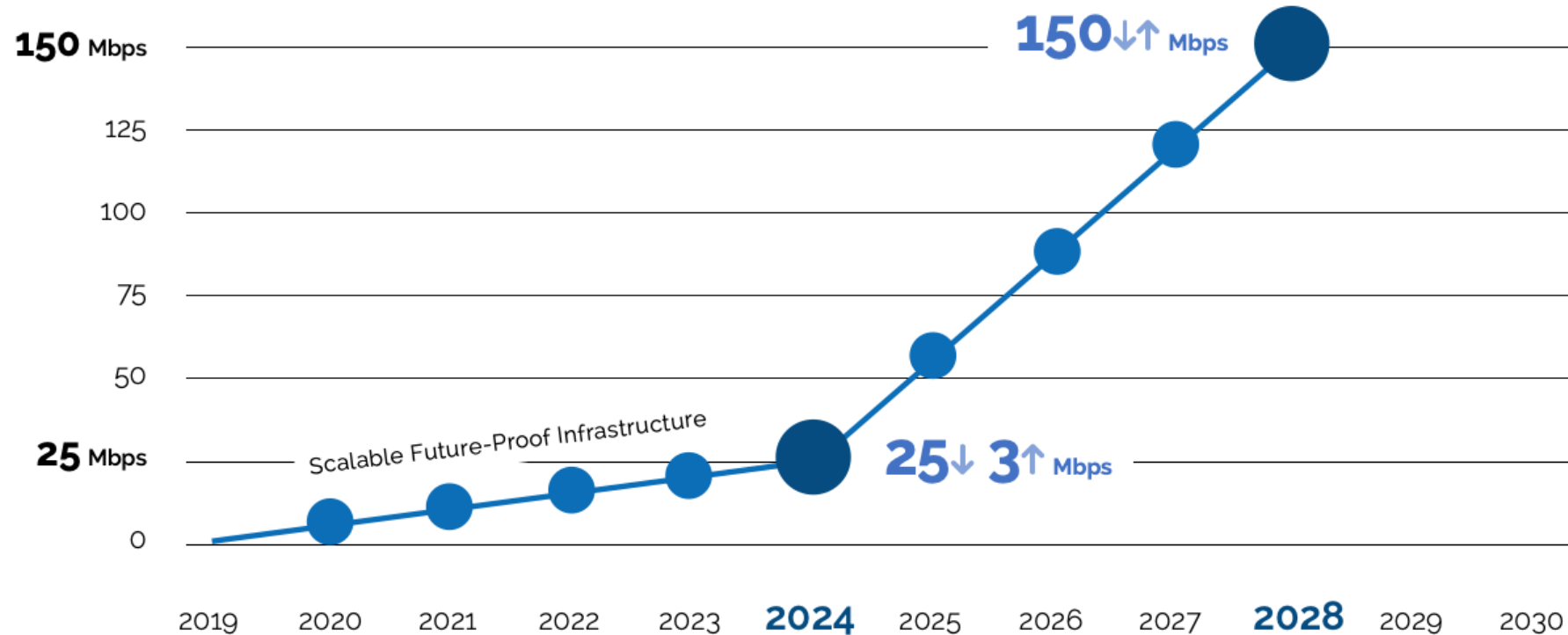
**CRIME VICTIMS &
PUBLIC SAFETY**



**COMMUNITY
SERVICES**

Citizens and Businesses

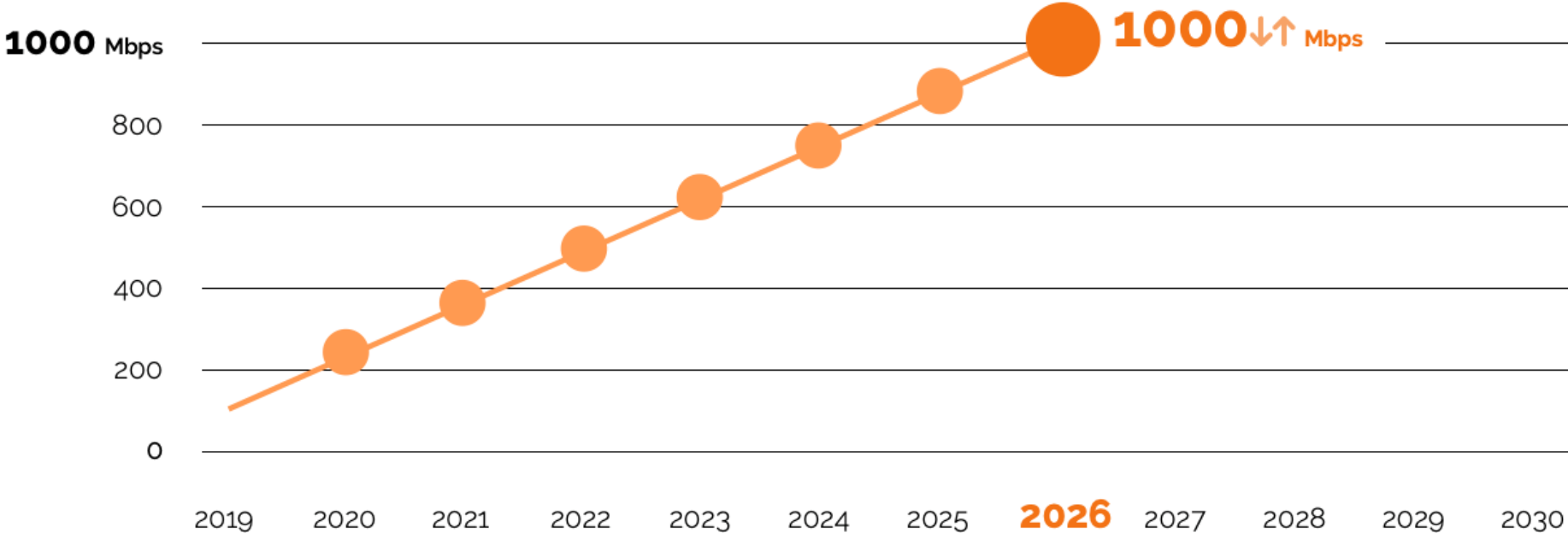
SB 5511



- 884,000 homes without fiber Est. \$2.5+B
- WSBO Plan, Policy
- PWB Programs
- UTC Evaluation

Anchor Institutions

SB 5511

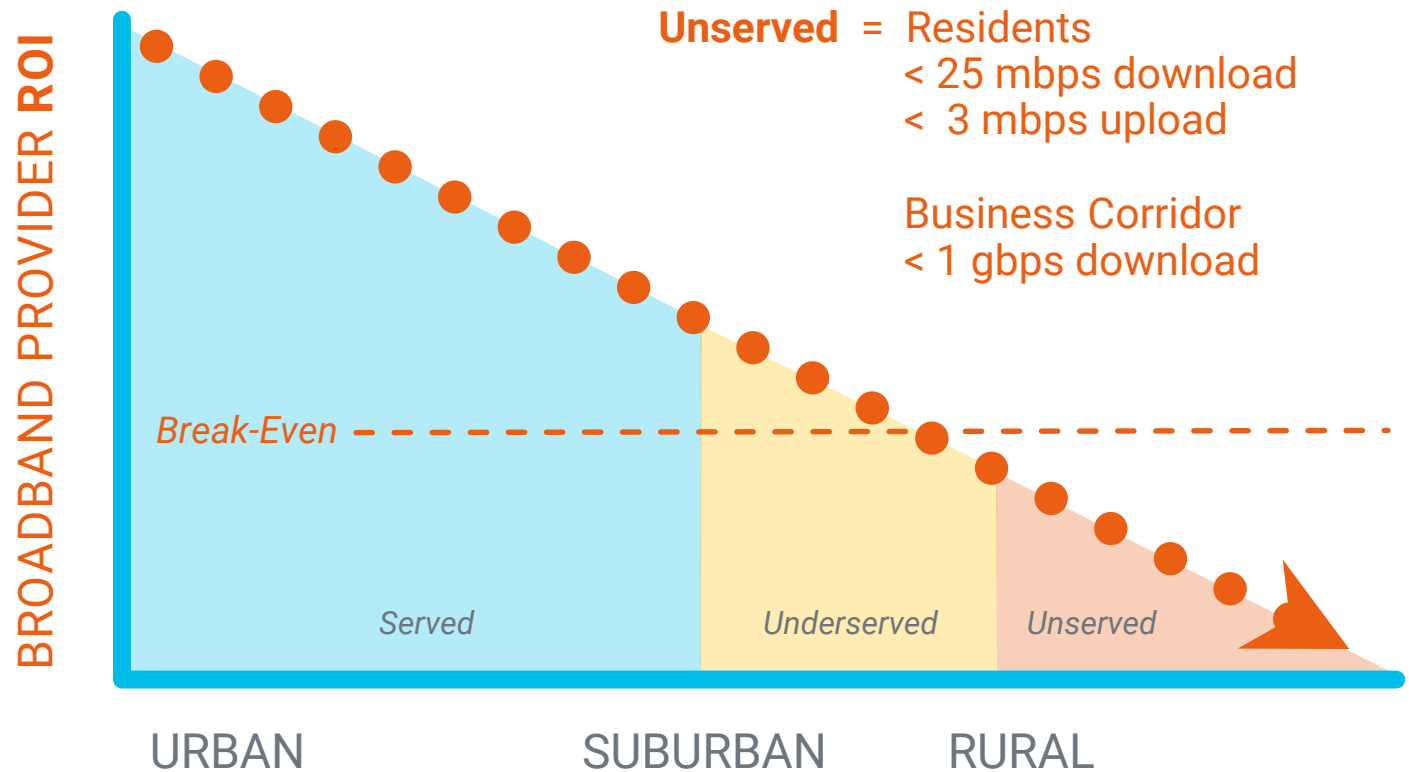


- Schools
- Libraries
- Health Care
- Public Safety
- Essential Services
- Industries
- Government

The Broadband Delivery CHALLENGE

Solutions

- USF
- State block grants from federal agencies
- Mapping to define areas
- Rallying communities to engage in conversation
- Policies supporting state broadband legislative directive
- Public-Private Partnership Cooperative model



Supporting the Broadband Delivery Lifecycle



Coordinate statewide planning, stakeholder collaboration, inform policy

Maintain comprehensive state mapping data and feasibility

Facilitate access to all available funding opportunities

Ensure future-proof networks to meet state goals

Support sustainable operational programs and digital equity

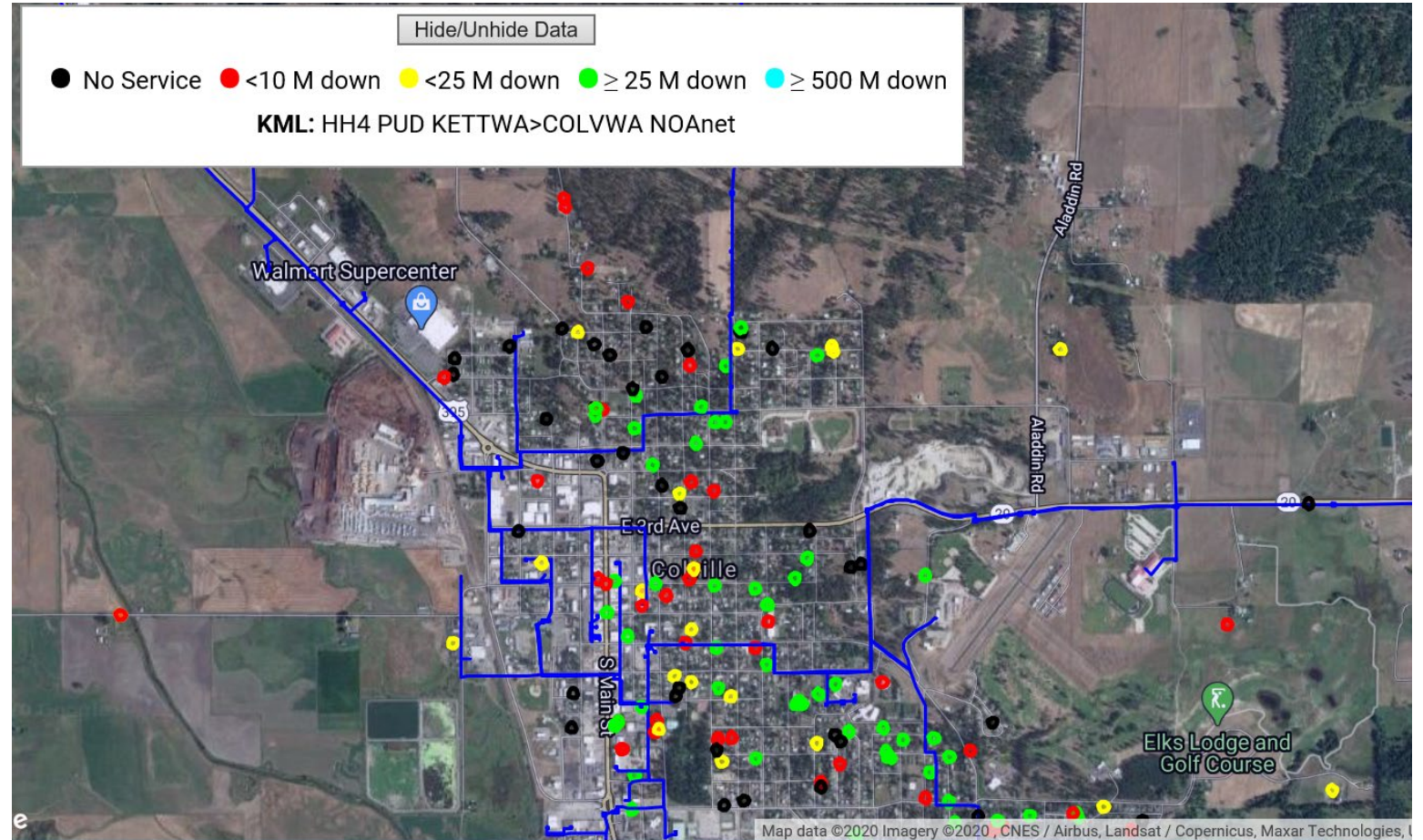
IDENTIFYING: Statewide Mapping Project

- Crowdsourced speed test data capture
- MLabs data
- FCC 477 data
- CAF II Award areas
- RDOF opportunity areas
- Incumbent Provider service territories
- Other Provider coverage areas
- Fiber infrastructure state of Washington
- State of Washington assets
- Federal assets
- EDA Zones
- Opportunity Zones
- Broadband funding awarded areas
- Type of infrastructure for last mile service
- WISPs and coverage areas
- PUD networks
- Port networks
- Rural Electric Authority
- State legislative districts
- Congressional districts
- Anchor institutions
- Tribal areas
- 2028 areas served at 150/150 Mbps
- NTIA mapping
- State projects in process
- *Additional data categories as available*

What Gets Measured Gets Done

Stevens County Mapping Project

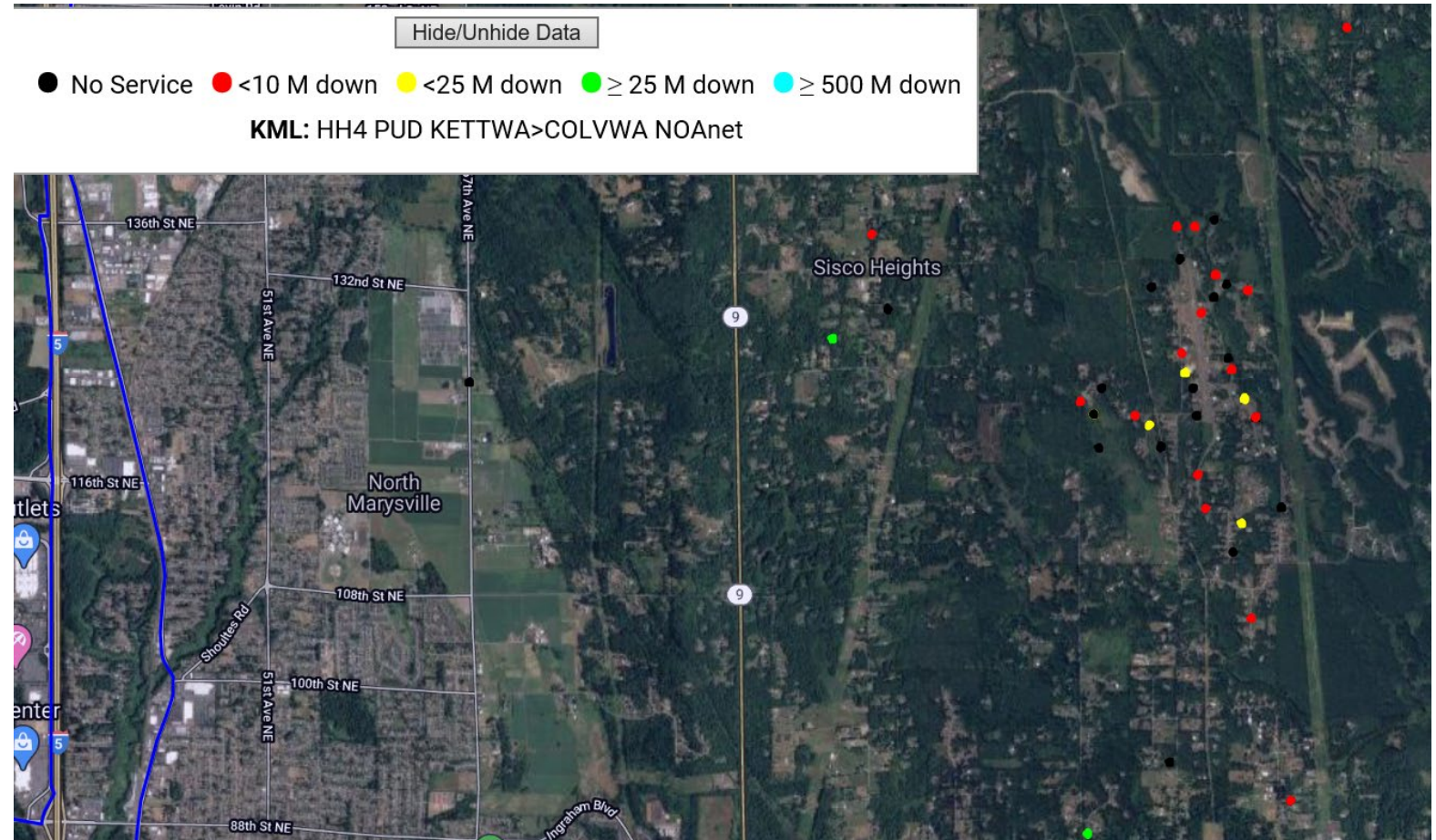
- Availability
- Providers
- Affordability

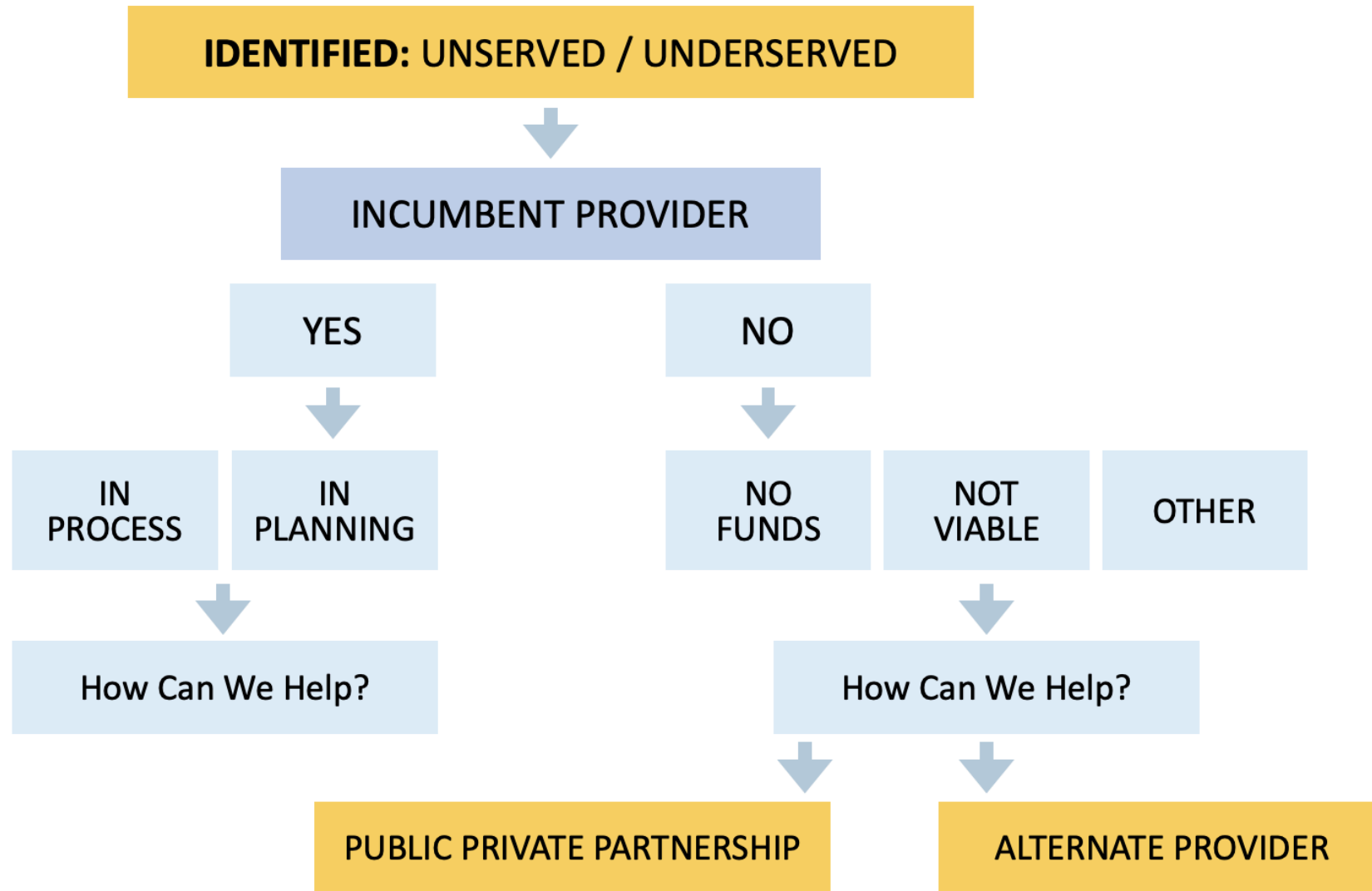


What Gets Measured Gets Done

Frontier Air Park Community Planning Example

- Statistically viable sample
- Quantifiable outcome
9 mbps down/ 2 mbps up
- Next step: find provider





Emerging Technologies

Ensuring Washington State is a friendly environment for technologically agnostic, affordable last mile solutions

Currently in discussions with:

- 5G Cellular
- Microsoft TV White Space/Airband
- SpaceX Starlink
- Amazon Kuiper
- Avista
- 2.5GHz EBS Educational Broadband Spectrum

FUNDING

- Become #1 State in the nation for receipt of federal funding
- 2020 federal funding windows closing
- FCC Rural Digital Opportunity Fund (*RDOF*) \$16B, \$4.4B
- USDA Rural Development Broadband *ReConnect* Loan and Grant Program \$550, \$600M
- Pending Stimulus
- FCC 2.5GHz Rural Tribal Window
- PWB Construction Cycle \$16+M
- USDA Distance Learning and Telemedicine \$50K-\$1M
- USDA Community Connect
- State Universal Service Fund
- Private / Undiscovered
- PWB Feasibility awarded \$50K
- 2019 PWB Feasibility awarded \$450K

Next Steps

How you can help - action items:

- Visit broadband.wa.gov and take the State Speed Test Survey
- Shovel ready projects identified and brought to the attention of WSBO
- Matching funds for federal opportunities
- Technical assistance

“What gets
measured gets
done!”
Thank you.

Russ Elliott

DIRECTOR, WASHINGTON STATE BROADBAND OFFICE

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Washington State
Department of
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Airband Initiative

Connecting the unconnected

Presentation to Washington State Senate Committee on Rebuilding the Economy
July 21, 2020

Vickie Robinson, Senior Director, Microsoft Airband





Airband Initiative mission - connect the unconnected

We partner with equipment makers, internet and energy access providers, and local entrepreneurs to make affordable broadband access a reality for unserved communities around the world.

3 Million

People projected to be covered in rural **U.S.** by July 2022

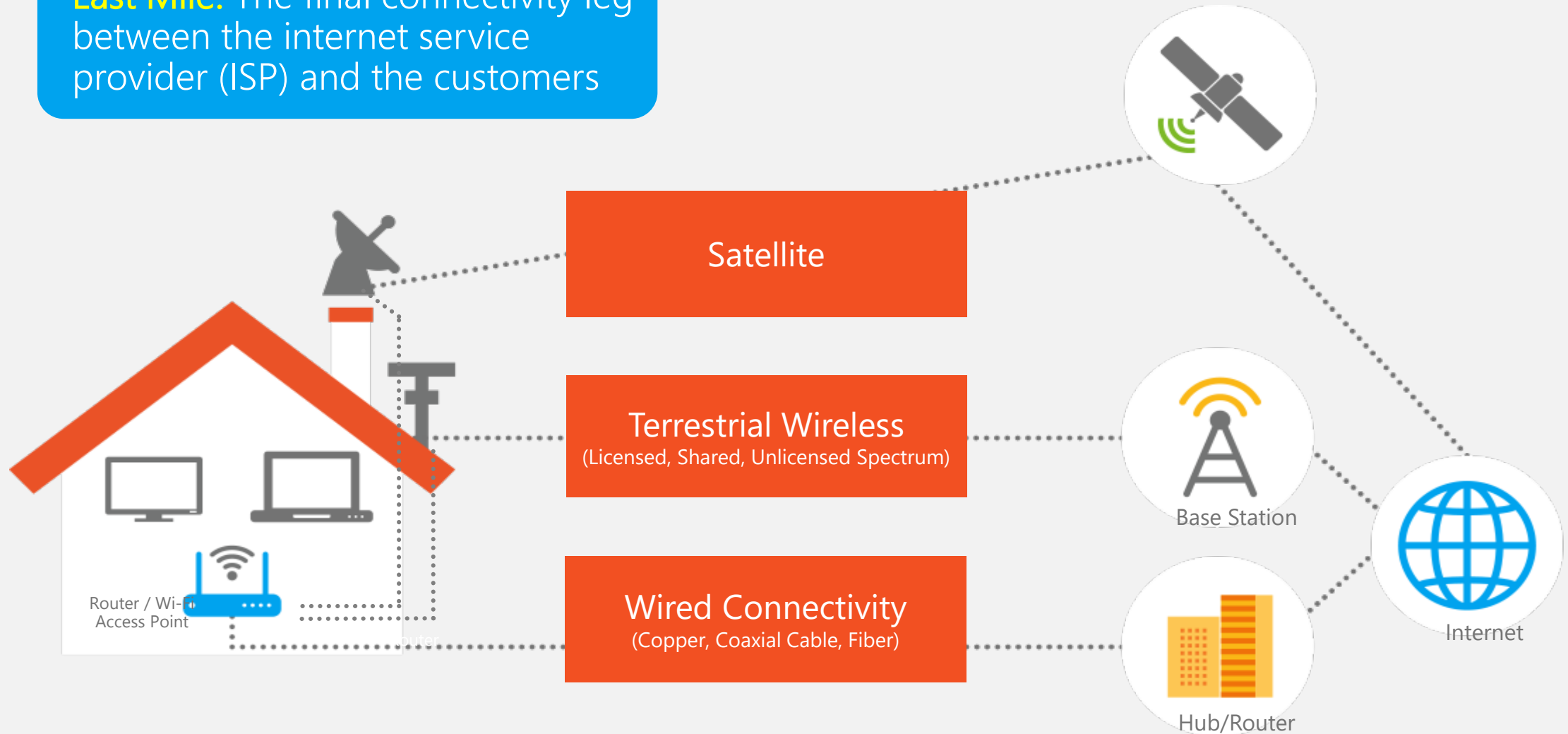


Airband efforts in Washington State

- **Declaration Network Group (DNG):** is an alternative broadband access provider leveraging disruptive technology to deliver high capacity access services with significant cost and performance advantages. DNG's Airband project in Washington will bring connectivity to Ferry and Stevens Counties. As part of the work with DNG, we have engaged with Columbia Cedar, the largest employer in Ferry County, on a project to promote data-driven business practices utilizing PowerBI and Azure. Building upon the emergency response demonstration network, DNG is engaged with the work in Stevens and Ferry Counties to bring connectivity to Pre-positioned Fire Camps (PPFCs), starting with the Addy Fire District in Stevens County.
- **TV Association of Republic (RTV):** RTV has leveraged our initial grant to expand broadband access in Curlew Lake. We have awarded an additional grant for RTV's purchase of TVWS equipment to further extend connectivity in Ferry County.
- **Native Network:** Native Network constructs and deploys wireless internet access networks to provide affordable hybrid and fixed wireless broadband internet access to tribal communities in Washington State, including Swinomish Tribe and Lummi Nation. Native Network is dedicated to supporting Native American Tribes and their Lands by providing broadband connectivity to these communities.
- **Expanding Airband Footprint:** In addition to the partnerships with the above ISPs, the Microsoft Airband Initiative has created the Airband ISP Program. Designed as a self-service extension of the Airband initiative, we have 28 ISPs that have signed up for the Airband ISP Program that are receiving preferential pricing on TVWS equipment, tower leases, fiber, digital skills content, and discounts on billing and operations software.

Internet Connectivity – Last Mile Solutions

Last Mile: The final connectivity leg between the internet service provider (ISP) and the customers



Existing and Emerging Technologies



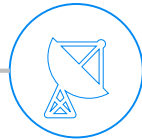
Fiber

Fiber massification and backhaul



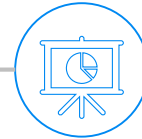
LTE (Long term evolution)

Urban and Rural, Licensed/Unlicensed, Wireless



Satellite

LEO (Low Earth Orbit) such as Starlink (SpaceX), OneWeb, Kuiper (Amazon).



TVWS (Television White Spaces) and Mid Band (3.5GHz, 5.8GHz)

Rural and urban, Unlicensed, Wireless



CBRS (Citizen Broadband Radio Service), Wi-Fi 6

Urban, Licensed/Unlicensed, Wireless



5G

Urban, Licensed, Wireless

Wired/Wireless

+

Enterprise/consumer

Technology selection depends on use cases, coverage, and capacity requirements

Questions?





To learn more, visit microsoft.com/airband or email vickie.robinson@microsoft.com

The Effects of the Public Health and Economic Crises on Health Care

Larry Levitt

Executive Vice President for Health Policy, KFF

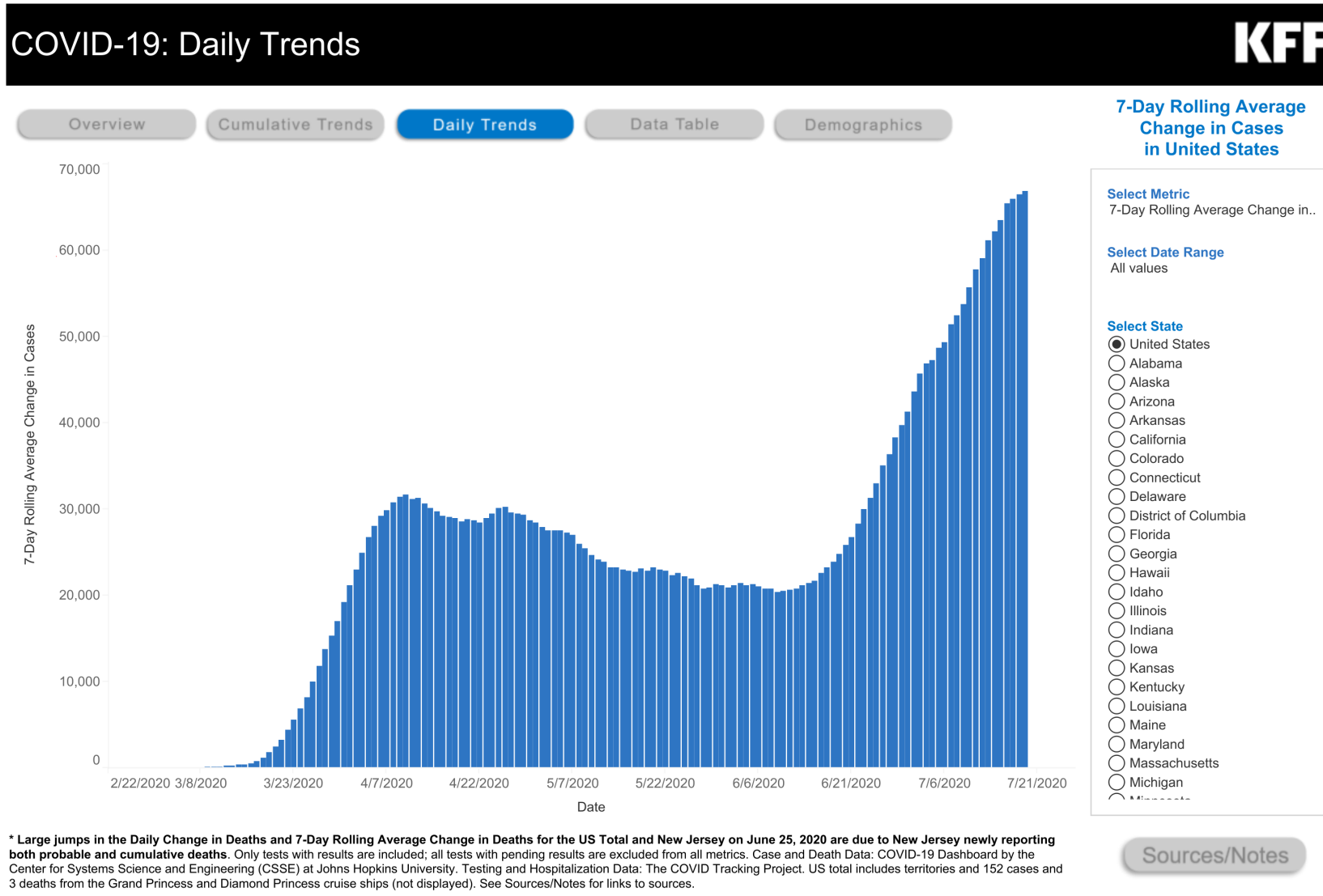
Washington State Special Committee on Economic Recovery

July 21, 2020



Figure 1

The Effects Of COVID-19 Have Been Devastating



Many Could Lose Employer Health Coverage, But It Mostly Doesn't Seem To Have Happened...Yet

- Based on early job losses, we estimated 27 million could lose employer coverage, including 835,000 in Washington
- Anecdotally, many employers seem to be continuing health benefits for furloughed and laid off workers, but that won't last forever.
- Census Household Pulse survey offers clues.

End of April/beginning of May: 23.2 million adults uninsured

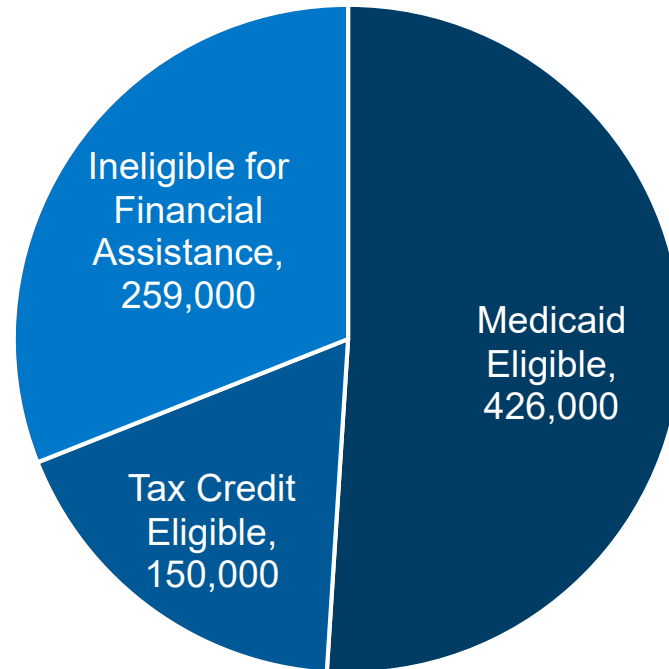
Beginning of July: 24.7 million adults uninsured

(But over 25 million don't know.)

Figure 3

May 2020 Eligibility For ACA Coverage Among People At Risk Of Losing Employer-Sponsored Insurance

Washington State



69% are eligible for Medicaid or ACA premium subsidies

Total = 835,000

Notes: Medicaid eligible includes people eligible for other public coverage, such as CHIP. Totals may not sum due to rounding.

Source: KFF. Job Losses occurred March 1st through May 2nd, 2020.

Figure 4

Special Enrollment Signups On The Washington Health Benefit Exchange Are Up, But Total Numbers Are Modest

Sign up Activity in March and April of 2020 Compared to 2019

Over April and March of 2020, the number of people signing up doubled compared to the same period last year.

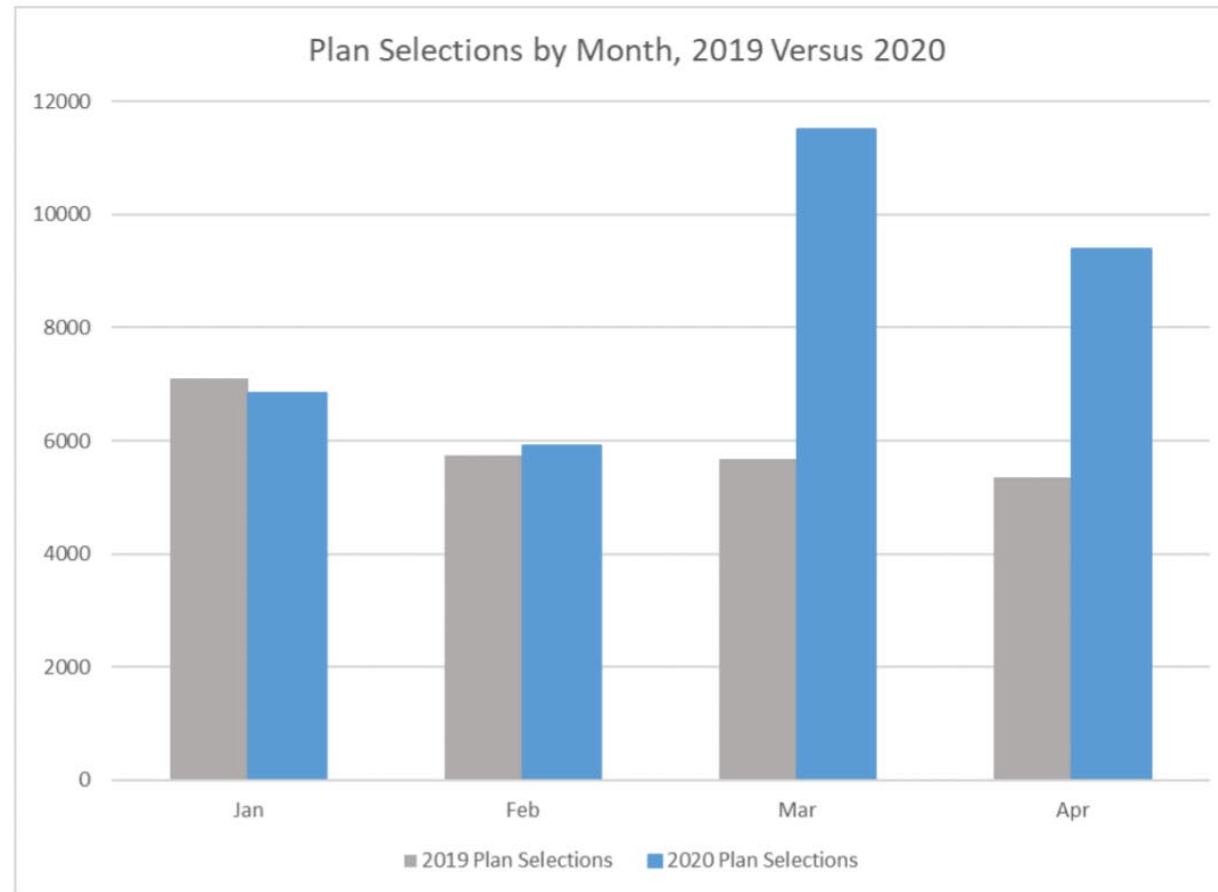
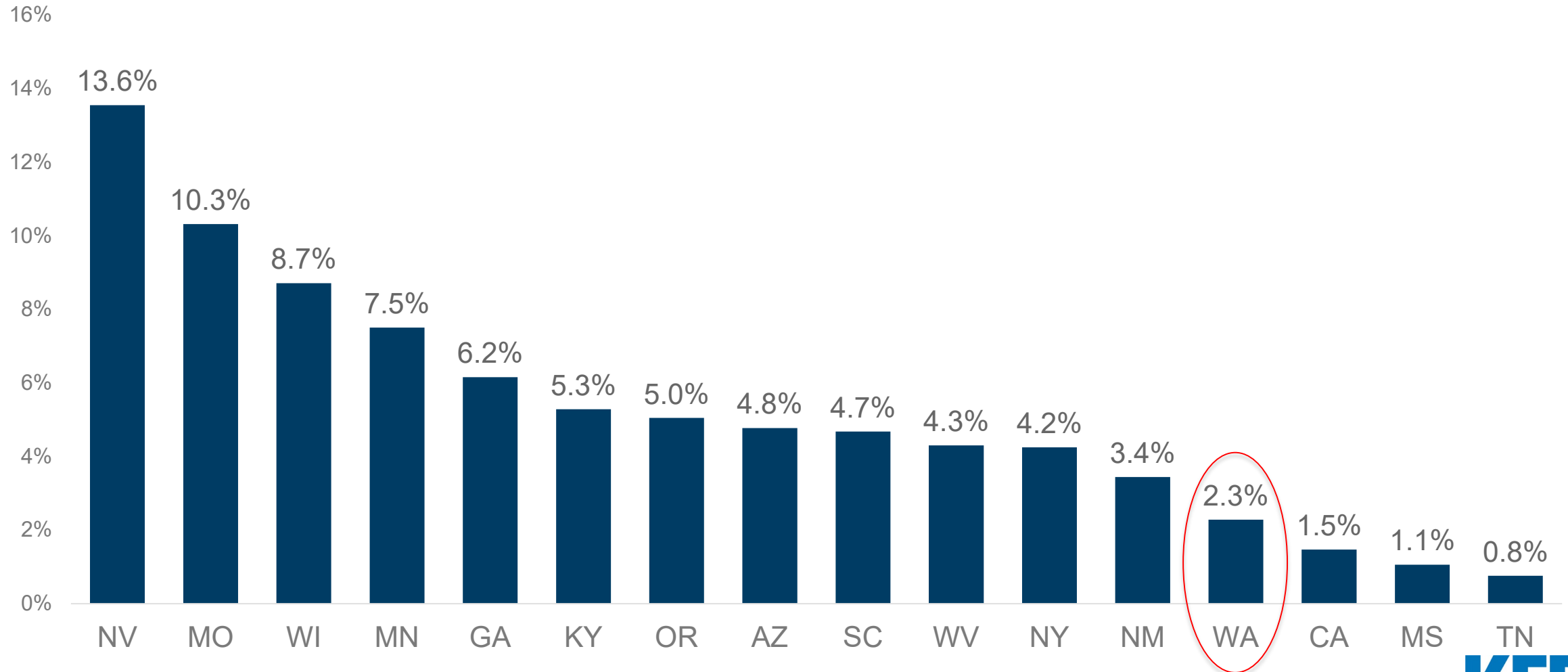


Figure 5

Growth In Medicaid Managed Care Enrollment: March 2020 To May 2020



SOURCE: KFF analysis of state Medicaid managed care enrollment reports.

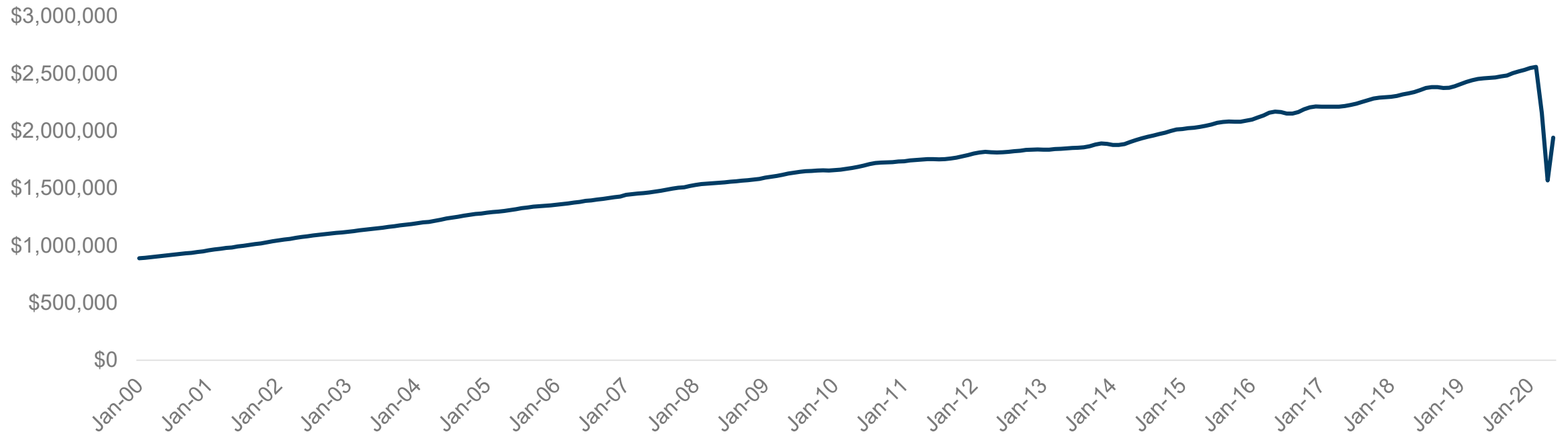
The ACA Provides A Safety Net For The First Time In A Recession, But It's Imperfect

- The application process can be complex, and people losing employer health coverage may not know the options available to them.
- Exchange coverage can be unaffordable, even with subsidies.
- It may require switching insurers and doctors, in the midst of a pandemic.

Figure 7

The Pandemic Didn't Bend The Cost Curve, It Broke It In Half

Annualized monthly health services spending, in millions

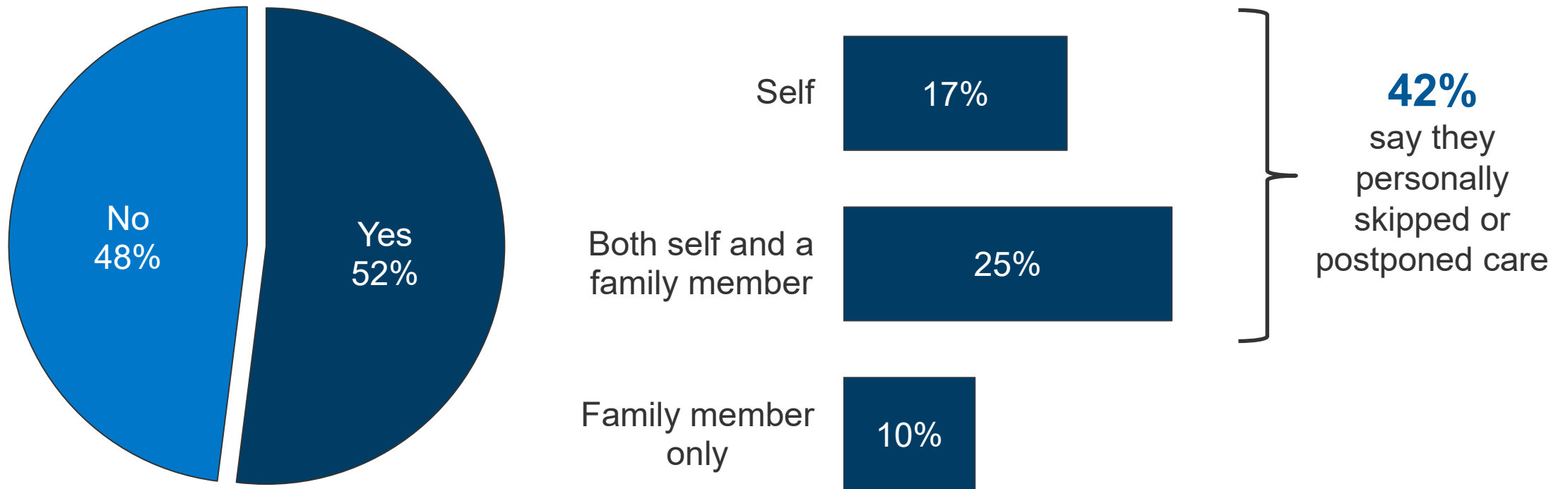


SOURCE: KFF analysis of BEA data.

Figure 8

Half Say They Or A Family Member Skipped Or Postponed Medical Or Dental Care Due To Coronavirus

In the past three months, have you or another family member in your household **skipped or postponed any type of medical or dental care** because of the coronavirus outbreak, or not? [If yes: Was that you, another family member, or both?]



SOURCE: KFF Health Tracking Poll (conducted June 8-14, 2020). See topline for full question wording.

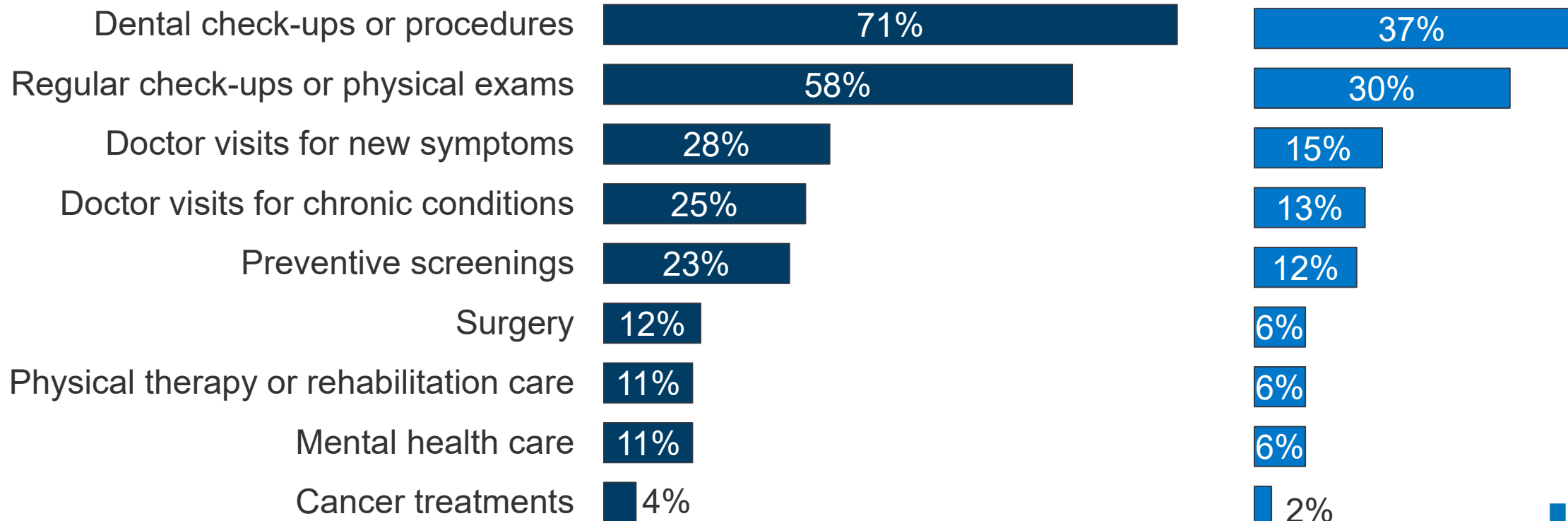
Figure 9

Most Common Type Of Care Skipped Or Delayed: Dental Visits, Followed By Routine Check-Ups

Percent who say that the type of care they or a family member skipped or postponed because of coronavirus included each of the following:

Among the 52% who say they or a family member skipped or postponed care

Among all adults

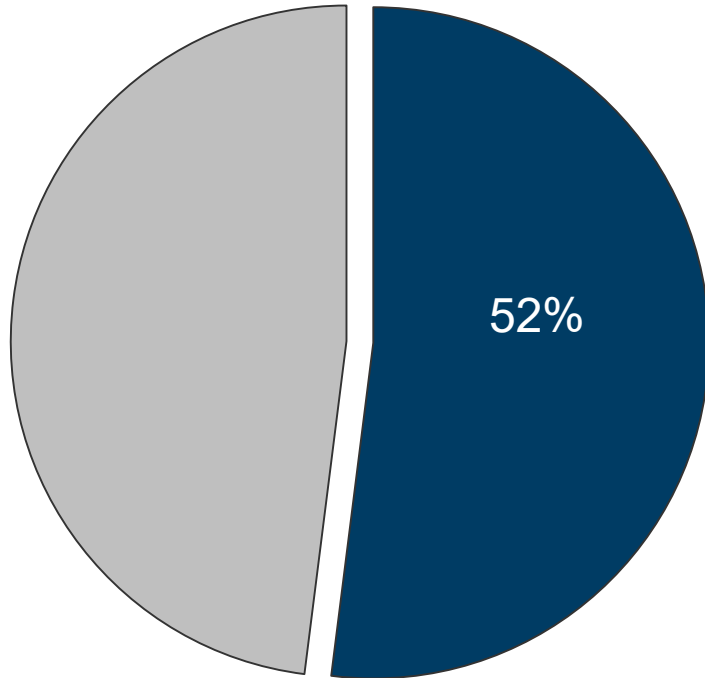


SOURCE: KFF Health Tracking Poll (conducted June 8-14, 2020). See topline for full question wording.

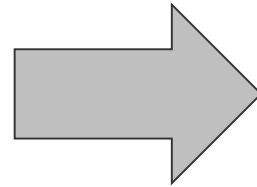
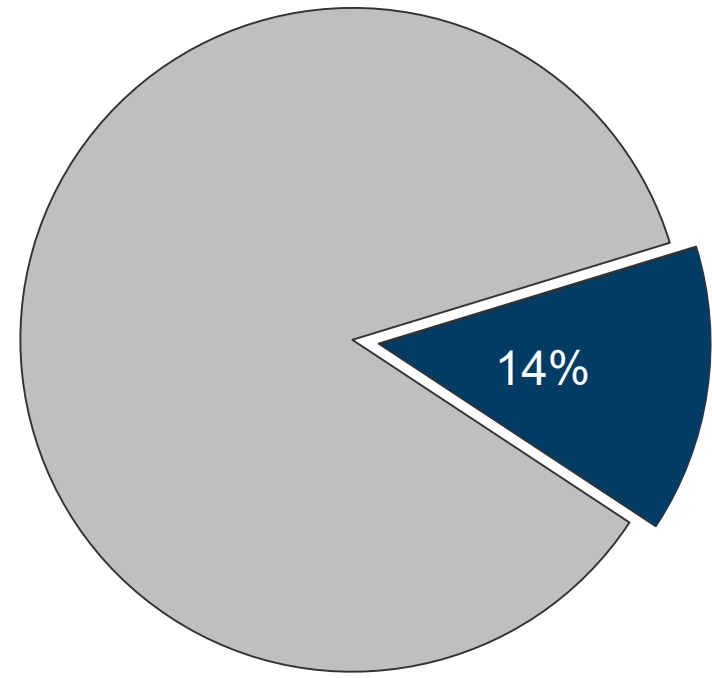
Figure 10

Some Of Those Who Say They Or A Family Member Skipped Care Report Worsening Medical Conditions As A Result

Percent who say they or a family member **skipped or postponed medical care** because of the coronavirus outbreak:



Percent who say their or their family member's medical condition **got worse** as a result:

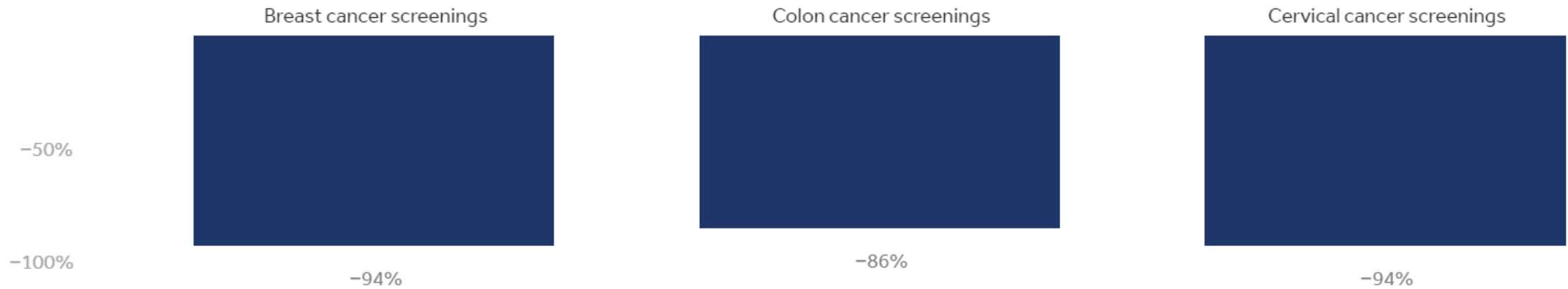


SOURCE: KFF Health Tracking Poll (conducted June 8-14, 2020). See topline for full question wording.

Figure 11

There Has Been An Abrupt Drop In Cancer Screening

Change in average weekly cancer screening volume, Jan 1, 2017-Jan 19, 2020 vs Jan 20-Apr 21, 2020, by type of screening



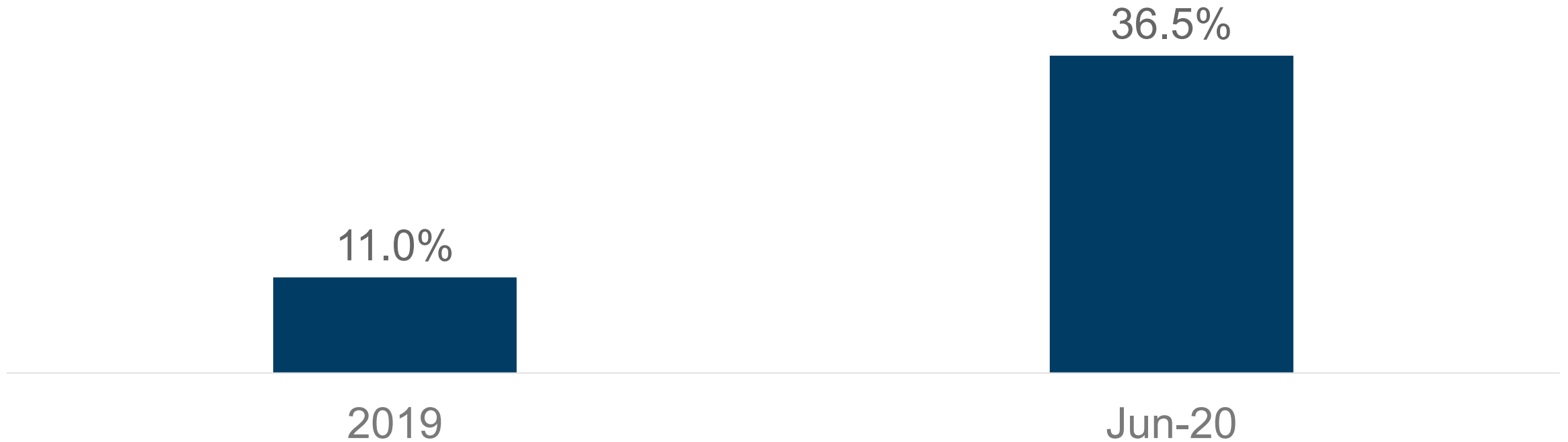
Source: Epic Health Research Network, "Preventive Cancer Screenings during COVID-19 Pandemic" • [Get the data](#) • PNG

Peterson-KFF
Health System Tracker

Figure 12

Mental Health Needs Have Increased Dramatically During The Crisis

Share of adults reporting symptoms of anxiety or depressive disorder



SOURCE: KFF analysis of NHIS and Census Pulse surveys.

The background features a large, stylized blue shape on the left side, resembling a thick letter 'K' or a similar geometric form. This shape is set against a light grey background. The right side of the image is a plain white background.

Thank you.

Washington's Economic Recovery

Senate Economic Recovery Committee

Lisa Brown

DIRECTOR

JULY 21, 2020

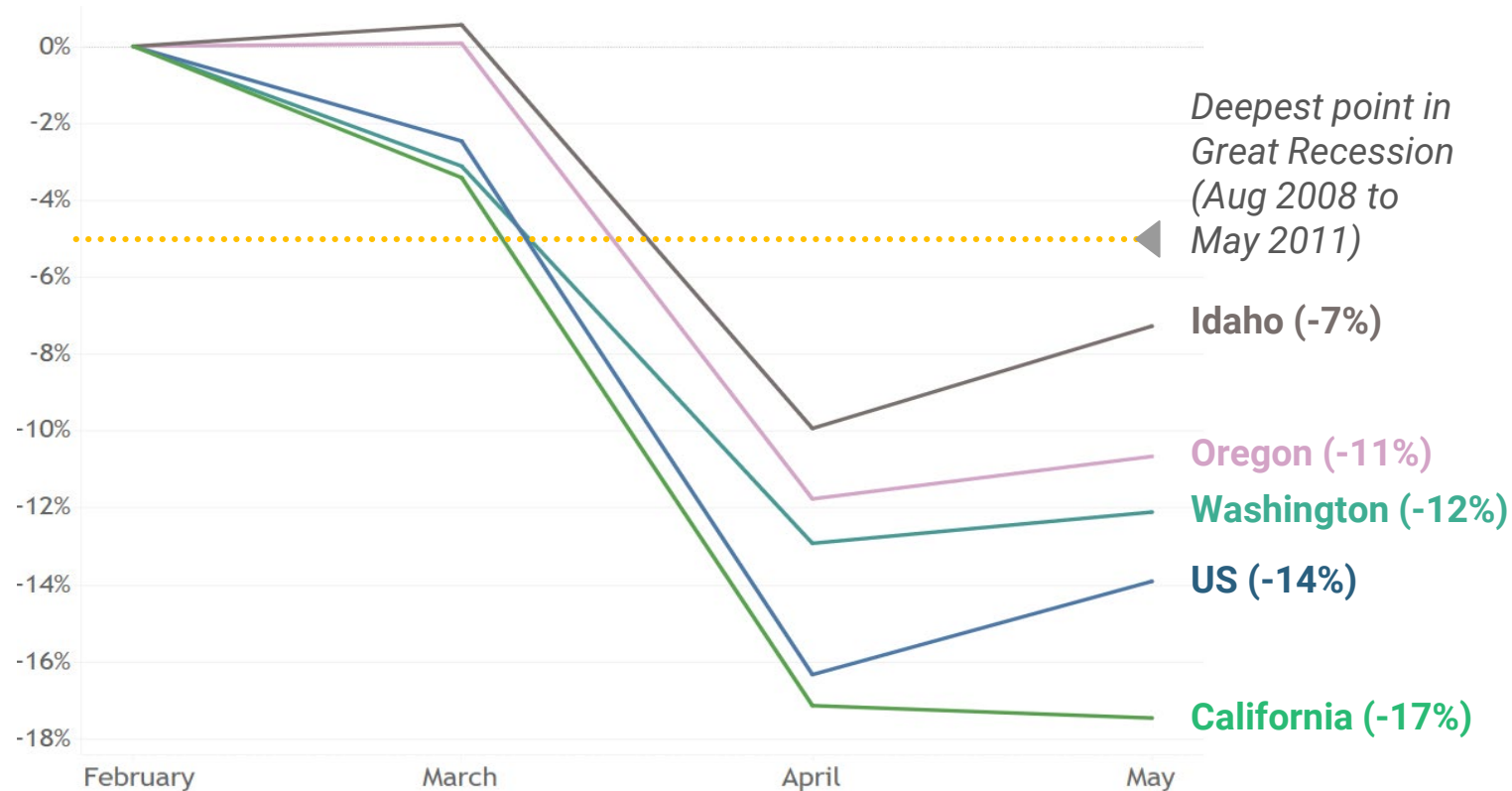


Washington State
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The economic impact of COVID-19 is unprecedented

Employment decline since February is >2x higher than the lowest point of the Great Recession

Dashboard screenshot: % change in total employment vs. February 2020 by geography (seasonally adjusted)



Source: Current Employment Statistics (CES) - Seasonally Adjusted, Bureau of Labor Statistics (Includes all workers on payroll)

Unprecedented impact

12% employment decline >2x higher than any point during the Great Recession

WA tracking with other states

WA curve shaped similarly to those of other Western states, and the US overall

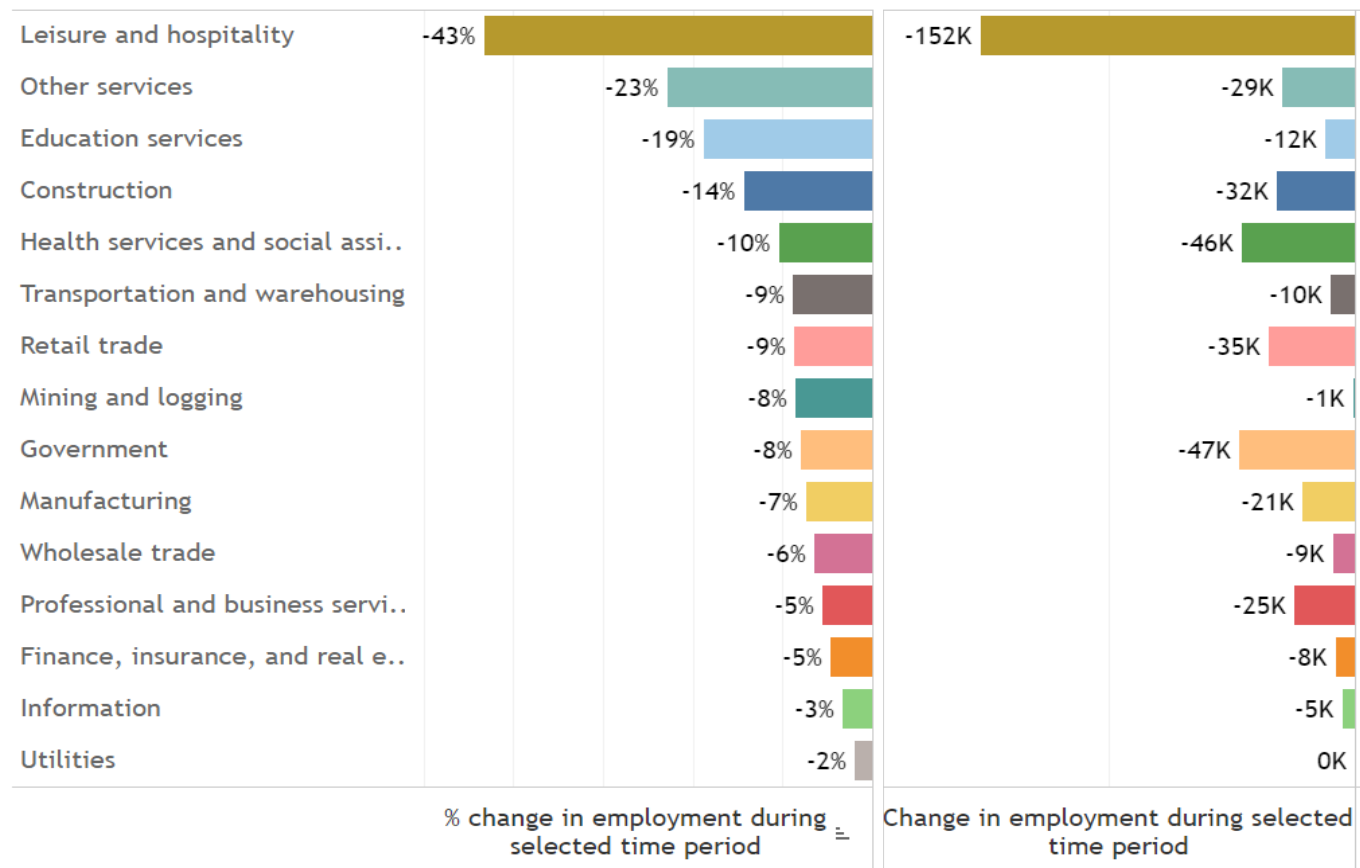
Early signs of recovery, but still a long way to go

While May figures show some improvement, current level of impact is still unprecedented



While impact has been highly concentrated in a few industries, nearly all sectors have seen significant job declines

Dashboard screenshot: % and absolute change in total WA employment by industry, February to May 2020 (seasonally adjusted)



Impact is disproportionate

~60% of job losses concentrated in three sectors, with ~35% of total losses in Leisure & Hospitality alone

Impact is broad

Most sectors have seen declines of at least 7%

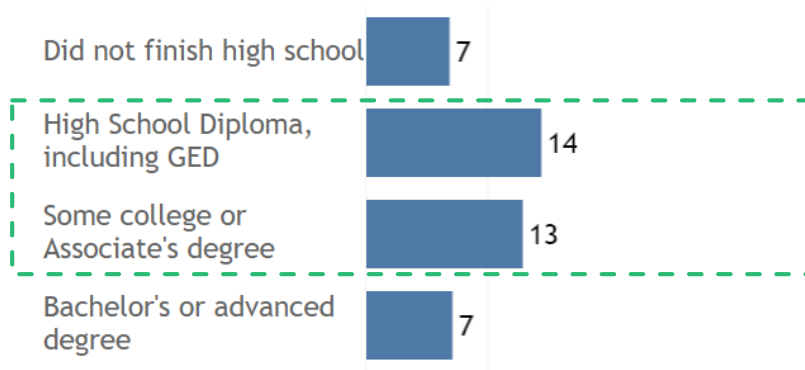
Public health most critical economic recovery lever

Job losses concentrated in industry groups with high levels of human contact

UI claims indicate disproportionate impacts across populations

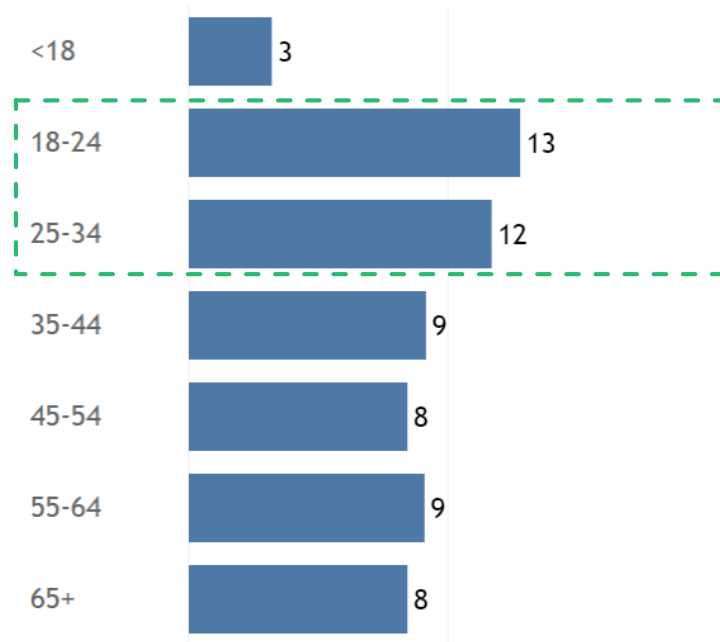
Dashboard screenshots: Continued UI claims per 100 workers in each population group, week ending June 27

By education level



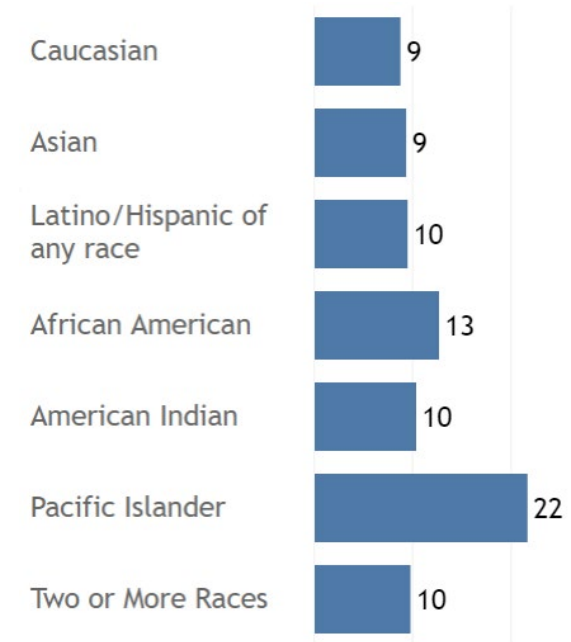
Claim rate ~35% higher than average among **high school grads without a college degree**

By age group



Claim rate ~25% higher than average among the **18-34 age cohort**

By race

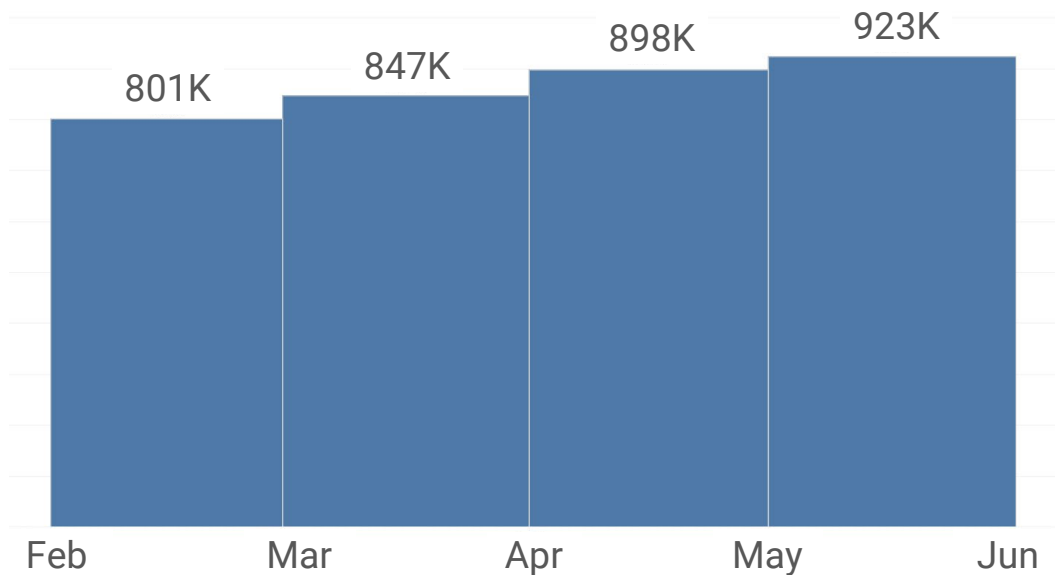


Early signs of **disproportionate impacts** across race groups

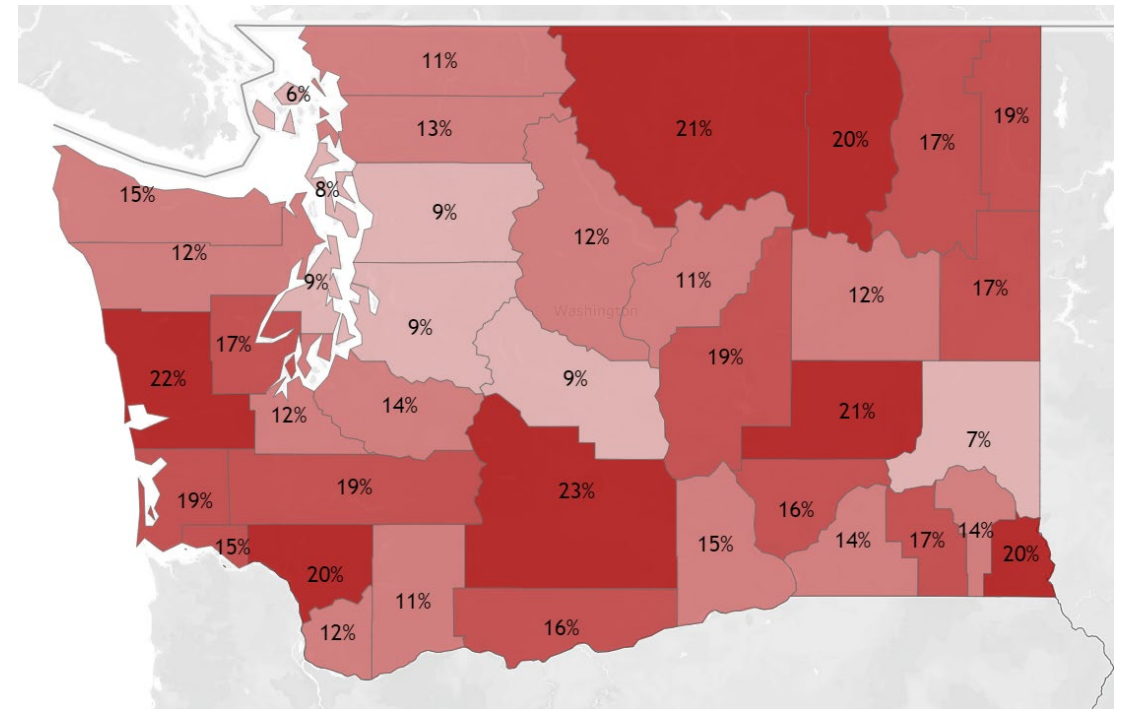
Source: UI claims data, Employment Security Department, Washington State; Longitudinal Employer-Household Dynamics (LEHD), US Census Bureau (includes W2 workers)

Participation in Basic Food programs (SNAP/FAP): increase of 15% since February, with level of need varying highly across counties

Dashboard screenshot: Basic Food (SNAP/FAP) client¹ counts by month, statewide



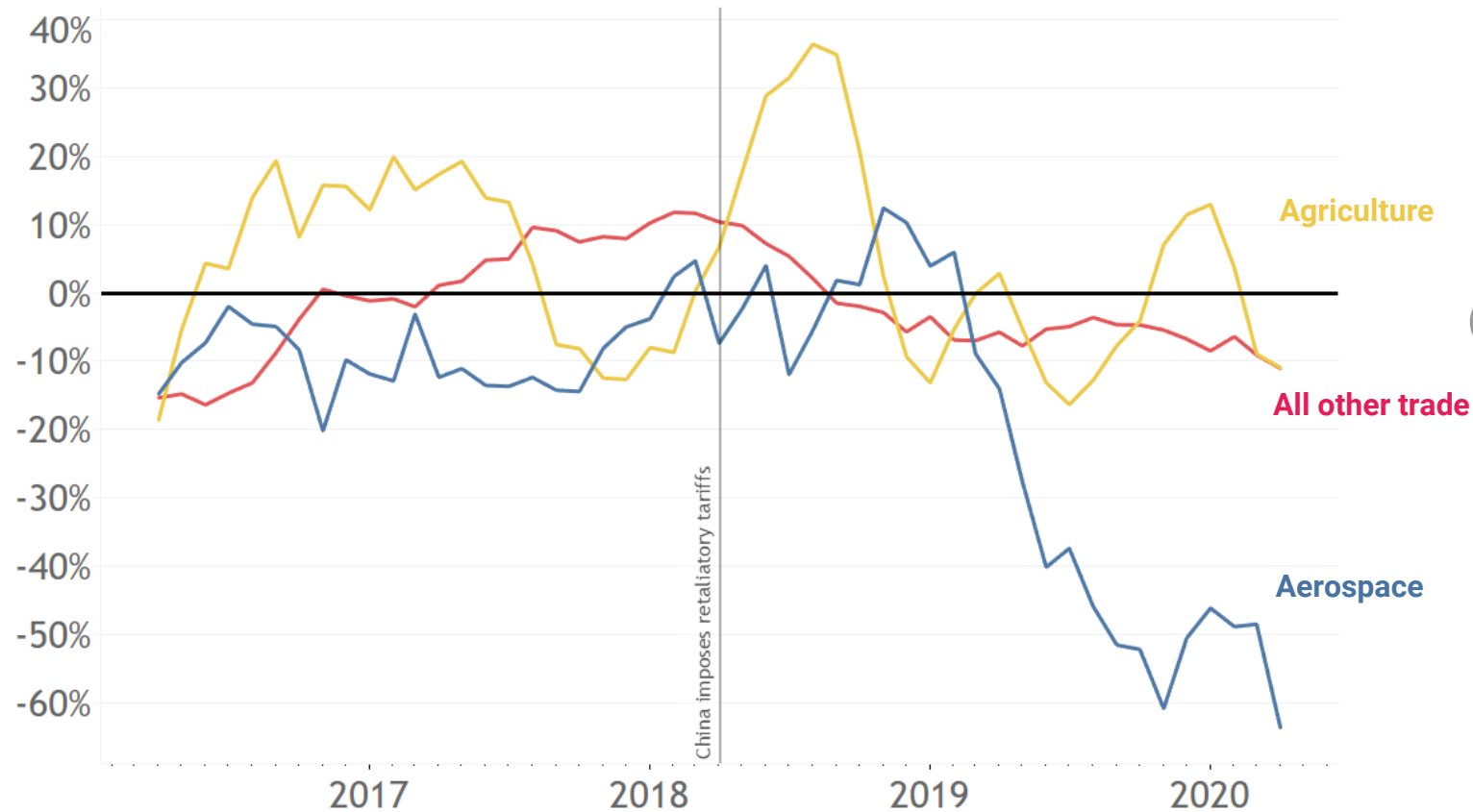
Dashboard screenshot: Basic Food (SNAP/FAP) clients as % of county population, June 2020



1. "Client" refers to an individual program participant (one household may represent multiple clients)
Source: DSHS-ESA/EMAPS Assignment #5067A; US Census

Pre-COVID trends likely to continue or accelerate, and should remain a key consideration during recovery planning

Dashboard screenshot: % YoY change in export volume by commodity, 3-month rolling average



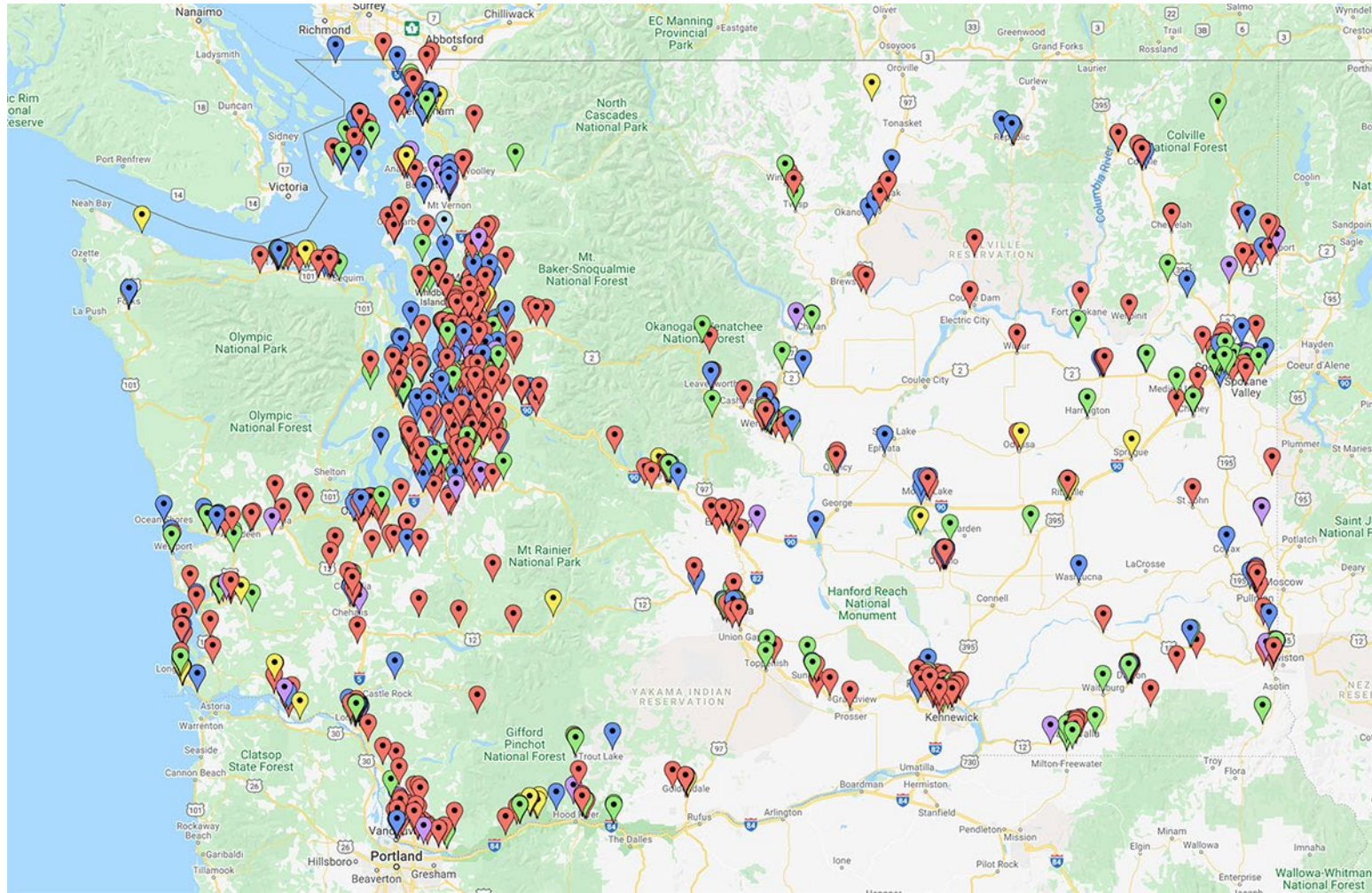
Federal policy continues to suppress international trade

WA export volume posted YoY declines of at least ~5% throughout 2019 and 2020

Ongoing challenges in aerospace likely to accelerate in near term

Outlook highly dependent on consumer behavior; understanding potential downstream implications will be key

Working Washington Small Business Grants



Working Washington Small Business Grants

- **\$10 million for Working Washington Small business grants**
 - \$5 million from the Working Washington strategic reserve fund
 - \$5 million from the state's \$200 million COVID-19 emergency response approved by the Legislature
- **Up to \$10,000 to businesses with up to 10 employees for rent, utility bills, supplies, inventory and other operating expenses**
- **1,442 total applications approved by the state:**
 - 40% women owned
 - 15% minority owned
 - 5% veteran owned
 - 0.5% tribal owned
 - 20% retail
 - 19% restaurants
 - 4% hospitality
 - 4% manufacturing
 - 53% other (healthcare, construction, childcare, etc.)

Small Business Resiliency

- Eleven organizations that serve culturally and historically disadvantaged businesses and communities across the state.
- Technical assistance can include:
 - Finding and help applying for assistance to help your business right now, whether you are open or closed
 - Translation assistance
 - Navigating local, state and federal resources
 - Business coaching
- Working to expand to more organizations

Emergency Response

- **Community Development Block Grant funding.** Coordinating with local governments the \$300 million provided to local cities and counties through the CARES Act.
- **Emergency Response Grant for Tribes.** Commerce made available \$10 million in emergency grants to the state's 29 federally recognized tribes to bolster their response to the COVID-19 pandemic.
- **Emergency Housing Grants to Counties.** \$30 million available to local government partners to create quarantine and isolation beds.

Upcoming CARES Act funds

Programs to help stabilize and restart our state's economy:

- \$100 million to provide rent assistance to low-income renters at risk of homelessness, using an existing framework to send rent payments directly to landlords.
- \$20 million to provide small business assistance and support data-driven recovery planning.
- \$20 million to provide nonprofit assistance with a focus on equity and childhood enrichment and development.
- \$20 million to provide Tribal assistance for economic recovery.

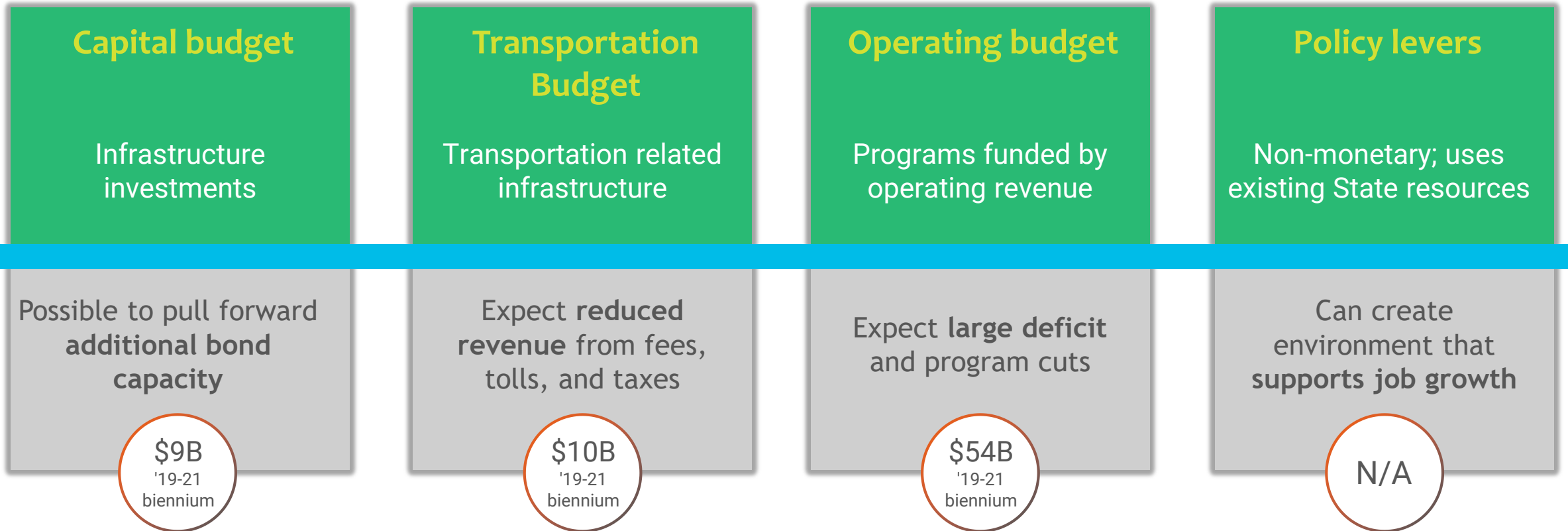
Partnerships

- **AWB Rebound and Recovery Committee**
 - <https://www.reboundandrecovery.org/>
- **Safe Work and Economic Recovery advisory group to Gov. Inslee**
- **All In Washington**
 - Safe Start for a Healthy Economic Transition & Recovery Fund

Economic Recovery Focus

- Track and promote recovery in jobs and economic activity by sector, industry, and region
- Ensure equitable access to resources for underserved entrepreneurs and communities
- Assist small businesses in retooling and pivoting for safe and successful operations
- Advocate for investment in innovation, sustainability, and resilience

Washington State has 4 potential levers, but resources are currently limited



Recovery planning: example ideas for assessment

List is not exhaustive but for illustrative use

General Infrastructure	Invest in broadband access for rural communities Fund additional affordable housing projects Give grants/loans for building efficiency improvements (e.g., gov't buildings) Establish a green infrastructure fund ...	Ideas evaluated for feasibility and impact, including: Short term impact: <ul style="list-style-type: none">• Jobs created• Economic multiplier• Outside capital unlocked• ... Long term impact: <ul style="list-style-type: none">• Job/economic impact• Equity• Sustainability• ...
Transportation Infrastructure	Electrify public transportation vehicles (e.g., ferries, school buses) Invest in clean energy solutions for industrial centers (e.g., port electrification) Fund operational maintenance backlog for roads and bridges Invest in large-scale transportation project (e.g., bridge or road) ...	
Programs <i>(operating budget)</i>	Reskill workforce, with emphasis on expected growth industries Promote apprenticeship programs like Career Connect WA Guarantee loans for small business to invest and grow Encourage consumer spending with local SMEs via 'shop local' PSA campaigns ...	
Policy ideas <i>(non-monetary)</i>	Streamline permitting for infrastructure projects (e.g., broadband, green energy) Survey state assets to determine if there are opportunities for a higher ROI ...	



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Thank you.

Lisa Brown

DIRECTOR

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Working Together for Job Recovery & Economic Prosperity Across Washington

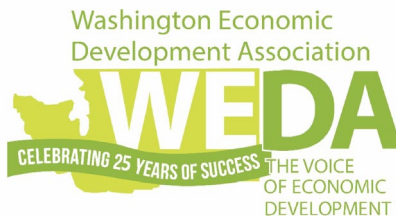


Suzanne Dale Estey, WEDA Executive Director
Q3 2020



What We Do

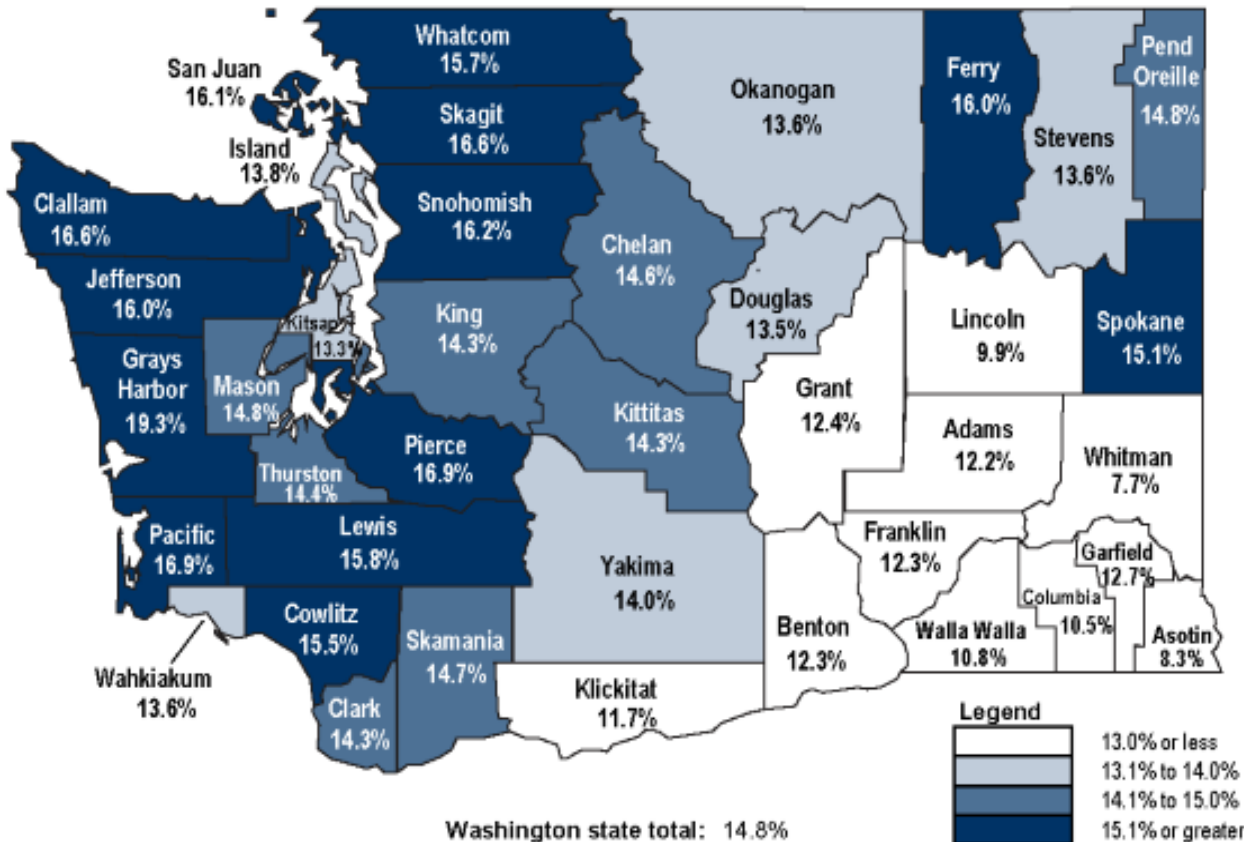
- ▶ Washington State's *only* trade association laser-focused on economic development
- ▶ 25th Anniversary this year
- ▶ WEDA is committed to recovering, retaining, expanding and recruiting jobs and investment in Washington State
- ▶ ***Our Strategic Goals - since COVID-19***: Creating an imperative to empower communities across Washington with tools to recover from the COVID-19 crisis, assisting employers large and small in rebuilding, becoming globally competitive and growing jobs, while supporting an equitable economy and inclusive economic development.
- ▶ ***We Believe: The time is now*** to rebuild our economic vitality, increase the resiliency of our economy, and strengthen the economic development ecosystem at state, regional and local levels.



Economic Crisis is Statewide

May 2020

County unemployment rates, not seasonally adjusted



US Rate:

11.1%

WA State

Rate:

15.4%

Seattle/

Bellevue/

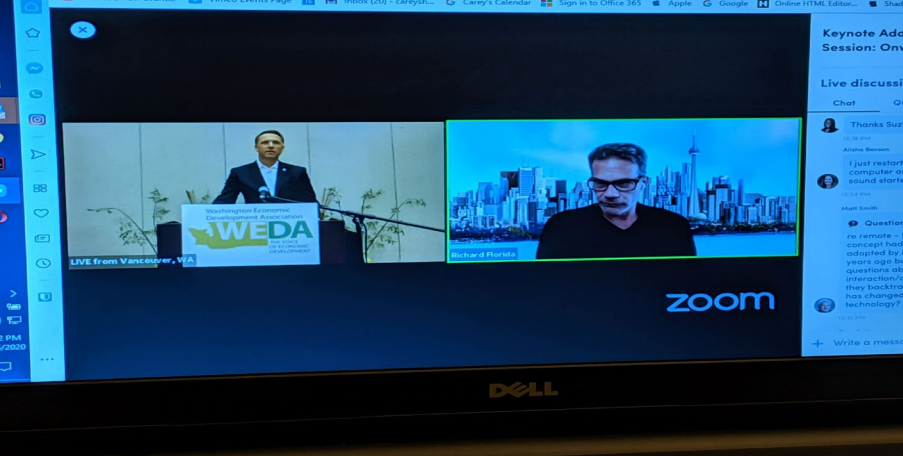
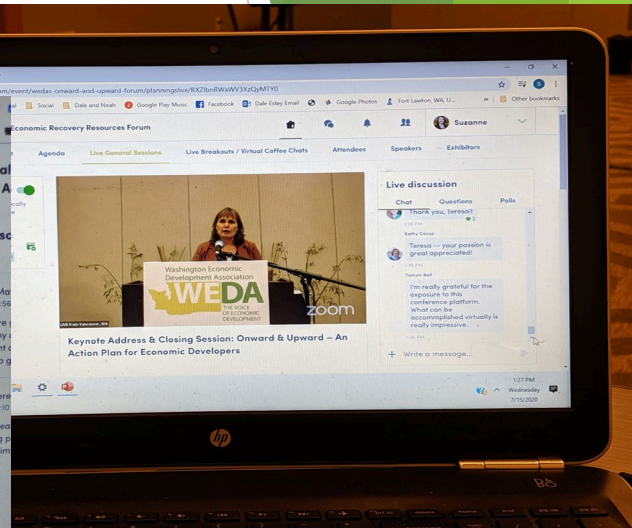
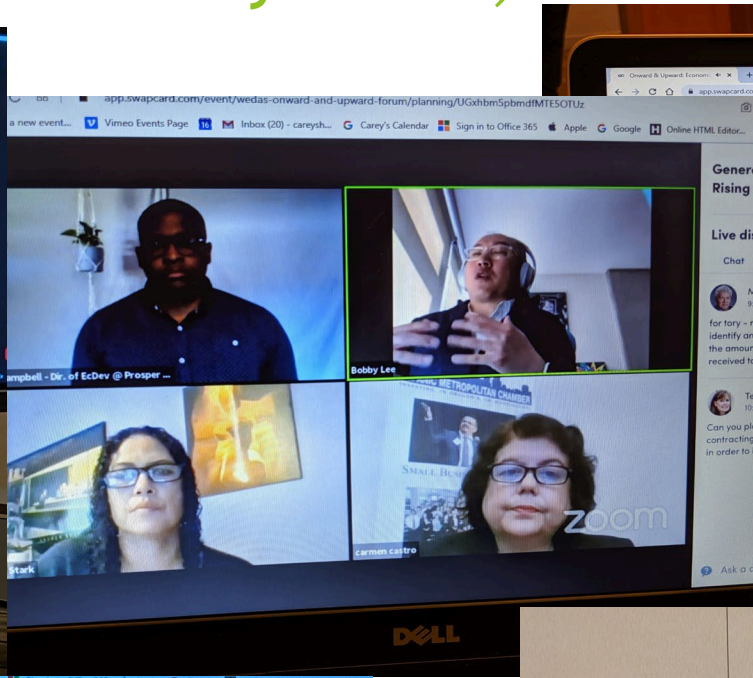
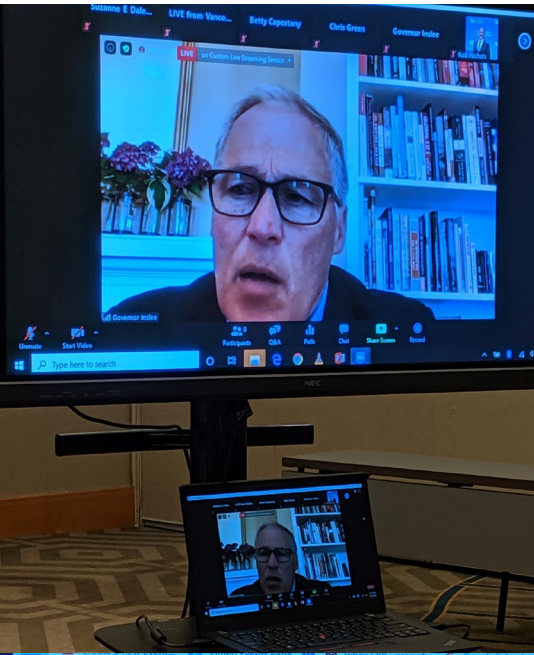
Everett

Rate:

15.2%

Source: WA State ESD

Onward & Upward: Economic Recovery Resources Forum July 14-15, 2020



Onward & Upward: Economic Recovery Resources Forum - July 14-15, 2020

Key Sessions and Themes from the Forum:

- ▶ *Onward & Upward for All - Equity through the Recovery*
- ▶ *Leveraging Resources, Rebuilding Communities*
- ▶ *Accessing Capital to Spark Recovery*
- ▶ *Maximizing Strong Health Partnerships for a Successful Economic Recovery*
- ▶ *Worker Safety as an Economic Imperative: Safe Work = Job Recovery*
- ▶ *Rebuilding and Reinventing Our Workforce from Cradle to College & Career*
- ▶ *Building the Back to Work Toolkit*
- ▶ *Rising All Boats as We Recover: Equity as Essential in Recovery*
- ▶ *Regional Policy Solutions: Leveraging Partnerships and Data*
- ▶ *Infrastructure as a Critical Catalyst for Economic Recovery*
- ▶ *Innovative Financing Tools for Entrepreneurship & Economic Recovery*
- ▶ *Onward & Upward - An Action Plan for Economic Developers*



Onward & Upward: Economic Recovery Resources Forum - July 14-15, 2020

Key Learnings from the Forum:

- ▶ Diversity, Equity and Inclusion must be central to our work
- ▶ Critical need for Child Care infrastructure and options
- ▶ Main Streets/small businesses need more help; must work with lenders on flexibility in lending to small, Main Street and microenterprises; lower hurdles to access capital
- ▶ Addressing broadband infrastructure gaps is essential
- ▶ Business and economic developers must share learnings/ best practices broadly

WEDA's Top Legislative Priorities

WEDA's 2021 Legislative Agenda will focus on the most critical actions lawmakers can take to recover, retain and grow living wage jobs, foster vibrant communities, support equity and opportunity for all and spark investment across Washington State:

- ▶ ***Strengthening the Economic Development Ecosystem***
- ▶ ***Fostering Catalysts for Job Recovery & Growth***
- ▶ ***Rebuilding Economies & Increasing Prosperity for All of Washington***



Strengthening the Economic Development Ecosystem

WEDA believes a robust economic development ecosystem is essential at the state, regional and local levels.

2021 LEGISLATIVE & 2020 EMERGENCY REQUESTS:

- ▶ Support & protect state-level leadership in economic development, including full support for Business Recruitment, Retention & Expansion programs, and the Global Washington proposal (*partially funded in 2020*)
- ▶ Continue to restore funding for regional capacity to coordinate and deliver economic development services. Build on 2019 legislative investment of \$1M and continue to restore ADO funding from \$3.3M to **\$4.3M per year**, funded by the General Fund. **New:** \$2M in one-time federal CARES Act funding underway; \$50K each ADO + more for some



Strengthening the Economic Development Ecosystem

Associate Development Organizations/Economic Development Councils

- ▶ Governor Booth Gardner created “Team Washington” network in 1985 - still high-performing 35 years later
- ▶ 35 regional economic development organizations serve all 39 counties
- ▶ Underpin the State’s economic development programs and initiatives
- ▶ “*Ground game*” for Washington State Commerce department
- ▶ Enhance economic development service delivery and results statewide by forming public-private, state-local partnerships
- ▶ Mission: *confidential, client-based* economic development that public-private partnerships are uniquely equipped to provide



Strengthening the Economic Development Ecosystem

Associate Development Organizations/Economic Development Councils

COLLECTIVE RESULTS (pre-COVID):

- ▶ Over the last five years, local ADO/EDC partners have helped over **519 businesses** expand or develop new facilities and assisted **267 start ups**.
- ▶ These companies have invested over **\$1.5 billion** in land, buildings and equipment.
- ▶ These growing businesses have created over **17,946 new jobs**
- ▶ EDC business clients are estimated to generate over **\$100 million** in new tax revenues for Washington State and local communities. Every state dollar leverages a match of at least six dollars from other public and private sources.

Through COVID-19 Crisis, ADOs have worked in partnership with Commerce to solicit, implement and fund **1,442** small business grants (with next round forthcoming). Over **26K** applications were received. ADOs also executed extensive outreach to hundreds of nonprofit organizations and underserved communities about resources such as federal Paycheck Protection Program (PPP).



Strengthening the Economic Development Ecosystem

Many other important economic development entities, players - ADOs/EDCs play critical role as conveners and catalysts:

- ▶ Washington State Department of Commerce, including Industry Sector Leads
- ▶ Ports (some are Associate Development Organizations)
- ▶ Counties
- ▶ Cities
- ▶ Tribes
- ▶ Universities
- ▶ Workforce development partners
- ▶ State industry cluster/trade associations (AFA, WTIA, LSW, WA Maritime Fed.)
- ▶ Association of Washington Business, Washington Roundtable, local Chambers of Commerce, private businesses
- ▶ Utilities
- ▶ Other coalitions/EDOs
- ▶ Labor partners



Fostering Catalysts for Job Recovery & Growth

WEDA supports investments in programs that support job recovery, retention, expansion and recruitment at the local levels.

2021 LEGISLATIVE REQUESTS:

- ▶ Continued Triage: direct Small Business support (\$10M + \$10M) and technical assistance; must also work to lower hurdles to access capital
- ▶ Invest in Infrastructure through state public works programs which support expanding businesses:
 - ▶ Community Economic Revitalization Board (CERB)
 - ▶ Public Works Trust Fund
 - ▶ Transportation Improvement Board
 - ▶ Local Revitalization Financing (LRF) and Tax Increment Financing
 - ▶ Model Toxics Control Act (MTCA) funding
- ▶ Support increased investments in road and transit infrastructure and services to more efficiently move people and freight
- ▶ Protect Economic Development Strategic Reserve Fund
- ▶ Protect targeted incentives for aerospace and expand these to all manufacturing. Support re-establishment of R & D tax credits

Rebuilding Economies & Increasing Prosperity for All of WA

WEDA supports policies and investments that ensure that all parts of the state, and all people, benefit in increased prosperity through inclusive economic development.

2021 LEGISLATIVE REQUESTS:

- ▶ Support broadband capacity initiatives and investment
- ▶ Protect the .09 percent Sales & Use Tax for Public Facilities and economic development activities in rural counties

Rural counties in Washington have benefitted from up to a .09% “rebate” of locally-generated state sales and use tax for over twenty years. This critical tool has helped to build critical infrastructure, attract new industry and diversify economies.

- ▶ Support initiatives to increase investment in distressed communities such as Opportunity Zones

WEDA Also Supports

WEDA supports policies and investments that ensure that all parts of the state, and all people, benefit in increased prosperity through inclusive economic development.

2021 LEGISLATIVE REQUESTS:

- ▶ **Workforce Development:** WEDA supports the preservation of state funding for Washington's community colleges and public four-year universities. Reductions already modeled by these institutions would imperil career training and placement initiatives that are a critical facet of economic development. In a global economy, human capital is an essential ingredient that drives business innovation, growth and competitiveness. WEDA supports Workforce Development Training Programs such as the Job Skills Program, Customized Training, Apprenticeships and One-Stop WorkSource Centers, new initiatives to upscale critical manufacturing workforce needs and career connected learning programs.

Washington State's labor force consistently ranks among the top five nationally based on education, productivity and experience. This strength in talent starts with strong early learning and is made possible by the State's nationally recognized research universities and top-quality educational institutions. However, we face severe child care capacity gaps that must be addressed. Our education systems cannot be taken for granted and need sustainable funding and support.

- ▶ **Housing Affordability & Supply:** WEDA will support legislation to improve housing affordability and expand opportunities for housing at all income levels, particularly workforce housing.
- ▶ **Clean/Green Economy:** WEDA will support programs and funding to create jobs in the Clean Economy, while also maintaining a balanced approach.
- ▶ **Rulemaking:** WEDA supports permit streamlining initiatives that increase efficiency and provide for increased predictability in development.

Let's Connect

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Washington Military Department Emergency Management Division

Senate Special Committee on Economic Recovery – 2020 Wildland Fire Season

**Jason Marquiss, Deputy Director
29 September 2020**



Agenda

- Washington's Disaster Experience
- Disaster Grants Overview
- 2020 Wildfire Season snapshot –Fire Mobe/FMAG Crosswalk
- Fire Management Assistance Grants - 2020
- Other Fire Season Recovery Efforts
- Economic Impacts



Washington's Recent Disaster Experience

2020 Federal Declarations

2 Major Disasters (Jan Severe Storms, Pandemic)

10 Fire Management Assistance Grants

3 Small Business Administration Disaster Loan Declarations

2019 Federal Declarations

1 Major Disaster (Severe Winter Storms, Flooding, Landslides, and Tornado)

3 Small Business Administration Disaster Loan Declarations

2018 Federal Declarations

9 Fire Management Assistance Grants

1 Small Business Administration Disaster Loan Declaration

2017 Federal Declarations

1 Major Disaster (Severe Winter Storms, Flooding, Landslides, and Mudslides)

3 Fire Management Assistance Grants

1 Small Business Administration Disaster Loan Declaration

2016 Federal Declarations

4 Fire Management Assistance Grants

2 Small Business Administration Disaster Loan Declarations

2015 Federal Declarations

4 Major Disasters (**Historic Fires**; Windstorm; Nov Severe Storm; Dec Severe Storm)

12 Fire Management Assistance Grants

6 Small Business Administration Disaster Loan Declarations

2014 Federal Declarations

2 Major Disasters (SR530 Landslide/**Central Washington Firestorm**)

8 Fire Management Assistance Grants

5 Small Business Administration Disaster Loan Declarations

2013 Federal Declarations

3 Fire Management Assistance Grants

1 Small Business Administration (Skagit River Bridge, economic injury loans)

2012 Federal Declarations

2 Major Disasters (January winter storm, July high winds and flooding)

8 Fire Management Assistance Grants

6 Small Business Administration Disaster Loan Declarations

FMAG Totals: 57

Major Disaster Declarations:

Fire	2
Windstorm	2
Winter Storms	6
Landslide	1
Pandemic	1
Total	12

SBA Declarations: 28



4 Disaster Grant Programs

Most Frequently Declared under a Major Presidential Disaster

- **Public Assistance Grant Program (PA)**
- **Hazard Mitigation Grant Program (HMGP)**

Least Frequently Declared under a Major Presidential Disaster

- **Human Services Programs - Individual Assistance (IA)**

Declared by the FEMA Regional Administrator (does not go to the Governor)

- **Fire Management Assistance Grant Program (FMAG)** - provides financial assistance to state, local, and federally recognized tribal governments for the mitigation, management, and control of fires on publicly or privately owned forests or grasslands.
 - <https://mil.wa.gov/fire-management-assistance-grant-program-fmagp-for-public-agencies>
 - More program details can be found in the back-up slides



Fire Management Grant (FMAG) Program

- **Funding – 75% Federal share and 25% non-federal share (state/local share)**
- Applies only to FEMA declared fires
- Cost recovery includes fire suppression measures and other emergency measures and at the direction of Incident Commander
 - Emergency Measures = Category B Emergency Protective Measures
- FMAG declarations are a collaborative team effort with FEMA, State (EMD, DNR, WSP), Local Jurisdictions, and the USDA USFS Principal Fire Advisor
- Timing Critical - State or Indian tribal government must submit a request for fire management assistance declaration to the FEMA Regional Administrator while the fire is:
 - Burning uncontrolled, and
 - Threatens such destruction as would constitute a major disaster – lives, improved property, critical facilities/infrastructure, critical watersheds



2020 Wildland Fire Season - Fire Mobe / FMAG Crosswalk

<u>Fire Name</u>	<u>Mobilization Authorized</u>	<u>FMAG Declared</u>	<u>Jurisdictions</u>	<u>FMAG ACRES</u>
Sunset Fire	X		Chelan	
Road 11 Fire	X	X	Douglas	9,330
Colockum Fire	X		Chelan	
Anglin Fire		X	Okanogan	1,992
Moses Coulee Fire	X		Douglas	
Sunset Frontage Fire	X		Spokane	
Badger Lake Fire	X		Spokane	
North Brownstown (3)		X	Yakima/Yakama Res.	5,981
Chief Timothy Fire	X		Whitman	
Palmer Fire	X	X	Okanogan	17,988
Bartholomew Fire	X		Spokane	
Evans Canyon Fire	X	X	Yakima	75,817
*Cold Springs/Pearl Hill Fire	X	X	Okanogan/Douglas/Colville Res.	413,653
Colfax Fire	X		Whitman	
Whitney fire	X		Lincoln	
Babb (Road) Fire	X	X	Spokane/Whitman	15,266
Apple Acres Fire	X	X	Chelan	5,500
Euclid Track Fire	X		Spokane	
244th Command Fire	X		Pierce	
Sumner Grade Fire	X	X	Pierce	494
Bourdeaux (Road) Fire	X	X	Thurston	290
Wawawai Canyon Fire	X		Whitman	
*1 Declaration/1 Mobilization Authorized - Managed as 2 separate fires. Cold Springs Fire - 189,923 acres. Pearl Hill Fire - 223,730 acres.			Total Acres FMAG Fires:	546,311



Fire Management Assistance Grant (FMAG)

2020 Fire season FMAGs:

- Road 11 Fire declared for **Douglas County** on 11 July 2020 @ 2309 PDT, FM-5320-WA, FMAG incident period – 11 – 15 July 2020; **State Fire Mobe** Approved – 11 July 2020 @ 1730 – 15 July 2020 @ 0800
- Anglin Fire declared for **Okanogan County** on 27 July 2020 @ 2315 PDT, FM-5323-WA, FMAG incident period – 27 July 2020 – 1 August 2020; **No State Mobe**
- North Brownstone Fire declared for **Yakima County and the Yakama Reservation** on 17 August 2020 @ 1858 PDT, FM-5330-WA, FMAG incident period – 16 August 2020 – 17 August 2020; **No State Mobe**
- Palmer Fire declared for **Okanogan County** on 20 August 2020 @ 2023 PDT, FM-5337-WA, FMAG incident period 18 August 2020 – 3 September 2020; **State Fire Mobe** Approved 16 August 2020 @ 0945 – 27 August 2020 @ 0800
- Evans Canyon Fire declared for **Yakima County** on 1 September 2020 @ 1300, FM-5342-WA, FMAG incident period 1 September 2020 – TBD; **State Fire Mobe** Approved 1 September 2020 @ 0000 – 7 September 2020 @ 0800



Fire Management Assistance Grant (FMAG)

2020 Fire season FMAGs:

- Cold Springs/Pearl Hill Fire declared for **Okanogan and Douglas Counties and the Colville Reservation** on 7 September 2020 @ 1233 PDT, FM-5351-WA, FMAG incident period 7 September 2020 – TBD; **State Fire Mobe** Approved 7 September 2020 @ 0645 - TBD
- Apple Acres Fire declared for **Chelan County** on 7 September 2020 @ 1233 PDT, FM-5352-WA, FMAG incident period 7 September 2020 – TBD; **State Fire Mobe** Approved 7 September 2020 @ 1615 - TBD
- Babb Fire declared for **Spokane and Whitman Counties** on 8 September 2020 @ 0103 PDT, FM-5355-WA, FMAG incident period 7 September 2020 – TBD, **State Fire Mobe** Approved 7 September 2020 @ 1615
- Bordeaux Road Fire declared for **Thurston County** on 9 September 2020 @ 0009, FM-5359-WA, FMAG incident period 8 September 2020 @ 0001 – TBD; **State Fire Mobe** Approved 8 September 2020 @ 1600 - TBD
- Sumner Grade Fire declared for **Pierce County** on 9 September 2020 @ 0009, FM-5360-WA, FMAG incident period 8 September 2020 @ 0001 – TBD; **State Fire Mobe** Approved 8 September 2020 @ 0930 - TBD



Fire Management Assistance Grant (FMAG) Program

Current priorities of work:

1. Focusing on completing project worksheet documentation review for the 2015 fires first. We believe we can get about **\$9 million** worth of projects reviewed and funded before the end of SFY 21. (DNR and WSP primarily fire suppressions costs)
2. We've estimated **~\$73 million recoupment** in the 21-23 biennium (completion of 2015 thru 2018 fire seasons) (DNR and WSP: primarily fire suppressions costs; does include small agency and counties/city related fire suppression and CAT B costs, <5% of the overall recoupment projection for the 2020 fire season).
3. Additionally beyond SFY23, we estimate **~\$50 million recoupment** (completion of 2018, 2019 and the first 5 fires thru 2020) (DNR and WSP primarily fire suppressions costs).
4. It's too early to speculate on cost estimates for the most recent 5 FMAG declarations; Justification: the most recent 5 FMAGs contained >80% of the total acres burned – so the recoupment will be a very large dollar amount.
 - A. We expect to see a significant increase in estimated reimbursements due to the size and costs of fighting the fires.
 - B. However, we won't see any major reimbursement to the DRA for these fires any time soon due to the back log and the time it takes to settle accounts with the federal agencies (DNR just settled accounts for the 2015 Stickpin Fire in May of this year).
 - C. We anticipate combined DNR & WSP fire suppression costs easily in excess of \$50 million for the 5 new FMAG fires.



Individual Assistance for Fires

- Presidential Declaration for Individual Assistance submitted to FEMA on September 16, 2020
 - Declaration request was for Whitman County only
 - EMD conducted a joint damage assessment with FEMA (virtual) and SBA (virtual) of Whitman County on September 11, 2020.
 - Since Whitman County was hardest hit, we will wait for the outcome of the IA Declaration request before considering a request for other counties. If Whitman County is denied, then other counties are extremely likely to be denied as well since they were less damaged.
 - It can take up to 30 days to receive notice of approval (or denial) from FEMA
 - If approved for IA Declaration, then SBA Physical Damage and Economic Injury programs are automatically approved.
 - There is currently no SBA assistance available for any of the fires in Washington



Individual Assistance for Fires

- If we do not receive a Presidential Declaration for Individual Assistance:
 - The state will make a request directly to SBA for Physical Damage declaration and Economic Injury
 - There is no state Individual Assistance Program that would replace the assistance provided by a FEMA program.
 - **The current proposed legislation for a State Individual Assistance Program would be ideal to assist in the absence of a federal IA declaration; otherwise, state agencies have to reallocate (if possible) existing funding to help.**



Individual Assistance for Fires

- Ongoing Assistance to Counties
 - Statewide:
 - Coordination with the American Red Cross on immediate housing needs through non-congregate shelters
 - The SEOC has activated the Housing Recovery Support Function (RSF) under Emergency Support Function (ESF) 14
 - Focused on identifying housing assistance opportunities for all impacted communities
 - Whitman County:
 - EMD Human Services, Recovery team continues to provide ongoing technical support to Whitman County on establishing a long-term recovery program.
 - Assisted the county with bringing in assistance from other state agencies (DSHS, DOL, L&I, OIC) for the Multi Agency Resource Center held on 9/25 and 9/26.
 - Okanogan and Douglas Counties and the Confederated Tribes of the Colville:
 - Provide technical assistance to the Okanogan Long Term Recovery Group, which is assisting members of the Colville Tribe and residents of Okanogan and Douglas Counties



Most recent wind/dust storm & wildland fires

Pending results from a Public Assistance Program Joint (state and FEMA) Damage Assessment

Counties impacted:

- Okanogan County, Ferry County, Pend Oreille County, Chelan County, Douglas County, Kittitas County, Yakima County, Whitman County, Lincoln County, Franklin County, Skamania County, Mason County

Utilities:

- Nespelem Valley Electric - \$4M
- Okanogan PUD - \$7.2M
- Pend Oreille PUD - \$400K
- Inland Power and Light - \$3.5M
- Franklin County - \$400K
- Big Bend Electric Cooperative - \$300K

State agency and Tribes:

- WA Parks – 4 Rails-to-Trails trestles
- WA DNR, WDFW, Colville Tribe fencing

Local Government:

- City of Bridgeport WWTP
- City Brewster – Congregate Sheltering
- Okanogan Fairgrounds - Sheltering
- Mid Valley hospital communications tower
- Okanogan County Airport

- **Current damage cost estimates (PA Program) ~\$45 million:**
 - PUDs/RECs (power transmission & distribution) – ~\$20 million
 - State Agencies infrastructure (fences, roads, trails, trestles, etc.) – ~\$15 million
 - City/County/Other Special Purpose Districts – ~\$10 million



Economic Impacts

- Across the western states, a county/region that has experienced large wildfires generally should expect to see local employment and wages increase.
- Large wildfires historically lead to instability in local labor markets by amplifying seasonal variation in employment from the prior year.
- Labor market disruptions are typically outweighed by the employment that the suppression effort creates in the short term.

(source: University of Oregon, Ecosystem Workforce Program)



Economic Impacts

- Department of Commerce does not track specific, isolated impacts caused by wildland fires, but has been tracking impacts of COVID in partnership with DOR, ESD and DSHS.
- Impacts felt by a given county/region due to COVID will be exacerbated by the simultaneous and cascading impacts of wildland fire direct, immediate costs and unknown future costs.
- The longer-term economic impacts of both COVID and wildland fires will likely not be known for some time.



Economic Recovery Dashboard

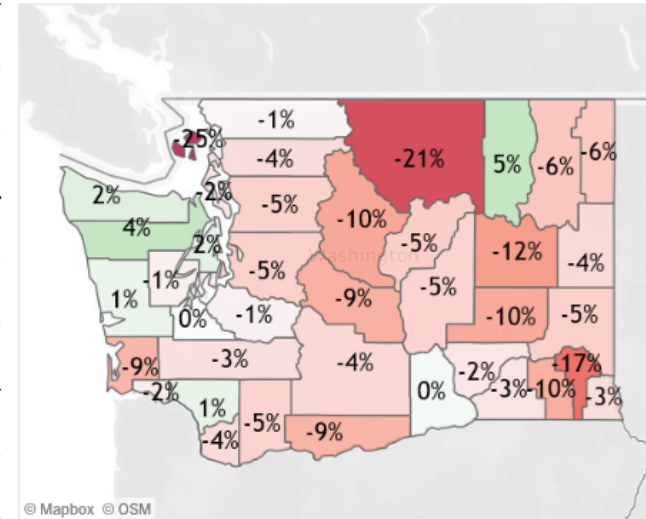
Economic Recovery Dashboard

<https://www.commerce.wa.gov/datadashboard/>

Best viewed in full screen

		Current Level	% Change ¹	Absolute Change ¹	Trend
Employment Detailed views	Total Employment	3,630K	-4% ▼	-140K	
	Unemployment Rate	8.4%	4.3% ▲		
	Job Postings		-41% ▼		
Business Detailed views	Taxable Retail Sales	\$15,816M	-5% ▼	-\$887M	
	Taxable Business Income	\$59.77B	-12% ▼	-\$8.50B	
	Export Volume	\$2.75B	-45% ▼	-\$2.27B	
Support Programs Detailed views	Basic Food ² Participants	944.4K	16% ▲	129.4K	
	TANF ³ Participants	72.5K	33% ▲	18.1K	
Consumer Behavior Detailed views	Credit Card Spend		-8% ▼		
	Time Outside Home		-8% ▼		

Year-over-year employment change by county



© Mapbox © OSM

Click a county to view county-specific statistics in the table to the left - click in the gray area outside Washington to clear the filter

1. Change over time period shown in trend-line. Time periods differ due to differences in publication schedules. Percentage change reflects change over last 12 months or since the first available month in last 12 months.
2. Supplemental Nutrition Assistance Program (SNAP) and State Food Assistance Program (FAP)
3. Temporary Assistance for Needy Families

The Economic Recovery Dashboard is a visualization tool that uses an assortment of data sources to track Washington state's economic recovery and resiliency. It displays the latest available data on employment, businesses, government assistance programs, and consumer behavior, helping monitor the economic impact of COVID-19 across Washington state. This dashboard is intended to provide the public access to key metrics that may help inform policy and economic recovery initiatives. As this dashboard is still evolving, we may update the available views and data sources where possible. Updates are made on a monthly basis.

Dashboard last updated: September 23, 2020



Back-up



FMAG Program

- The Fire Management Assistance declaration process is initiated when a State submits a request for assistance to the Federal Emergency Management Agency (FEMA) Regional Director at the time a "threat of major disaster" exists. The entire process is accomplished on an expedited basis and a FEMA decision is rendered in a matter of hours.
- The Fire Management Assistance Grant Program (FMAGP) provides a 75 percent Federal cost share and the Applicant pays the remaining 25 percent for actual costs.
- Before a grant can be awarded, a State must demonstrate that total eligible costs for the declared fire meet or exceed either the individual fire cost threshold - which applies to single fires, or the cumulative fire cost threshold, which recognizes numerous smaller fires burning throughout a State.
- Eligible firefighting costs may include expenses for field camps; equipment use, repair and replacement; tools, materials and supplies; and mobilization and demobilization activities.
- Eligible emergency protective measures may include staff overtime and equipment time for providing evacuation notices, barricading roads, water pumping, and emergency operations center costs.
- Eligible applicants to participate as subrecipients for the FMAG program may include state agencies, county and local emergency management, law enforcement and public works offices, and special purpose districts such as fire districts and publicly owned utility companies



WASHINGTON MILITARY DEPARTMENT

County
Damage/
cost
indicators

County	2010 Census	Threshold Effective 10/01/18	County	2010 Census	Threshold Effective 10/01/18
Adams	18,728	\$71,915.52	Lewis	75,455	\$289,747.20
Asotin	21,623	\$83,032.32	Lincoln	10,570	\$40,588.80
Benton	175,177	\$672,679.68	Mason	60,699	\$233,084.16
Chelan	72,453	\$278,219.52	Okanogan	41,120	\$157,900.80
Clallam	71,404	\$274,191.36	Pacific	20,920	\$80,332.80
Clark	425,363	\$1,633,393.92	Pend O'reille	13,001	\$49,923.84
Columbia	4,078	\$15,659.52	Pierce	795,225	\$3,053,664.00
Cowlitz	102,410	\$393,254.40	San Juan	15,769	\$60,552.96
Douglas	38,431	\$147,575.04	Skagit	116,901	\$448,899.84
Ferry	7,551	\$28,995.84	Skamania	11,066	\$42,493.44
Franklin	78,163	\$300,145.92	Snohomish	713,335	\$2,739,206.40
Garfield	2,266	\$8,701.44	Spokane	471,221	\$1,809,488.64
Grant	89,120	\$342,220.80	Stevens	43,531	\$167,159.04
Grays Harbor	72,797	\$279,540.48	Thurston	252,264	\$968,693.76
Island	78,506	\$301,463.04	Wahkiakum	3,978	\$15,275.52
Jefferson	29,872	\$114,708.48	Walla Walla	58,781	\$225,719.04
King	1,931,249	\$7,415,996.16	Whatcom	201,140	\$772,377.60
Kitsap	251,133	\$964,350.72	Whitman	44,776	\$171,939.84
Kittitas	40,915	\$157,113.60	Yakima	243,231	\$934,007.04
Klickitat	20,318	\$78,021.12	Washington State	6,724,540	\$10,288,546.00



Public Assistance (PA) Program

- Repair or restoration of public infrastructure
 - State and local governments
 - Tribes
 - Private non-profits
 - Special Purpose Districts
- Specific counties are declared, based upon damage thresholds which change every 1st of October
- Overall state threshold is approximately \$10.3 million
- Damage must be a direct result of declared incident, located within declared area, and responsibility of applicant
- **Funding - 75% federal and 25% non-federal share**
- State has traditionally paid half the local share (12.5%)



Hazard Mitigation Grant Program (HMGP)

- Mitigation reduces the impact of a future disaster
- Funding available for HMGP is 20% of the total disaster costs from IA & PA
- Washington State receives a higher percentage because we have an Enhanced Mitigation Plan
- Applicants must have a FEMA approved mitigation plan to qualify
- **Funding - 75% federal share and 25% non-federal share**



Human Services

Individuals and Households Program (IHP)

- 100 % Federal
- Direct Assistance to individuals with damages to primary residences and renters

Other Needs Assistance (ONA)

- 75% Federal share and 25% State share
- Administered by the State
- Household Items, Transportation, Moving & Storage
- Uninsured Medical / Dental / Funeral

Unmet Needs

- State Administered
- Individuals who are uninsured or underinsured and whose needs exceed Federal or SBA available assistance
- Voluntary organizations



Fire Management Grant Program (FMAG)

- Applies only to FEMA declared fires
- FMAG declarations are a collaborative team effort with FEMA, State (EMD, DNR, WSP), Local Jurisdictions, the USDA USFS Principal Fire Advisor, and the National Interagency Fire Center (NIFC)
- Timing Critical - State or Indian tribal government must submit a request for fire management assistance declaration to the FEMA Regional Administrator while the fire is:
 - Burning uncontrolled, and
 - Threatens such destruction as would constitute a major disaster – lives, improved property, critical facilities/infrastructure, critical watersheds
- Covers emergency measures and fire suppression measures at the direction of Incident Commander
- **Funding – 75% Federal share and 25% non-federal share**



How the Military Dept Receives DRA Authority for Disaster Obligations

RCW 38.52.105 / RCW 38.52.070(2)

- RCW 38.52.105 creates the disaster response account. Money may be spent only after appropriation is allocated. Expenditures from the account may be used only for support of state agency and local government disaster response and recovery efforts
- Typically only use disaster response account funds for Presidentially declared disasters.



DRA Funding Distribution

Public Assistance

State Agencies

- 75% Federal pass thru funding
- 25% State funding from DRA

Local Jurisdictions

- 75% Federal pass thru funding
- 12.5% State funding from DRA
- 12.5% Local funding
- *State Management Costs of 3.34%, as well as, 75% federally funded Direct Administrative Costs, for disasters prior to Oct 2018, and 7% for disasters after Oct 2018.*

Individual Assistance

- 75% Federal pass thru funding
- 25% State funding from DRA

State Management Costs of up to 5%,

HMGP

- 75% Federal pass thru funding
- 12.5% State funding from DRA
- 12.5% Local funding

State Management Costs of 4.89% federally funded for disasters prior to Oct 2018, and 10% for disasters after Oct 2018.

FMAG

State Agencies

- 75% Federal pass thru funding
- 25% State funding from DRA

Local Jurisdictions

- 75% Federal pass thru funding
 - 12.5% State funding from DRA
 - 12.5% Local funding
 - DNR/WSP pay fire suppression from approved budget and DRA appropriation
 - DNR/WSP/Mil reimbursements go back to the DRA not to state agency budget
- 75% federally funded Direct Administrative Costs 25*

Covid-19 economic update

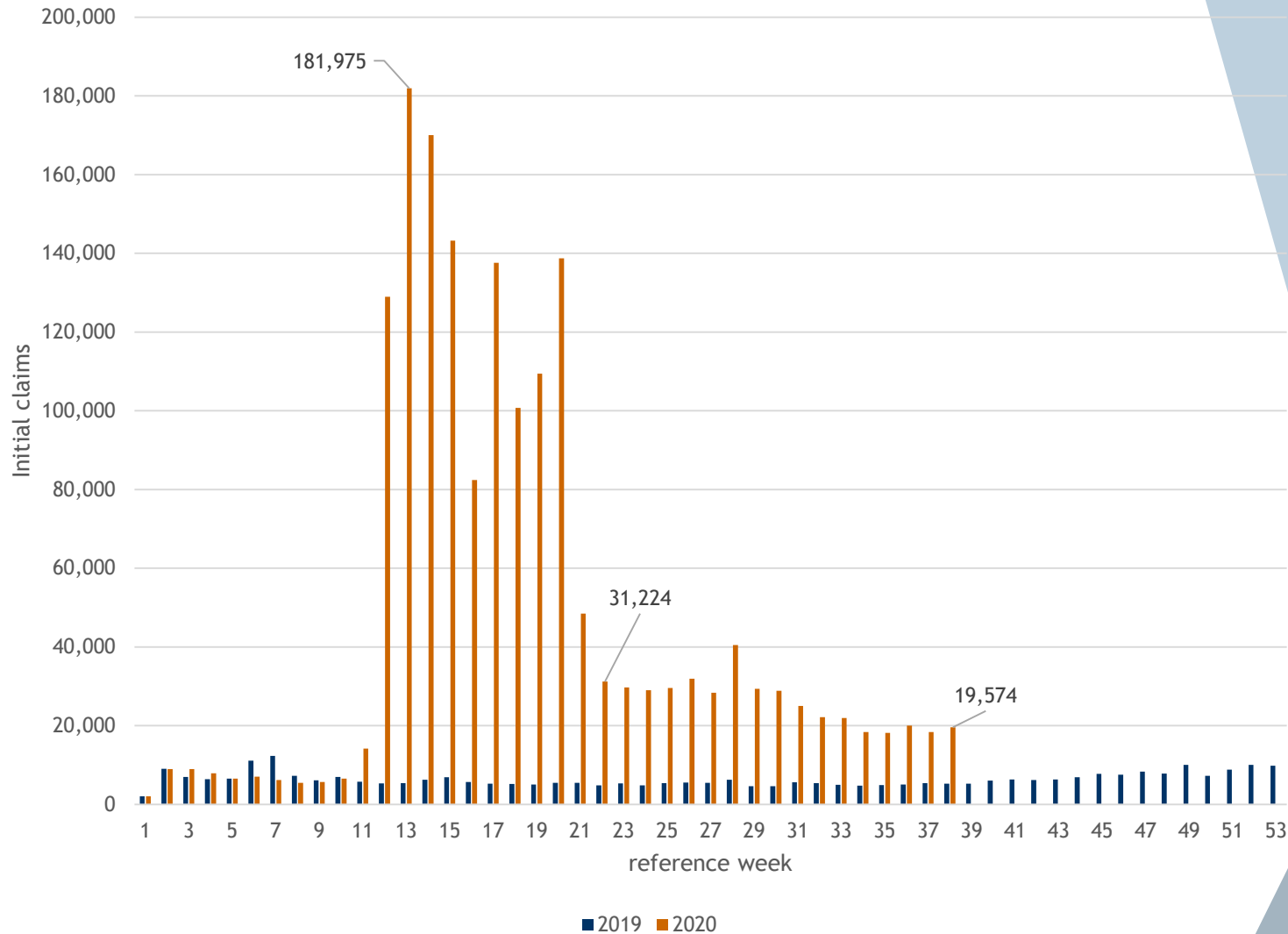
Senate Special Committee on Economic Recovery
Virtual work session
September 29, 2020

Anneliese Vance-Sherman, Ph.D.
Regional Labor Economist
Washington Employment Security Department
Labor Market and Economic Analysis

Unemployment and Labor Force

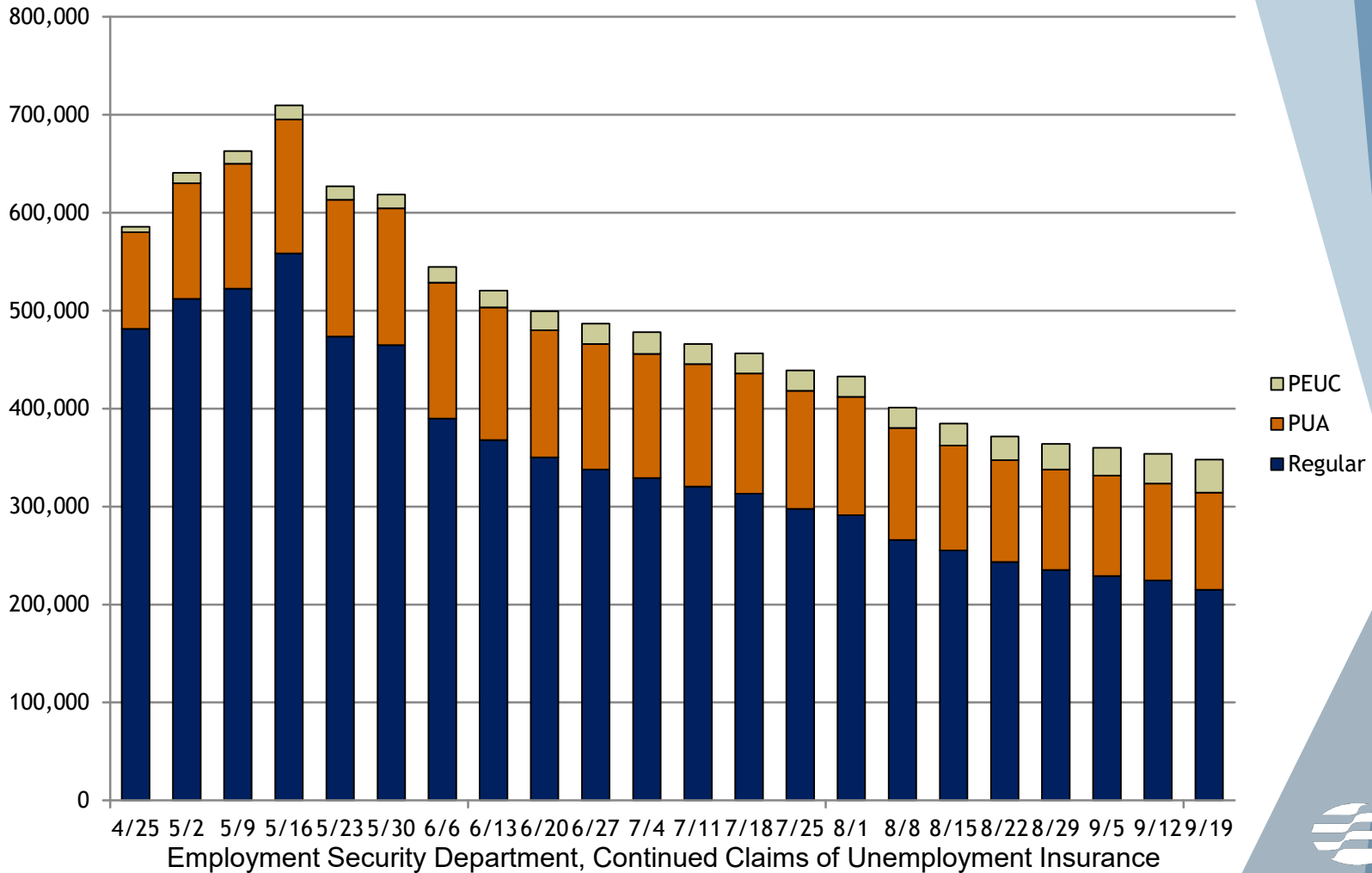


Initial Claims remain at elevated levels

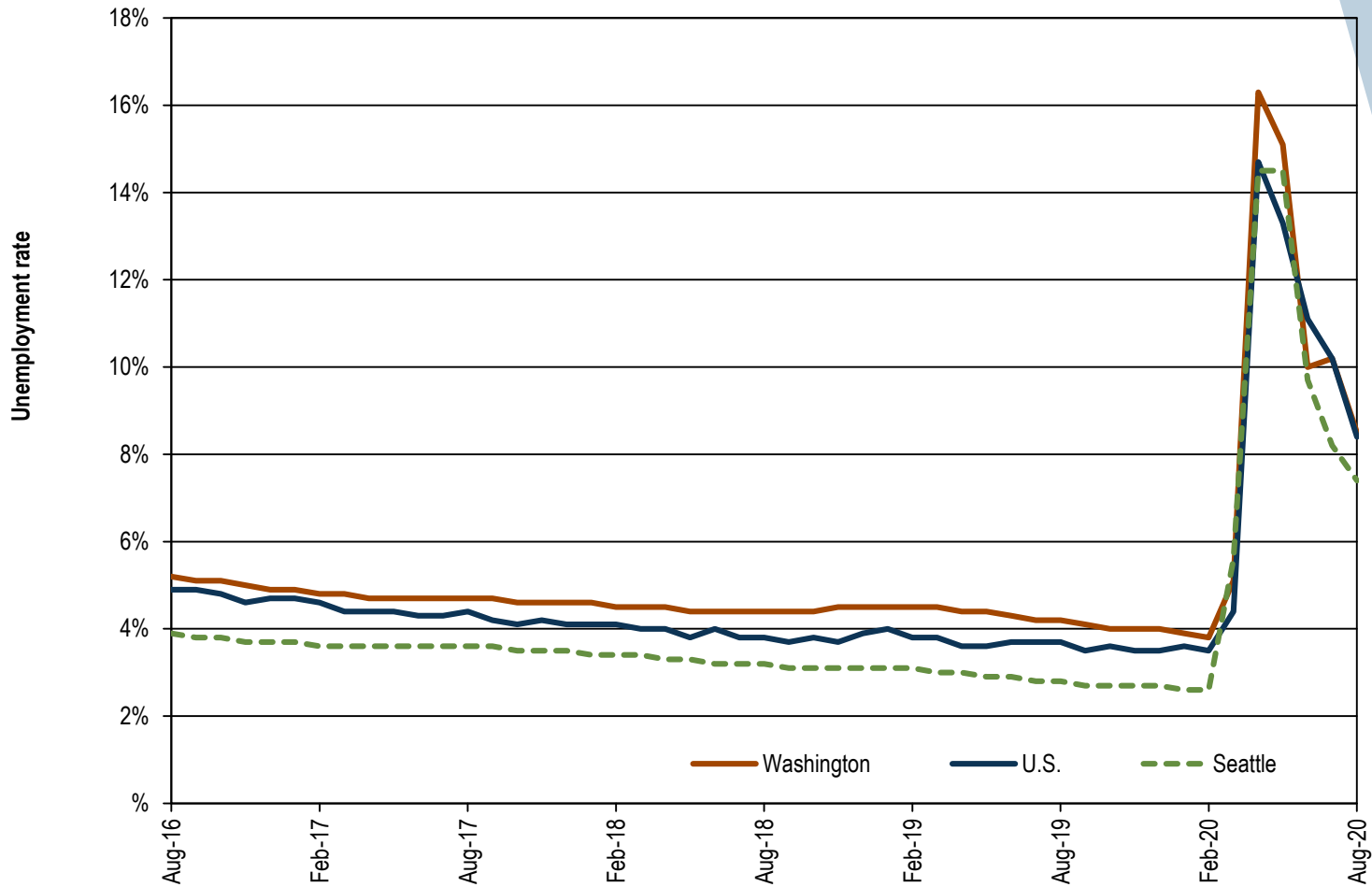


Continued claims is trending down, but remains elevated

Total Continued Claims, State of Washington



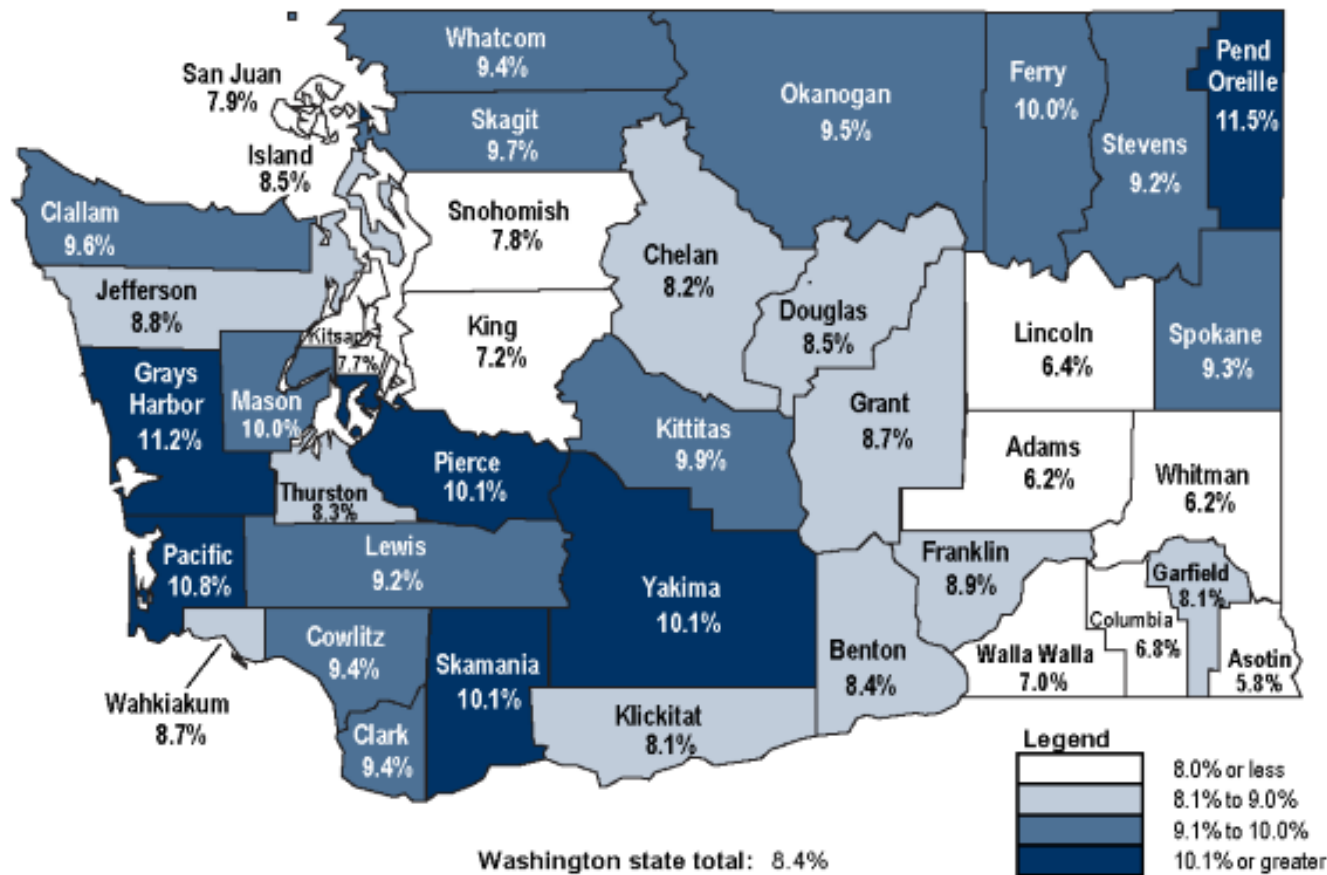
Washington's unemployment rate was 8.4 % in August



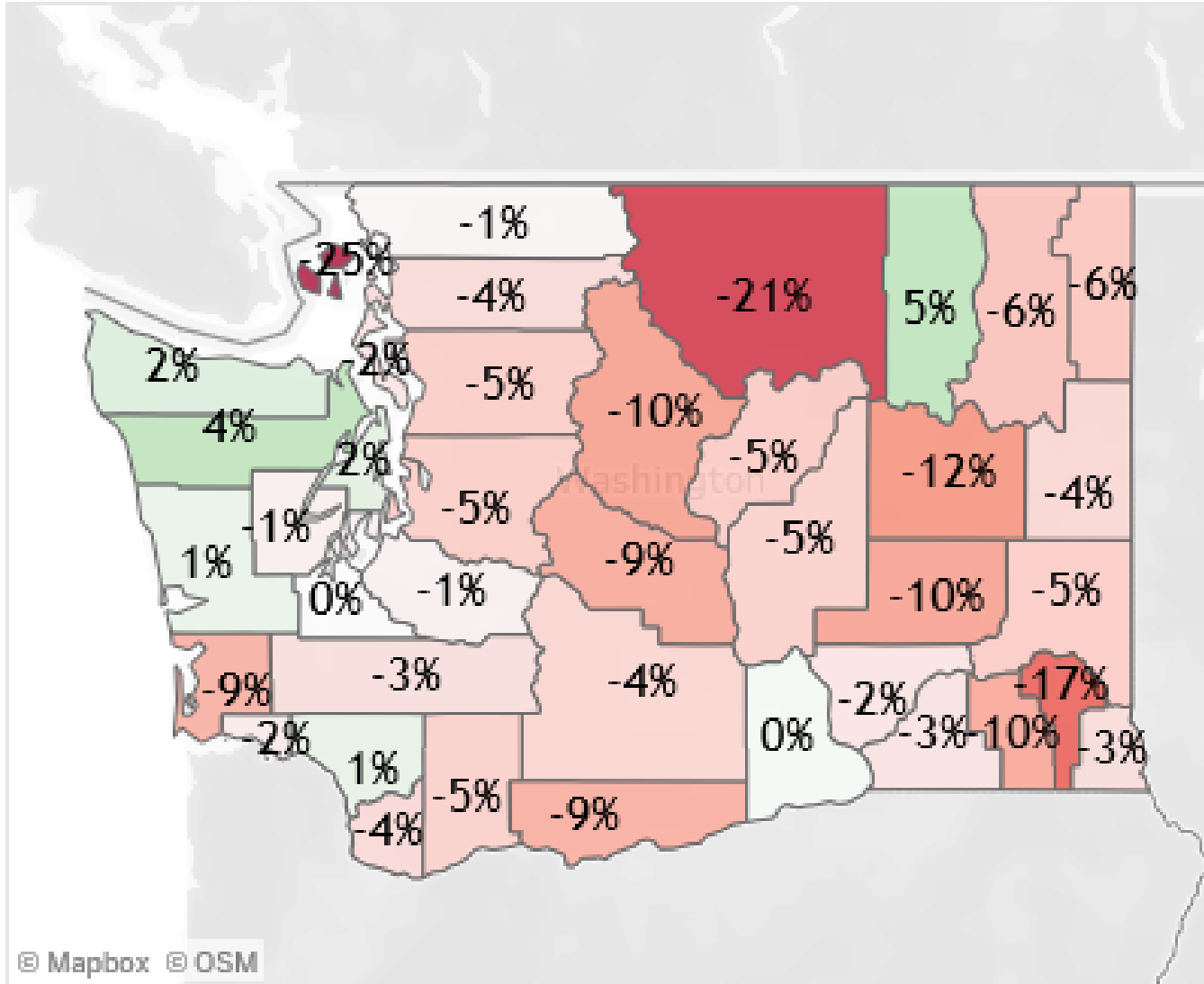
The unemployment rate has dropped throughout much of the state

August 2020

County unemployment rates, not seasonally adjusted

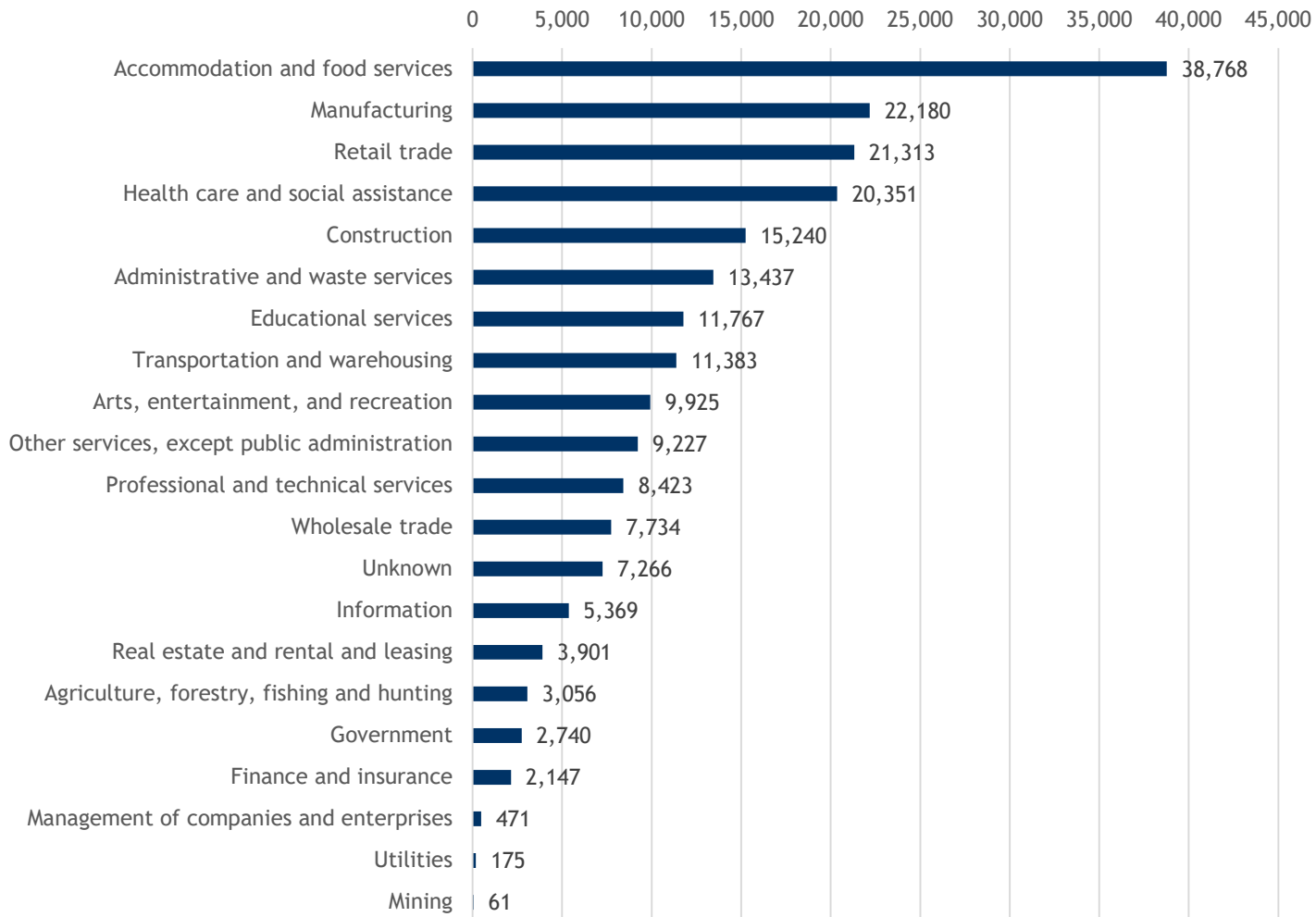


Year over year change in employment

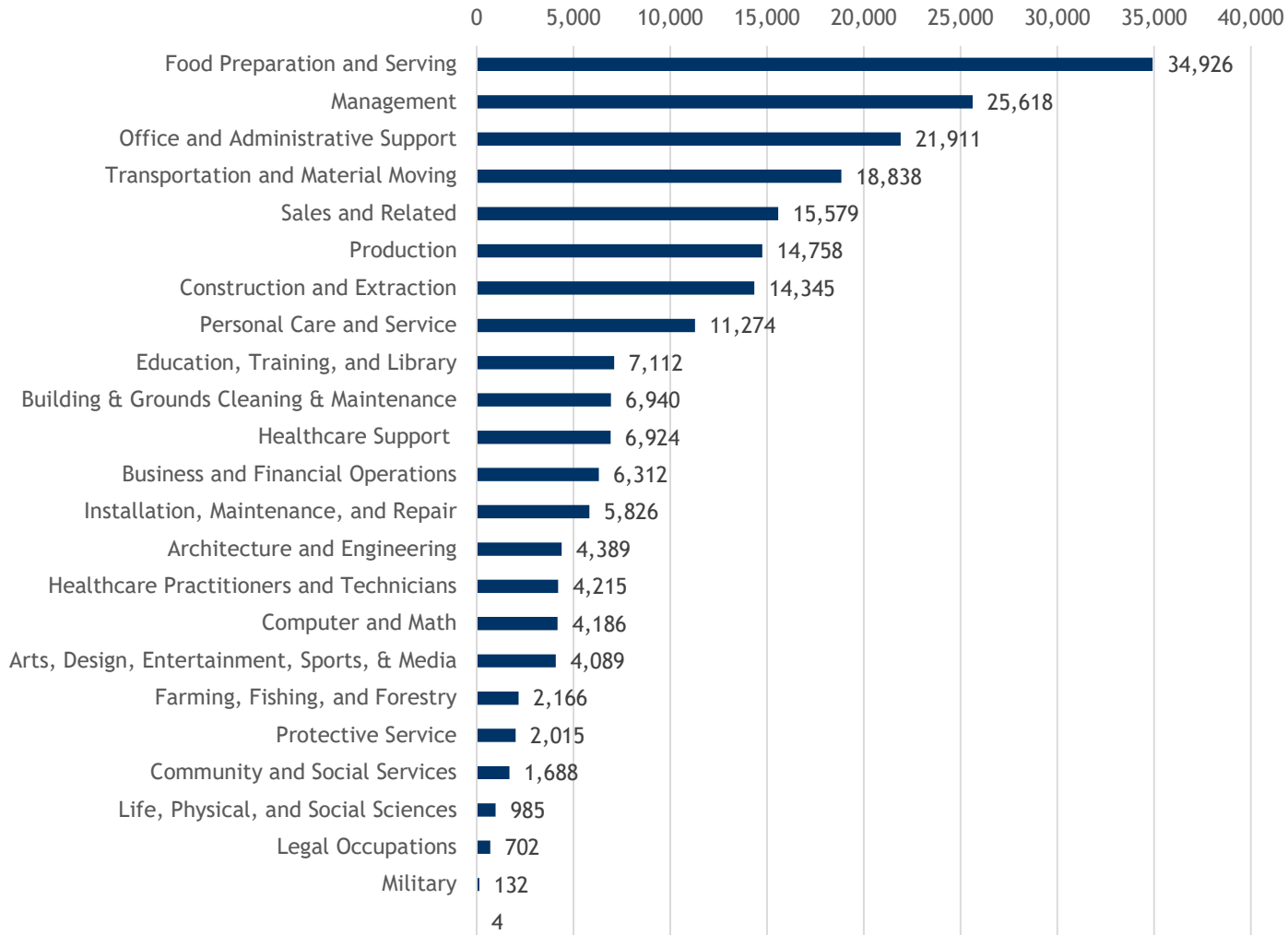


© Mapbox © OSM

The largest number of claims continues to be from workers in accommodation & food services



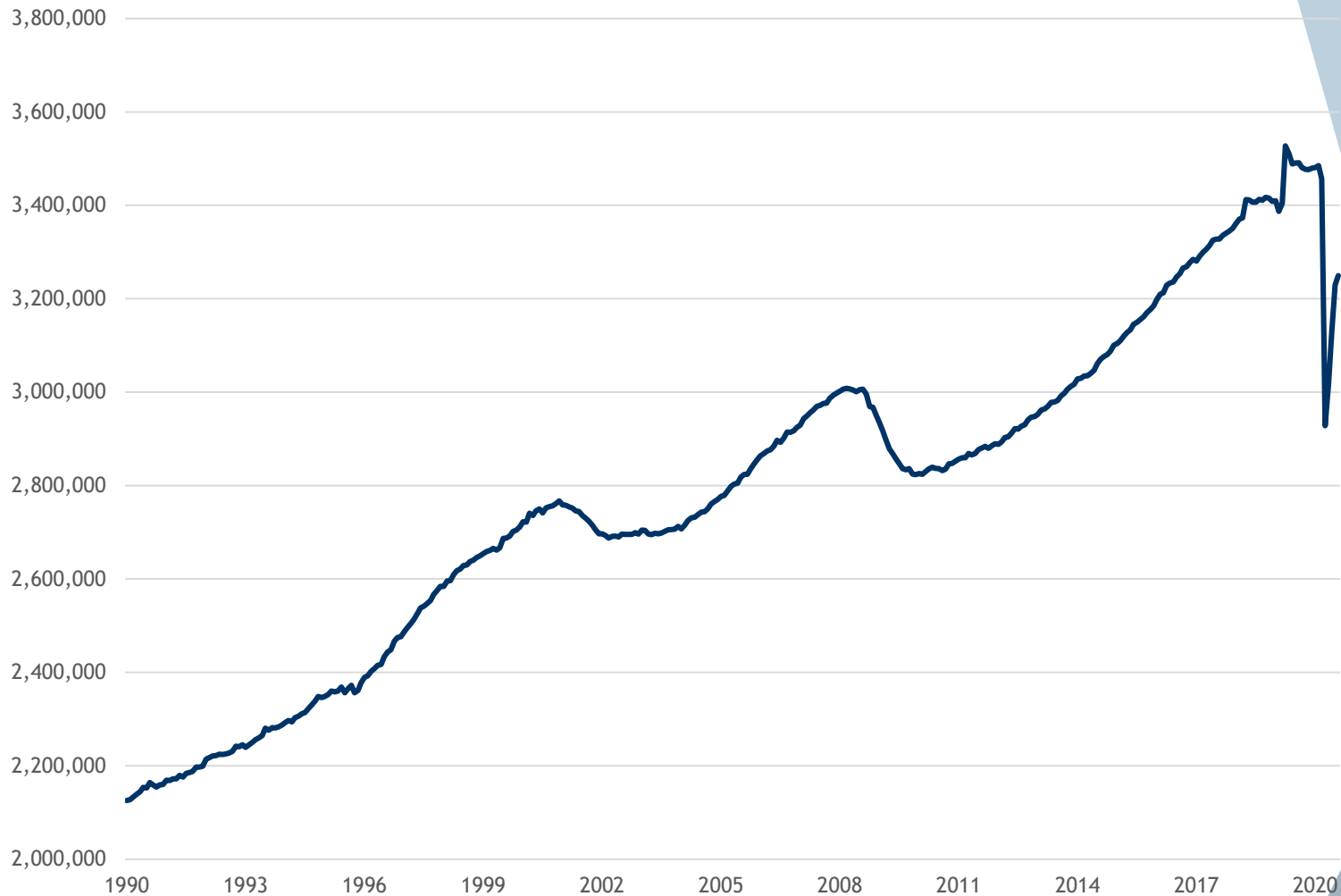
Claims are concentrated among occupations that are dependent on face-to-face contact



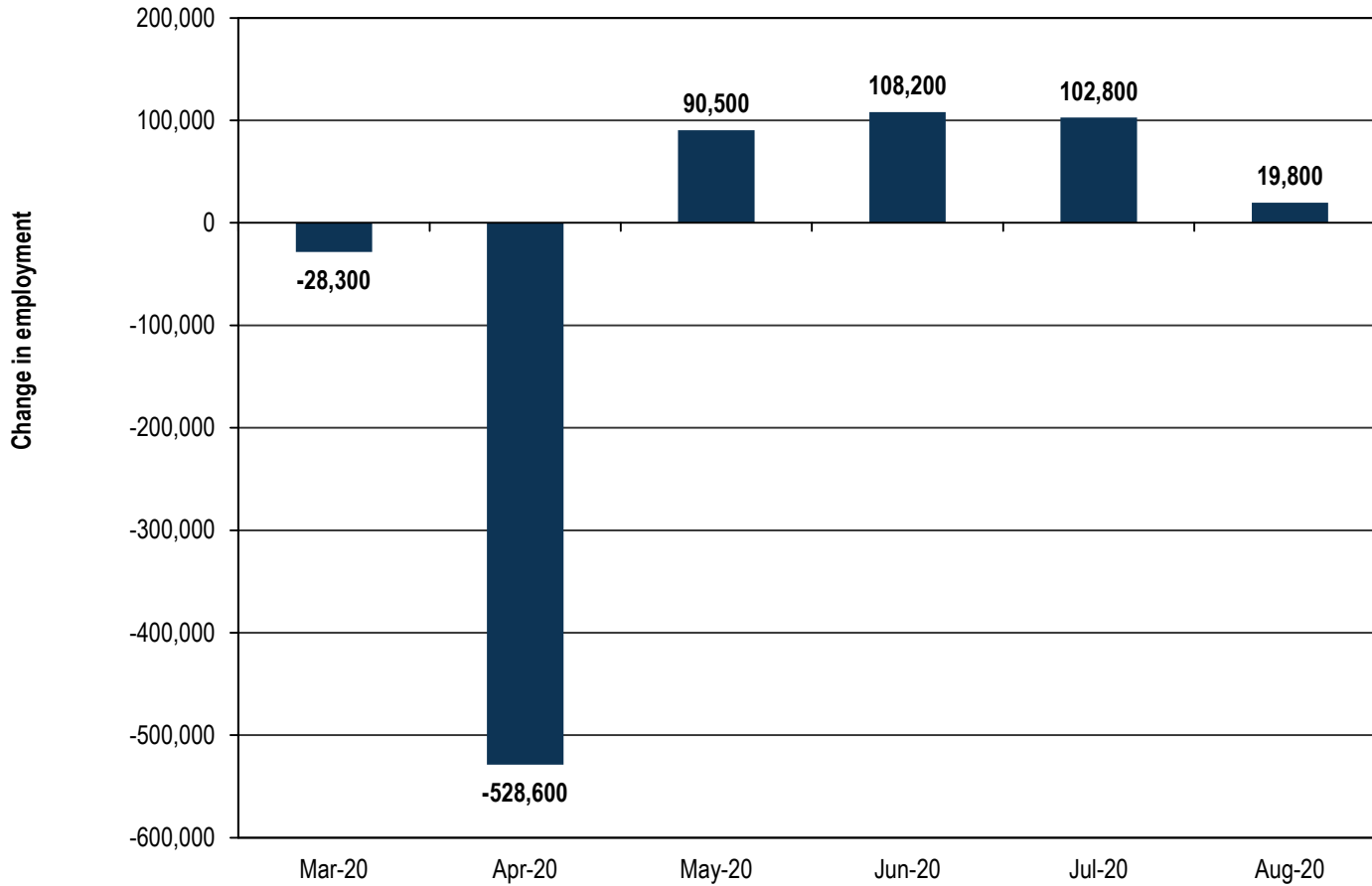
Payroll employment



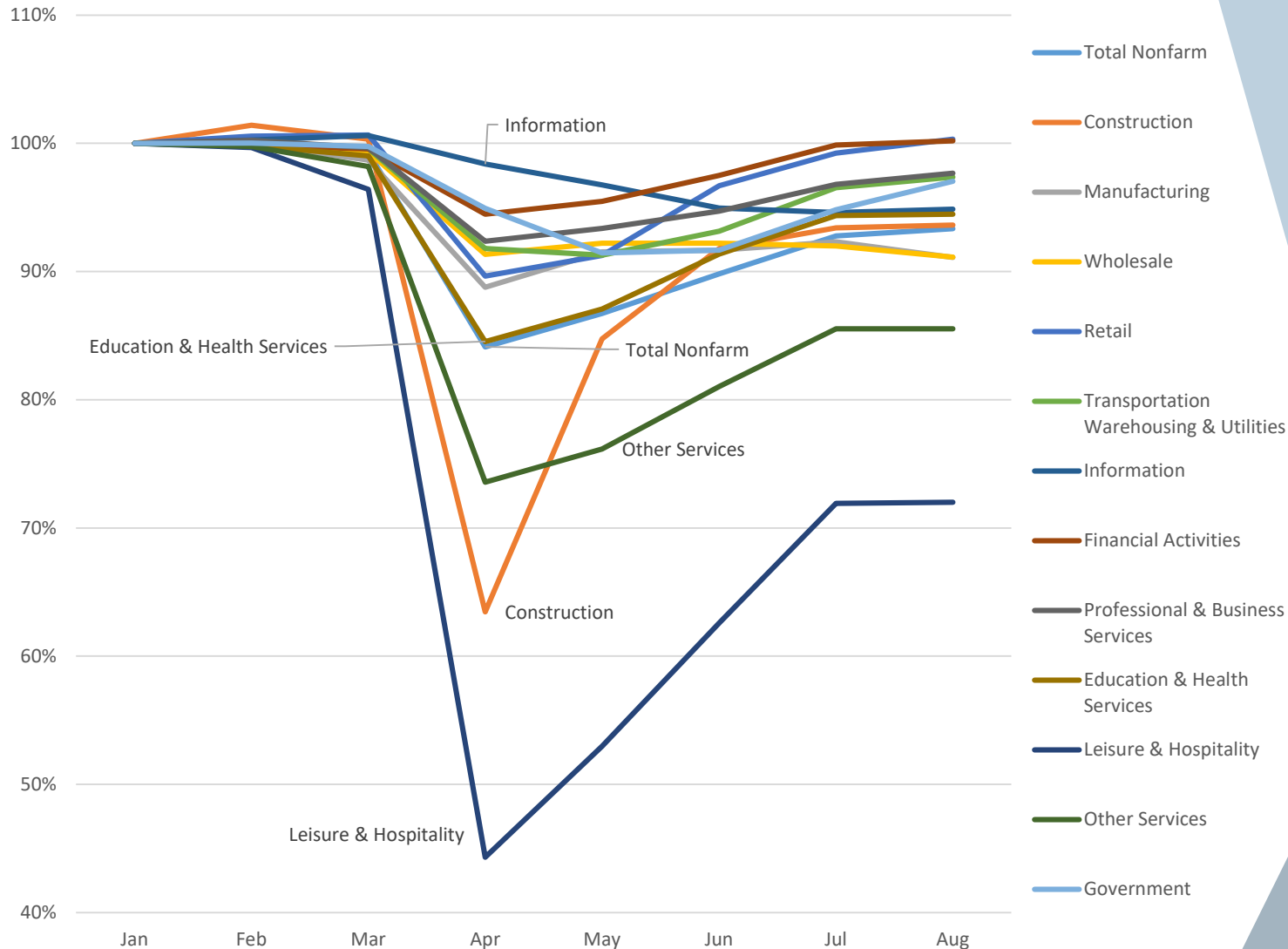
Washington total nonfarm employment was at a similar level to 2016 as of August 2020



However, employment recovery is slowing

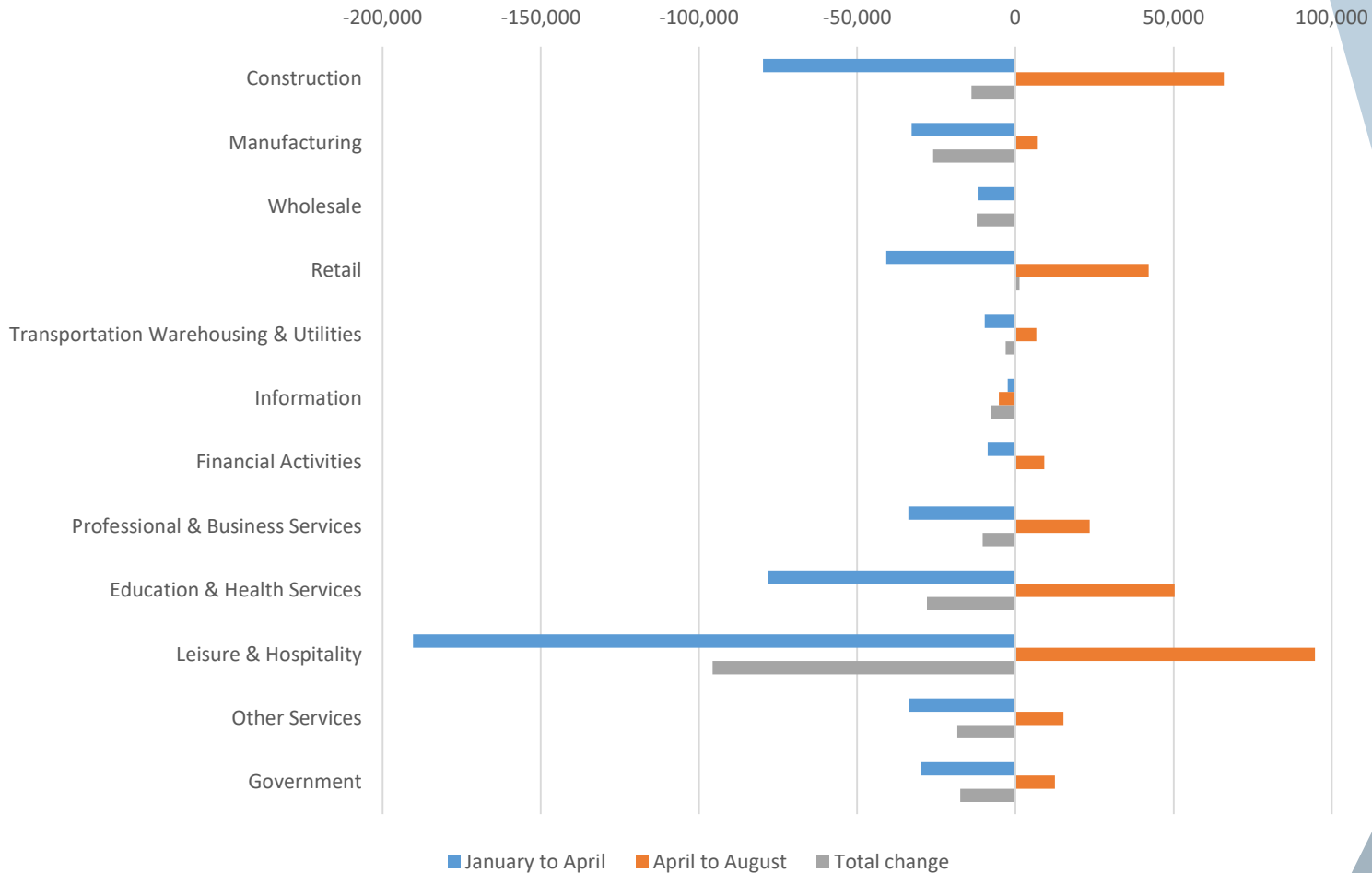


The Covid-19 economy has affected sectors differently

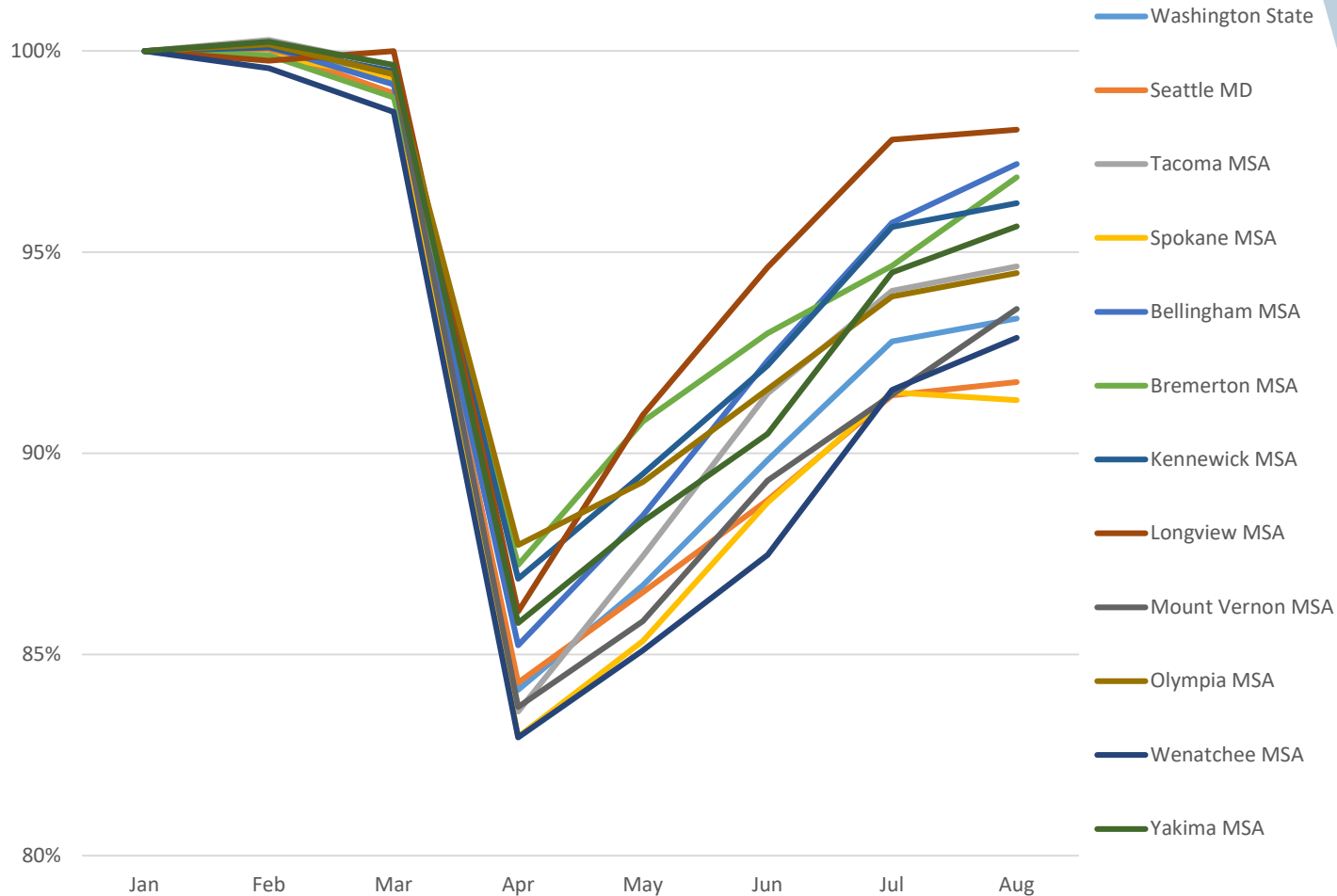


As a whole, 522,800 jobs were lost from January to April and 321,300 jobs have returned

Change in employment by sector



Some communities have recovered jobs more quickly than others



Thank you!



**Employment
Security
Department**
WASHINGTON STATE

Sources:

- ▶ Employment Security Department / Labor Market and Economic Analysis; Unemployment Insurance Claims
- ▶ Employment Security Department / Labor Market and Economic Analysis; U.S. Bureau of Labor Statistics; Labor Area Unemployment Statistics (LAUS) and Current Population Survey (CPS)
- ▶ U.S. Census Bureau, American Community Survey (ACS), 2018
- ▶ Employment Security Department / Labor Market and Economic Analysis; U.S. Bureau of Labor Statistics; Labor Area Unemployment Statistics (LAUS) and Current Population Survey (CPS) via Washington State Department of Commerce Economic Recovery Dashboard
- ▶ Employment Security Department / Labor Market and Economic Analysis; Washington Employment Estimates



David Blandford

Interim Executive Director

Washington Tourism Alliance



Washington
Tourism Alliance



Washington
The State.™

experiencewa.com



Travel and tourism Industry disproportionately hurt by COVID-19

- 9 times more damaging to the tourism industry than 9/11
- Full industry recovery projected to take 3-5 years
- 75% reduction in visitor expenditures (more than \$4 billion) since March 1
- 42% of all Washington State unemployment related to the pandemic



Recovery Assessment

“Because such a large share of job losses are related to travel, an economic recovery can only come through a restoration of travel to and within Washington State.”

- Adam Sacks, President of Tourism Economics

Tourism Industry: Segmented but Synergistic

Destination Marketing Organizations (DMOs) – stimulate demand, support jobs

Tours and transportation – Bring visitors

Hotels and restaurants (hospitality) – accommodate and serve visitors
Meetings and events – generate economic impact and lodging taxes

Outdoor recreation – disperses visitors around the state
Wineries, breweries and distilleries – attract culinary travelers

Cultural institutions – offer heritage and history
Tribal attractions – educate visitors, sustain tribal operations

Attractions – exhibits/events lure visits
Retail shops – increase expenditures and tax receipts



Washington Tourism Alliance Priorities

1. Industry Recovery and Development

Serving:

- Rural and underserved communities
- Small businesses (80% of industry)

Relief Programs:

- Grants
- Technical assistance
- Industry training and education
- Wrap-around services

2. Long-term Economic Recovery and Resiliency

- Stimulate visitor expenditures
- Generate tax receipts
- Re-generate tourism jobs



WTA Public-Private Partnership in Recovery

- Washington State general funds
- Industry support: matching funds from every state region
- New partnership with Port of Seattle - \$1.5 million
- Pursuing EDA grants for industry recovery
- Developing corporate support for industry development



WTA is Re-Investing in Tourism Industry

- Co-op programs at low or no-cost to the industry growing in participation and impact:
 - Sales leads to state businesses
 - Travel trade marketplaces
 - Consumer data/analytics
 - Marketing tools and collateral
- Recovery campaigns for communities and small businesses
- Industry recovery/resource website
- Destination research +39 county reports, consumer analytics

*Thank you for your support
of the Washington State
Tourism Industry!*



WENATCHEE

CHAMBER OF COMMERCE

VALLEY

Shiloh Burgess

Executive Director,
Wenatchee Valley Chamber of
Commerce

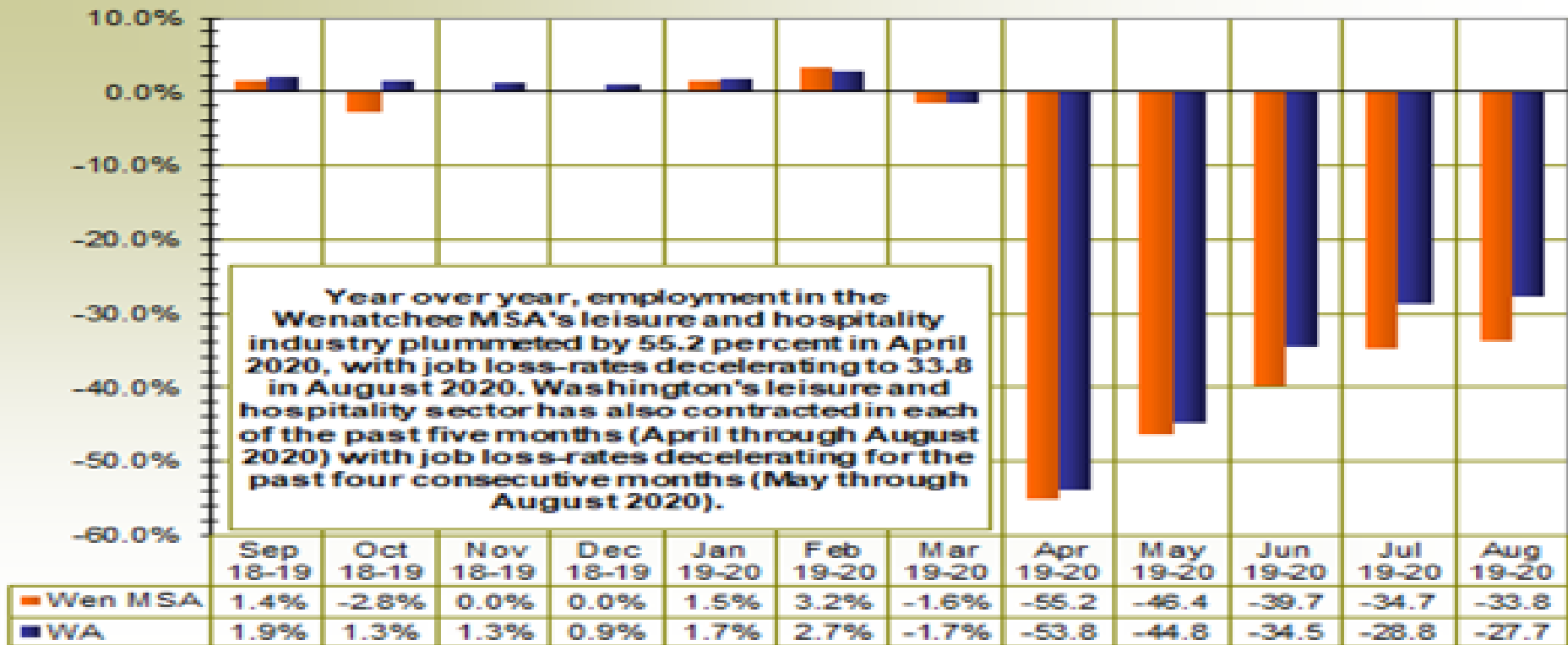
Tourism is the 4th Largest Industry Sector in Chelan & Douglas Counties

- Chelan County 2019
 - \$430.9 Million in economic impact
 - \$146.1 Million in lodging
 - \$121 Million in payroll
 - 4,335 jobs
 - 7.9% of total county employment
- Douglas County 2019
 - \$54.9 Million in economic impact
 - \$7.4 Million in lodging
 - \$15.1 Million in payroll
 - 605 jobs
 - 3.7% of total county employment

Impact on the Wenatchee MSA

- 33.8% reduction in leisure & hospitality jobs
 - 2,500 jobs
- 50.5% reduction in lodging tax collection
- Wenatchee Convention Center lost businesses in 2020
 - \$1.8 Million
 - 50 Jobs

As of August 2020, Leisure and Hospitality posted the highest COVID-19 related job loss-rate across the Wenatchee MSA



Leisure & Hospitality Jobs at Risk

- In Chelan County, 60.3 percent of the 5,105 covered jobs added from 2009-2019 were in health services or accommodation and food services
- In Douglas County, nearly half (45.3 percent) of the 1,604 covered jobs added from 2009-2019 were in retail trade or accommodation and food services

Impact on Tax Collection

CITY OF WENATCHEE, WA
Lodging Tax Advisory Committee
Hotel/Motel Taxes
Actual Received - 10 Years

6% Tax authorized via Ord. #2160, #3137, #97-12 & #98-44

Month Collected	Month Received	2020	2019	2018	2017	2016	2015	2014	2013	2012	2011	2020/2019 Difference	
January	March	97,994	106,682	87,518	90,616	76,746	65,016	59,079	54,117	43,454	43,589	(8,688)	(8.1%)
February	April	65,772	90,793	81,902	98,206	79,080	68,466	68,219	60,229	57,408	60,827	(25,021)	(27.6%)
March	May	54,640	116,308	120,894	123,395	97,828	97,258	86,598	78,282	68,600	78,037	(61,668)	(53.0%)
April	June	46,137	130,637	126,049	131,614	114,824	104,220	97,128	88,869	83,258	84,781	(84,500)	(64.7%)
May	July	53,795	166,294	146,323	147,620	125,398	128,979	116,960	100,521	83,098	88,300	(112,499)	(67.7%)
June	August	85,724	206,299	160,714	164,452	160,936	134,662	128,011	115,363	103,334	101,290	(120,575)	(58.4%)
July	September		209,636	188,033	189,102	178,517	139,593	134,845	124,865	113,914	115,611		
August	October		203,527	208,481	182,847	162,347	135,439	140,423	127,911	119,099	109,122		
September	November		150,073	155,973	154,296	168,483	127,446	109,621	108,084	83,768	96,295		
October	December		154,585	171,019	143,213	146,711	119,418	117,355	104,630	91,257	81,153		
November	January		102,056	96,464	91,415	92,185	68,846	59,754	56,965	56,435	53,843		
December	February		152,321	135,594	141,423	145,786	109,134	84,430	88,240	69,394	63,791		
Total Collections		404,063	1,789,211	1,678,965	1,658,198	1,548,840	1,298,476	1,202,423	1,108,075	973,019	976,638	(412,951)	(50.5%)

Budget	1,850,000	1,812,500	1,721,250	1,752,650	1,402,120	1,180,000	1,149,091	977,058	895,440	895,200		
Change in YTD revenues	-50.5%	6.6%	1.3%	7.1%	19.3%	8.0%	8.5%	13.9%	-0.4%	5.5%		
% of budget collected	21.8%	98.7%	97.5%	94.6%	110.5%	110.0%	104.6%	113.4%	108.7%	109.1%		

Hotel Occupancy: August 2019 v. 2020

	Occ %		ADR		RevPAR		Percent Change from August 2019					
	2020	2019	2020	2019	2020	2019	Occ	ADR	RevPAR	Room Rev	Room Avail	Room Sold
Wenatchee+	65.1	70.1	91.92	116.94	59.83	81.93	-7.1	-21.4	-27.0	-27.0	0.0	-7.1
Chelan County, WA	66.4	75.7	133.08	146.35	88.32	110.74	-12.3	-9.1	-20.2	-20.2	0.0	-12.3

Hotel Occupancy: Year to Date 2019 v. 2020

	Occ %		ADR		RevPAR		Percent Change from YTD 2019					
	2020	2019	2020	2019	2020	2019	Occ	ADR	RevPAR	Room Rev	Room Avail	Room Sold
Wenatchee +	46.0	62.3	86.13	105.48	39.64	65.70	-26.1	-18.3	-39.7	-36.2	5.8	-21.8
Chelan County, WA	44.5	61.8	111.39	124.75	49.56	77.14	-28.0	-10.7	-35.8	-36.6	-1.3	-29.0

How We are Responding & Moving Forward

- Credible Resource
- Advocacy
- Positioning of the Convention Center for Return Business
- Outdoor Recreation Enhancements
- Washington Tourism Alliance Partnership
- Lodging Tax Revenues



Thank You

VISIT
seattle

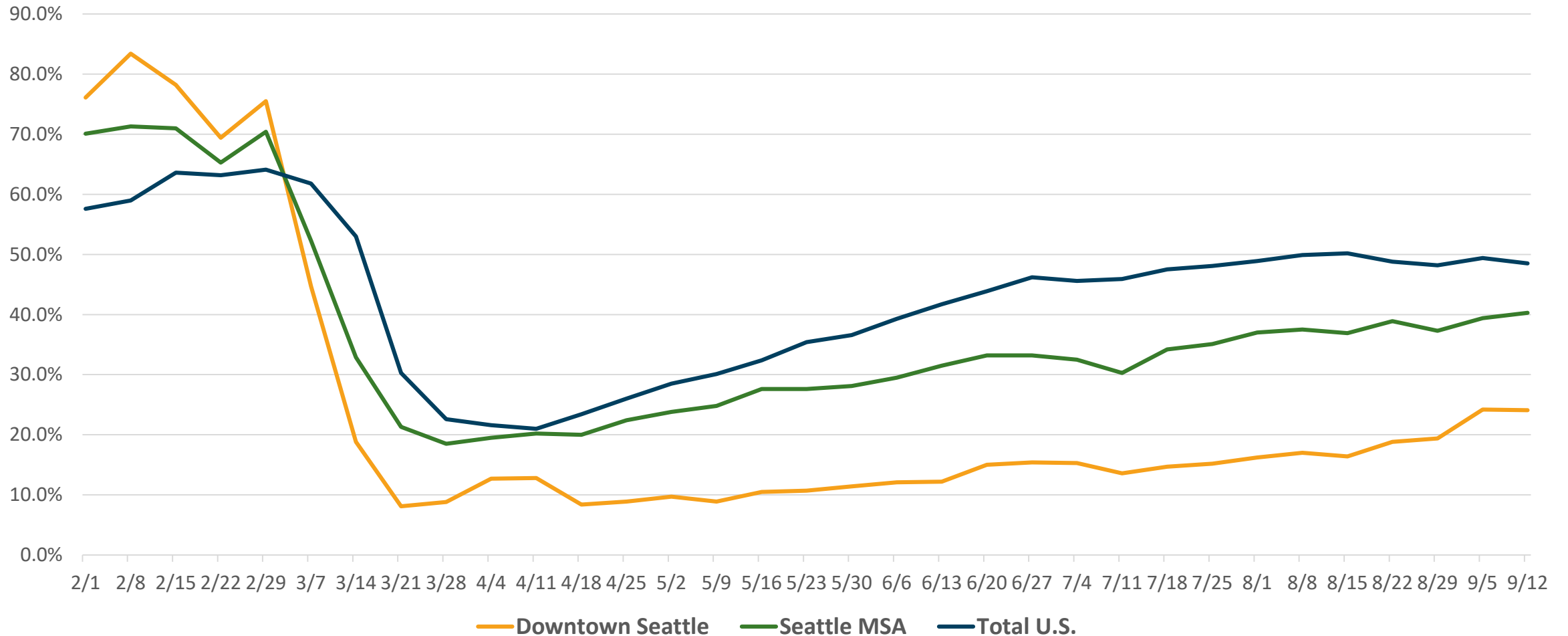
SEPTEMBER 29, 2020 | TOM NORWALK, PRESIDENT & CEO

Visit Seattle



2020 Hotel Occupancy During COVID-19

February – September, 2020



COVID-19 Travel and Tourism Industry Impact

Meetings/Conventions – Washington State Convention Center

- 45 cancelled groups representing 321,514 room nights and \$333.1 million in lost economic impact.
- Seven recent convention cancellations have re-booked for future years and two more are in the active process of re-booking.

Seattle Impact Hotel Operations

- 29 downtown Seattle hotels with 5,926 guest rooms closed at its peak (early April); 12 hotels yet to reopen.

Alaska Cruise Season Cancelled

- 232 sailings expected with 1.3 million passengers and \$974.4 million in lost economic impact (source: Port of Seattle).

SEA Airport

- Air travel came to a stop globally; passenger volumes down 94% YOY in April, still down 69% in September (source: Port of Seattle).

Consumer Sentiment

- Nearly 40% of likely travelers say they will visit a small town or rural area on their Fall trips, with beach visitation less likely than in the summer months and urban travel increasing (source: Destination Analysts).
- In looking toward recovery, it will be critical to portray Seattle as a city that prioritizes the health and safety of its residents and visitors.

Business Closures

- Since March, 126 street-level downtown Seattle business locations have permanently closed (source: DSA).



Impact of COVID-19 on Local Economies

Agenda

About Yelp Data

Key Findings and Observations

National Business Closures

Washington State Business Closures

Consumer Interest Changes in Washington State

How Businesses are Adapting

About Yelp Data

About Yelp Data



Tens of Millions of Users

- 28 Million Monthly Active Mobile App Unique Users
- 37 Million Monthly Average Desktop Unique Visitors
- 44 Million Monthly Average Mobile Web Unique Visitors



214 Million Reviews

- Hundreds of millions of photos, check ins, and other community contributions
- 6 million reviews in Washington



Millions of Businesses

- Virtually every local business in America is represented on Yelp

Business Closure Data



Date range

- **National business closures:** As of August 31, since March 1.
- **Washington business closures:** As of September 15, since March 1
Any business that opened after March 1 is not included in this analysis.



Closure data collection sources

- **Consumers:** Can indicate closures in app or on web (logged in or out)
- **Business Owners:** Can indicate their business is closed in the Yelp for Business App after claiming their page, as well as in the Yelp app or on web as logged out



Data verification

- **Business closures are verified** by Yelp's user operations team before they're published to the platform
 - Data may lag actual closures because of time taken to report and verify closures

Business Closure Data Continued



Types of closures

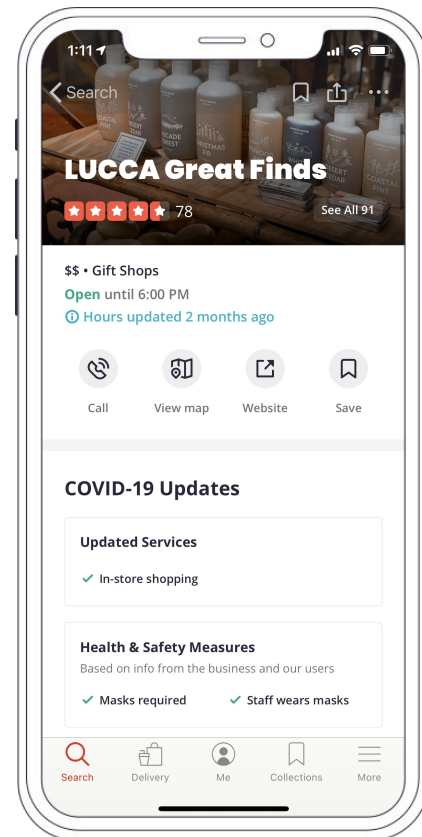
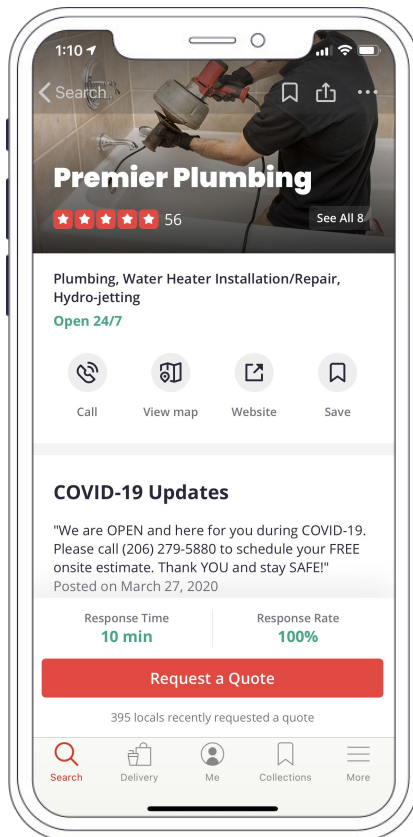
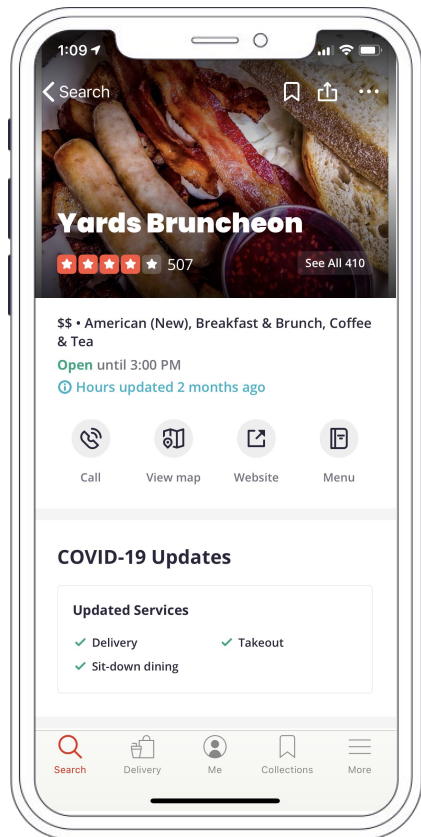
- **Temporary:** Three indicators
 1. Marked as temporarily closed
 2. Changed its hours to mark itself as closed for entire days
 3. Included the word “closed” in the COVID-19 business updates section of its Yelp page
- **Permanent:** One indicator
 1. Marked as permanently closed
- **Total closures:** permanent and temporary closures combined



Business types

- **Businesses on Yelp range in size and category**
 - Everything from the mom and pop breakfast spot, the solo plumber and the chain retail business are all on Yelp and included in business closure data
 - All types of businesses are on Yelp, for example, home, local and professional services, restaurants, bars, entertainment, beauty, retail and shopping, education, health and medical, pet services, etc.

Business Type Examples



Consumer Interest Data

Based on viewing a business page, posting photos and posting reviews

- A few of the many actions people take to connect with businesses on Yelp
- We measure consumer interest in a specific category and location by adding all consumer actions that were associated with businesses in the given category and location

Date range

- March 1 through August 31

Key Findings and Observations

Key Closure Data

97,966

**Permanently
closed businesses
in the U.S**

*As of August 31, Since
March 1*

**Washington
has the**

5th

**Highest Closure
Rate in the U.S.**

*Behind Arizona (4th),
Hawaii (3rd),
California (2nd) and
Nevada (1st)*

*As of September 15,
Since March 1*

**Nightlife and
Restaurants**

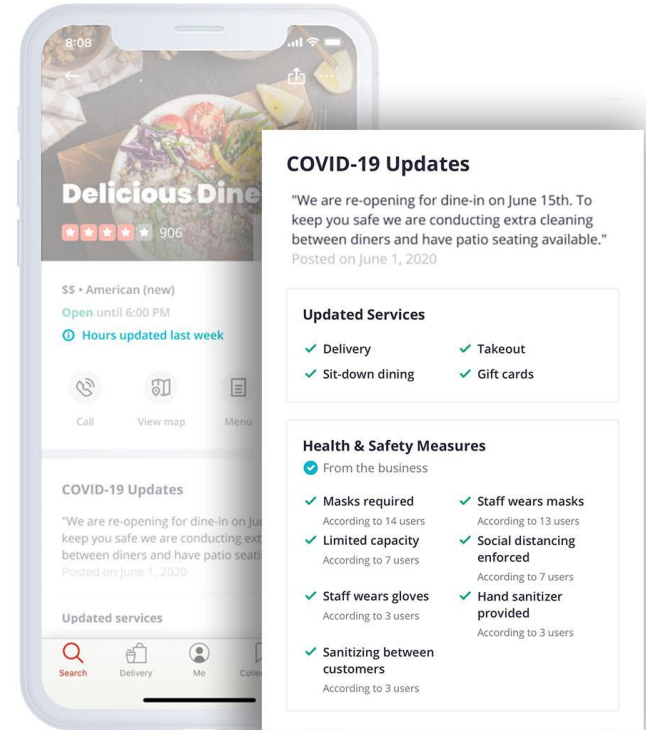
**are most
impacted in
Washington**

*As of September 15,
Since March 1*

Key Observations

Communication is Key

With changing regulations and operating models it's important that businesses have various channels and methods to communicate directly with their customers



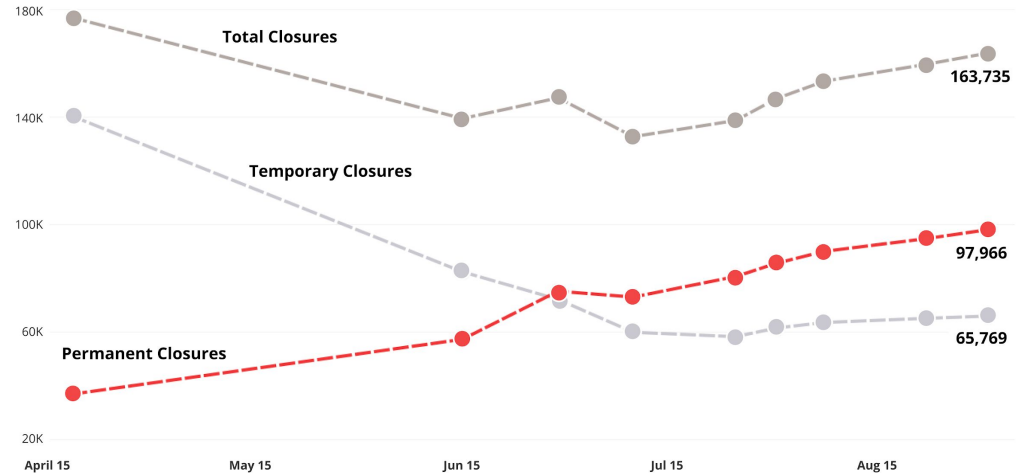
Key Observations

Businesses Still Need Financial Support

While we're in the reopening phase and are beginning the recovery, businesses are still struggling, operating at reduced capacity and hours

Business Closures Continue to Increase Nationally

Number of businesses marked closed on Yelp that were open March 1



Source: Yelp
Chart: The DataFace

Key Observations

Adapting will be Critical to Business Survival

- Municipal innovation and adjusted rules are important to help businesses innovate (ex. slow streets)
- Continued tech adoption will be important for businesses owners to reach new customers and address the needs of existing customers (virtual services, video consultations, reservation systems, etc.)



National Business Closures

National Business Closures



Business closures are increasing

- Permanent closures have been consistently climbing
- Temporary closures declined, but have gradually begun increasing again



Some sectors are doing better than others

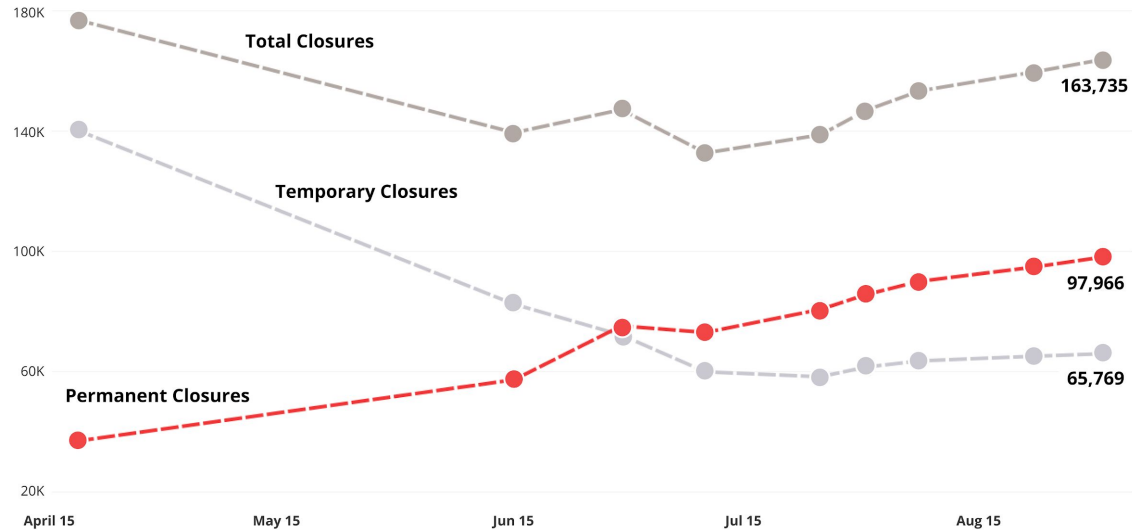
- Home, local, professional and automotive sectors are maintaining a relatively low closure rate
- Restaurants, bars & nightlife, retail & shopping, fitness and beauty businesses are undergoing a high closure rate

* All National business closures are as of August 31, since March 1.

National Business Closures

Business Closures Continue to Increase Nationally

Number of businesses marked closed on Yelp that were open March 1



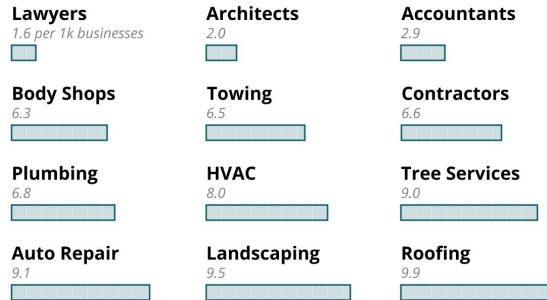
Source: Yelp
Chart: The DataFace

National Business Closures

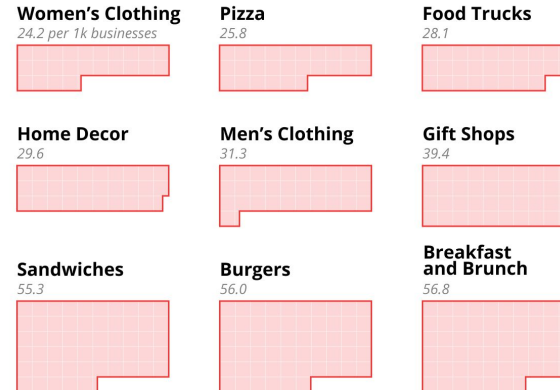
Home, Local, Professional, and Auto Services Prove Their Strength Amid the Pandemic

= 1 business closed per 1,000 businesses since March 1

Home, local, professional, and auto services businesses have been staying afloat



Restaurants and retail businesses have been struggling



Source: Yelp
Chart: The DataFace

National Business Closures

Restaurants and Retail Continue to Struggle

Number of businesses marked closed on Yelp that were open March 1



Source: Yelp
Chart: The DataFace

Washington State Business Closures

Washington State Business Closures

5th

**Highest Closure
Rate in the U.S.**

*Behind Arizona (4th),
Hawaii (3rd),
California (2nd) and
Nevada (1st)*

4,975

**Total closed
businesses in the
state**

*As of September 15,
Since March 1*

3,062

**Permanently
closed
businesses in the
state**

*62% of closed
businesses are closed
permanently*

Most Impacted Business Categories in Washington

The number of businesses permanently closed out of 1,000 in each category

35

Nightlife

31

Restaurants

23

Food

22

Fitness

21

Shopping

16

**Beauty
and Spa**

14

**Event Planning
and Services**

13

**Hotels and
Travel**

Most Resilient Business Categories in Washington

The number of businesses permanently closed out of 1,000 in each category

5

Real Estate

6

**Professional
Services**

6

Education

6

**Health and
Medical**

8

Home Services

9

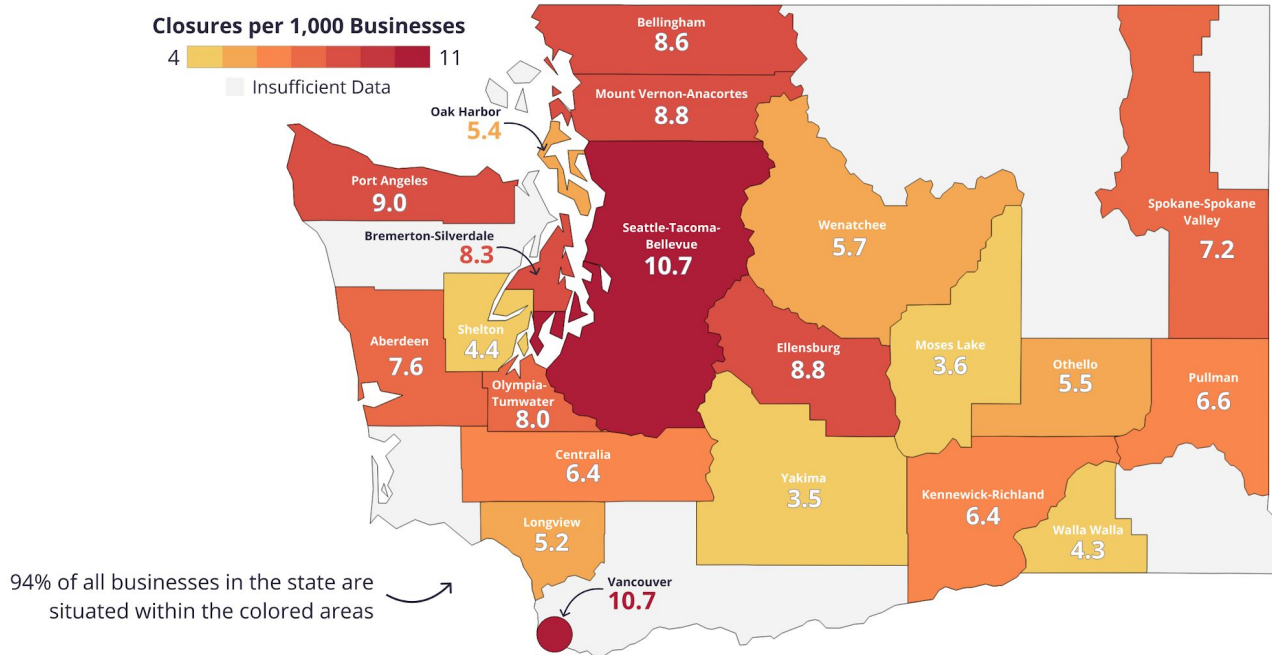
Pet Services

10

Local Services

Washington State Business Closures By Metro

Permanent closures per 1,000 businesses since March 1

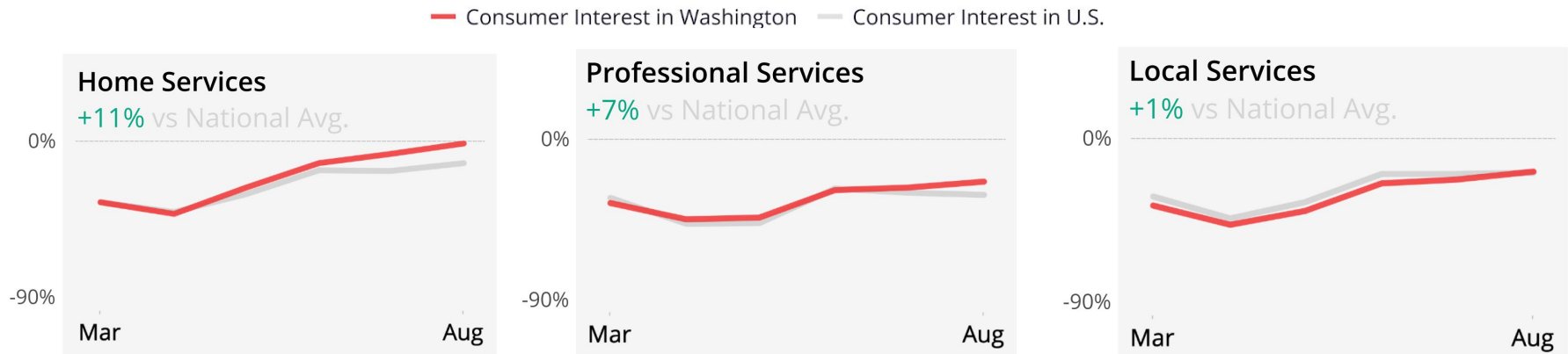


Source: Yelp
Chart: The DataFace

Consumer Interest Changes During COVID-19 in Washington State

Consumer Interest Changes in Washington State

While consumer interest is still down across most industries, some businesses are recovering faster in Washington State compared to the national average



Consumer Interest is up 11% points for home services in Washington compared to the national average

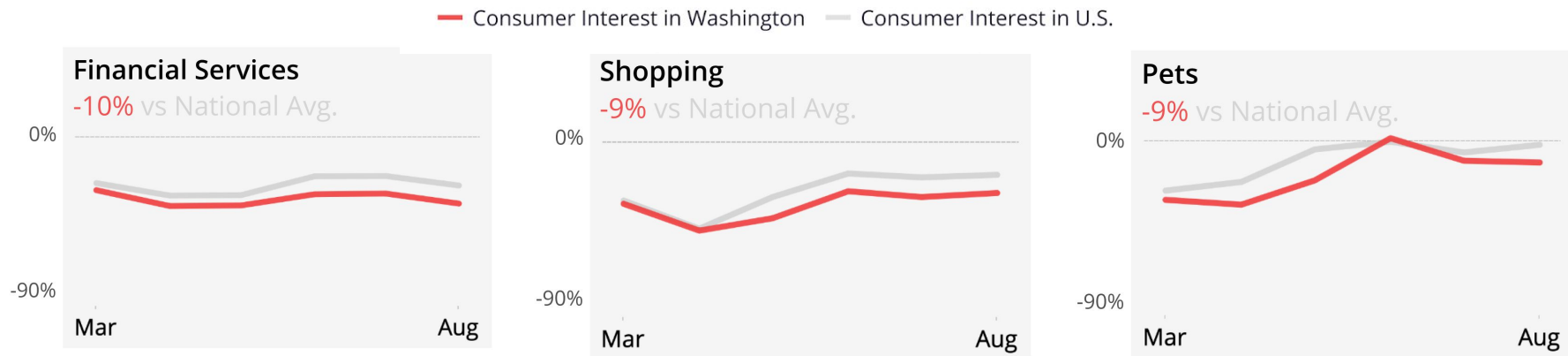
Consumer Interest is up 7% points for professional services in Washington compared to the national average

Consumer Interest is up 1% point for local services in Washington compared to the national average

Shows year-over-year change in monthly consumer actions (page views, reviews, photos), by root category, for March-August 2020, for U.S. and Washington state.

Consumer Interest Changes in Washington State

Meanwhile some industries are recovering slower in Washington State compared to the national average



Consumer Interest is down 10% points for financial services in Washington compared to the national average

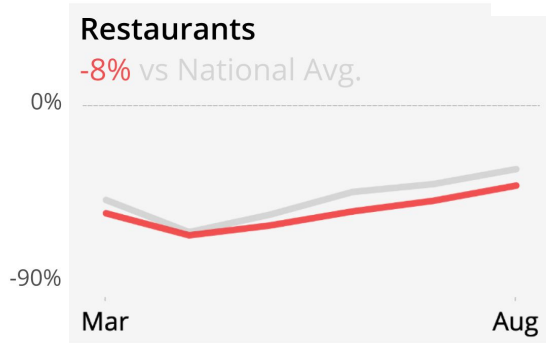
Consumer Interest is down 9% points for shopping in Washington compared to the national average

Consumer Interest is down 9% points for pet services in Washington compared to the national average

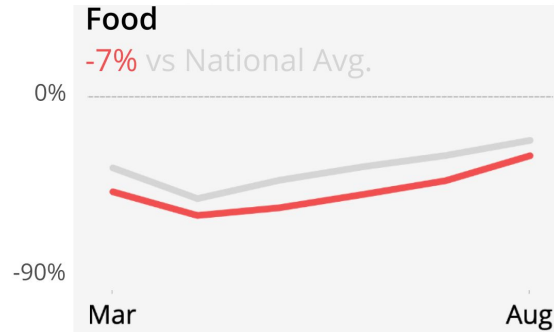
Consumer Interest Changes in Washington State

Industries are recovering slower in Washington State compared to the national average
continued...

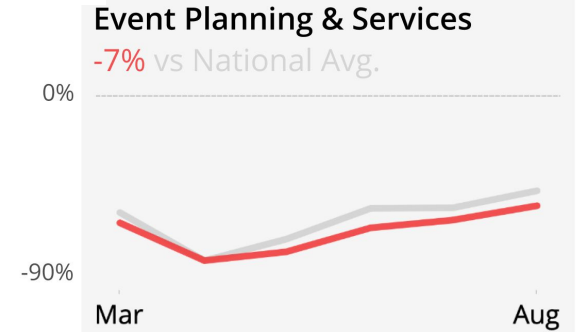
— Consumer Interest in Washington — Consumer Interest in U.S.



Consumer Interest is down 8% points for restaurants in Washington compared to the national average



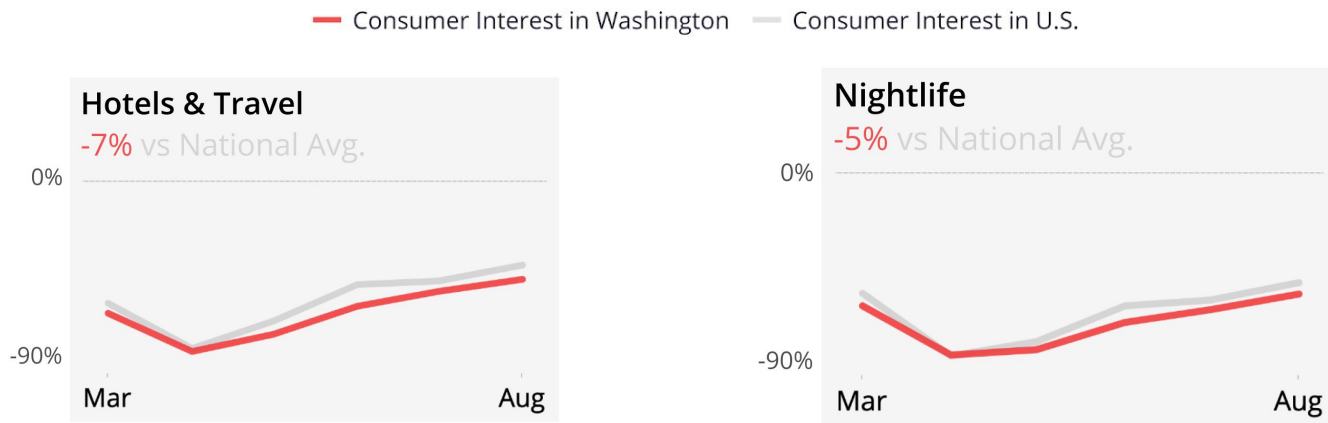
Consumer Interest is down 7% points for food in Washington compared to the national average



Consumer Interest is down 7% points for event planning and services in Washington compared to the national average

Consumer Interest Changes in Washington State

Industries are recovering slower in Washington State compared to the national average
continued...



Consumer Interest is down 7% points or hotels and travel in Washington compared to the national average

Consumer Interest is down 5% points for nightlife in Washington compared to the national average

How Businesses are Adapting

Customer Communication in Uncertain Times

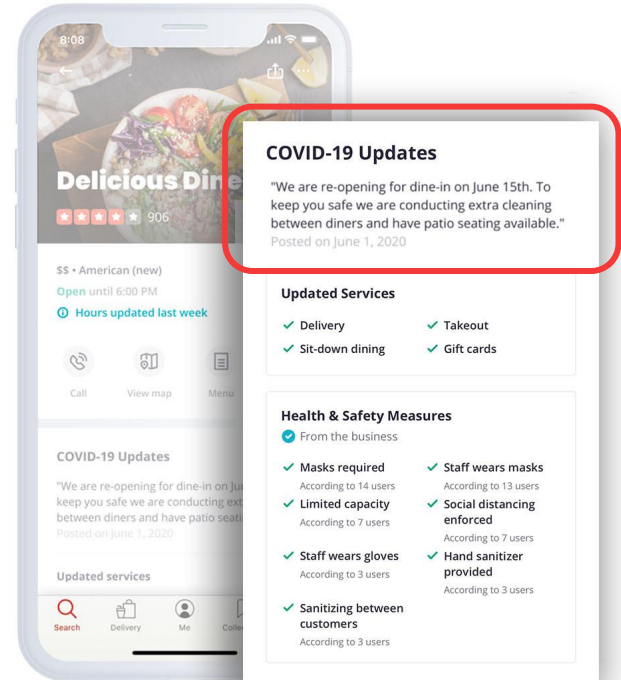


Personalized Message

- Includes a posted date, demonstrating recency of information

11,979

Businesses in Washington have activated the free banner to communicate a personalized message to their customers



Washington Businesses are Updating their Services



Updated Services

- Brings a business's existing and new operating model front and center for consumers

Businesses in Washington offer

More than

19K

Takeout

More than

14K

Virtual Service Offering

(consultations, tours, classes, performances)

More than

10K

Delivery

More than

3K

Contactless Delivery

More than

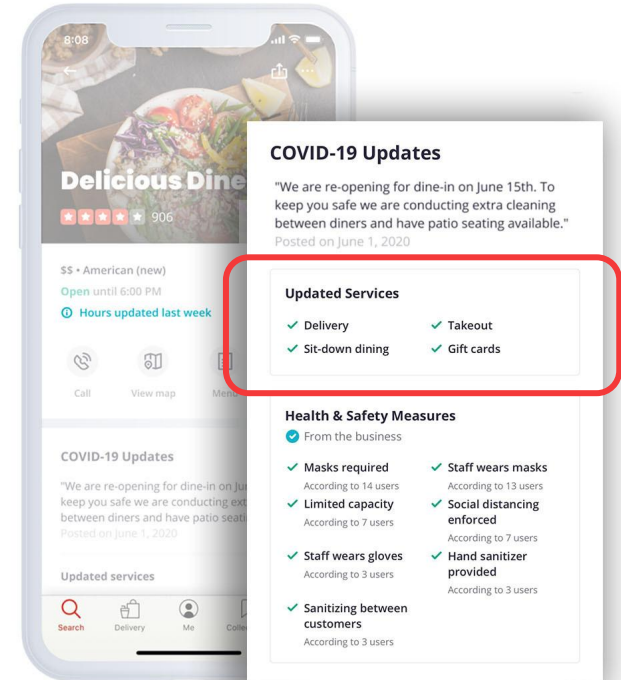
7K

Outdoor Dining

More than

6K

Curbside Pickup



Data as of September 24, 2020.

Washington Businesses are Prioritizing Health & Safety During Reopening

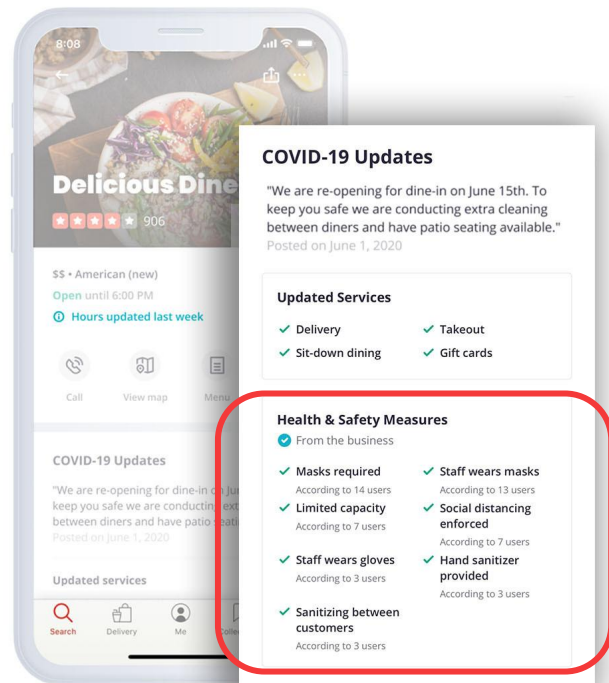


Health & Safety Measures

- Allows business owners to effectively communicate the health & safety precautions they're taking during the reopening phase
- Enables consumers to verify the health & safety measures for the community

17,425

Businesses in Washington state have selected at least one business feature on Yelp specifically related to COVID-19 health & safety



Data as of September 24, 2020.

Most Popular Health and Safety Precautions in Washington

Nearly

10K

Businesses have indicated they **require staff to wear masks**

More than

9.5K

Businesses have indicated they **require customers to wear masks**

More than

9.5K

Businesses have indicated they **enforce social distancing**

Nearly

8K

Businesses have indicated they **sanitize between customers**

More than

7K

Businesses have indicated they offer **outdoor seating**

Least Popular Health and Safety Precautions in Washington

More than

6K

Businesses have indicated they offer **contactless payments**

Nearly

4.5K

Businesses have indicated that **employees wear gloves**

More than

3K

Businesses have indicated they offer **contactless delivery**

More than

3K

Businesses have indicated they conduct **temperature checks upon entry**

More than

2.5K

Businesses have indicated they have **limited capacity**



Thank you

Questions?

An aerial photograph of a large aircraft manufacturing plant. The facility consists of several large, white hangars with blue accents. In the foreground, several commercial airplanes are parked on the tarmac, including a prominent green and yellow aircraft. The background shows a cityscape under a clear sky.

Covid-19 Impacts to Washington's Aerospace Sector

Presentation to Washington State Senate

October 27, 2020

Spencer Cohen, PhD

Economics and Trade Consultant

Aerospace Industry Indicators

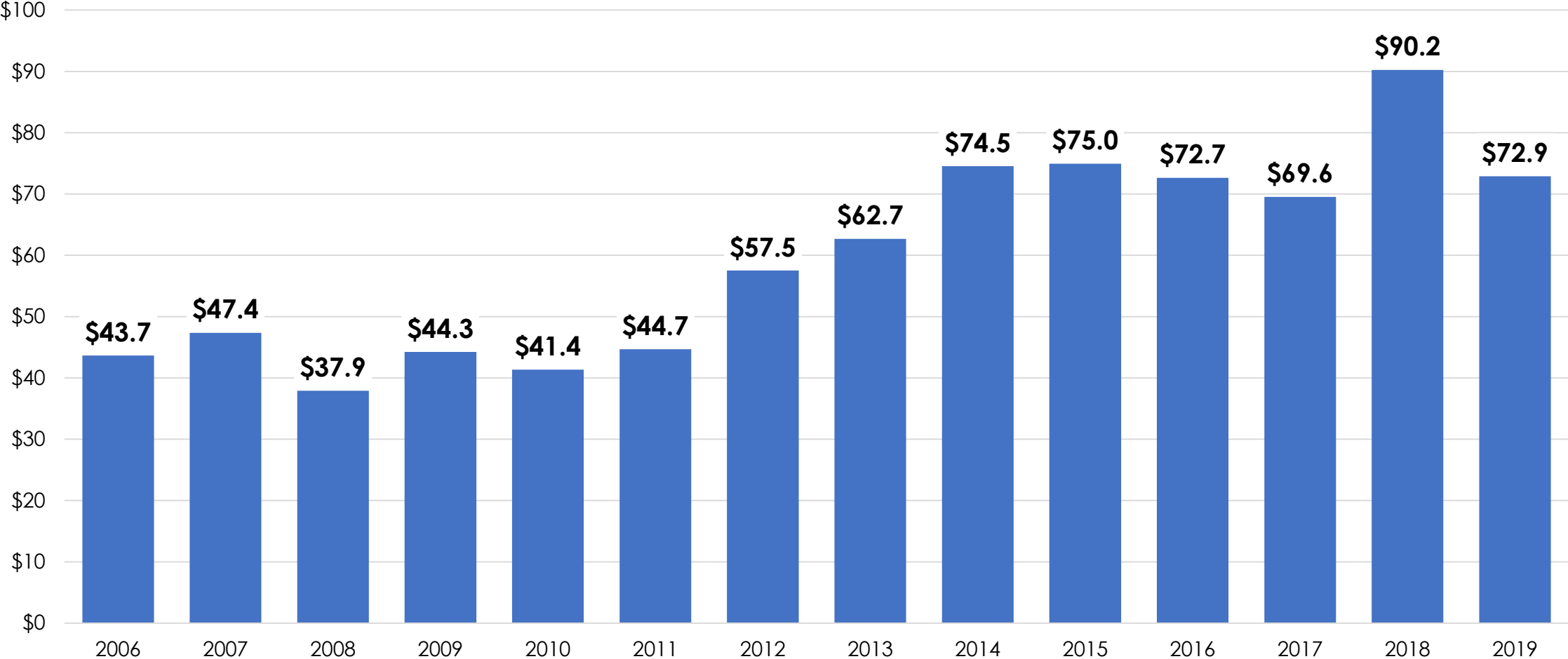
Leading metrics and indicators

- **Aerospace is major employer, even during this downturn.**
 - Aerospace employment: 82,700 in 2020 (annual average)
 - ~3% statewide nonfarm labor in 2019.
- **Aerospace is a source of good wages for blue collar workers**
 - Average wage (pre-benefits): \$118,800
 - Nearly 70% higher than statewide wage.
- **Supply chain relies on Boeing work.**
- **Major source of revenues.**
 - Gross business income in 2019: \$73 billion
 - More than 7% statewide GBI
- Total economic impact (2019): more than 240,000 jobs.
- **Boeing largest U.S. exporter.** But affected by global downturn and uncertainty. Exports hit by trade war and pandemic.

Gross Business Income

Washington state, 2006-2019 (2019 \$)

Bills 2019 \$

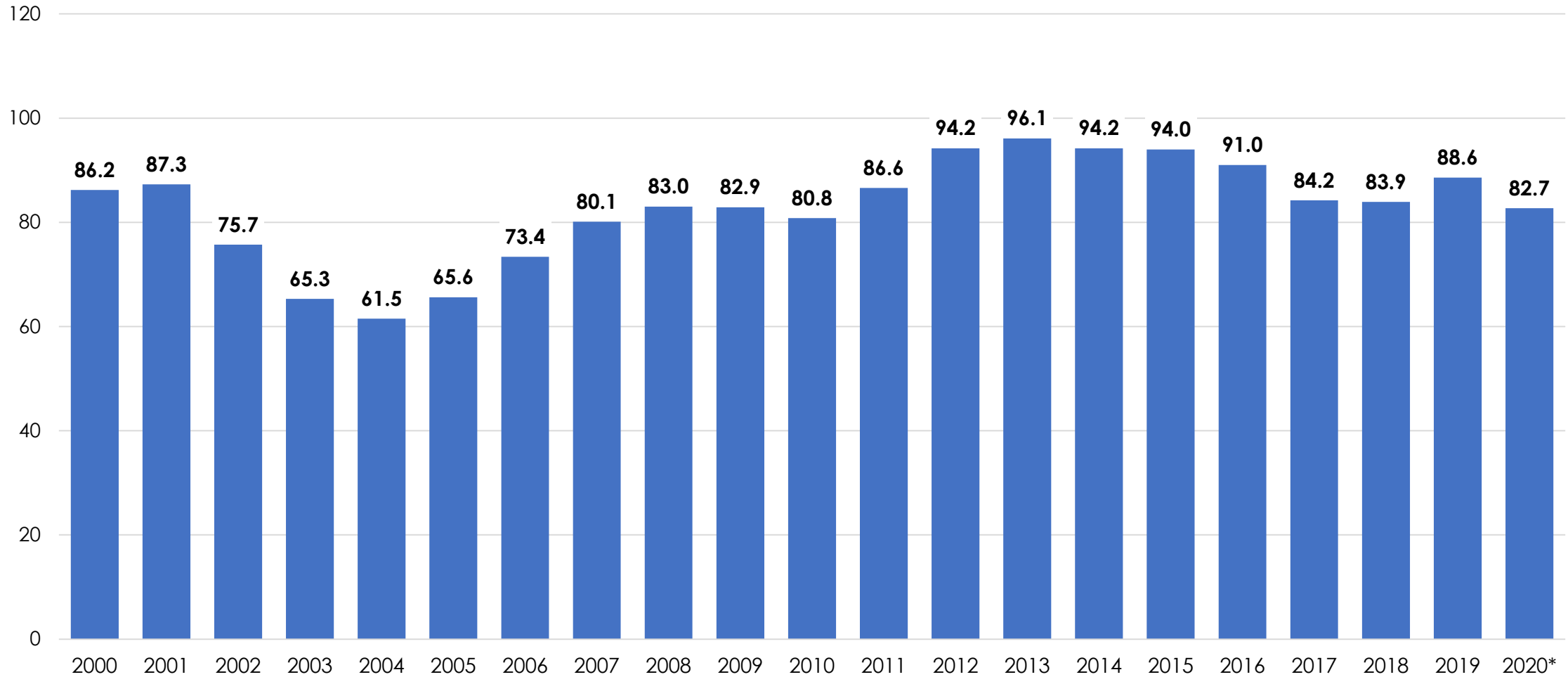


Source: Washington State Department of Revenue, 2020; Federal Reserve Bank of St. Louis, 2020.

Aerospace Employment

Washington state, 2000-2020 (est.)

Thousands of Jobs



Source: Washington State Employment Security Department, 2020.

*Estimated annual employment based on employment through September YTD.

Economic Impacts of Aerospace in Washington State

Impacts for 2019

Economic Impacts, 2019

	Direct	Indirect	Induced	Total
Employment	88,600	26,000	125,600	240,200
Labor Income (mils \$)	\$13,512.1	\$2,074.6	\$7,047.2	\$22,634.0
Output (mils \$)	\$72,910.9	\$5,899.9	\$20,516.9	\$99,327.7

Economic Multipliers, 2019

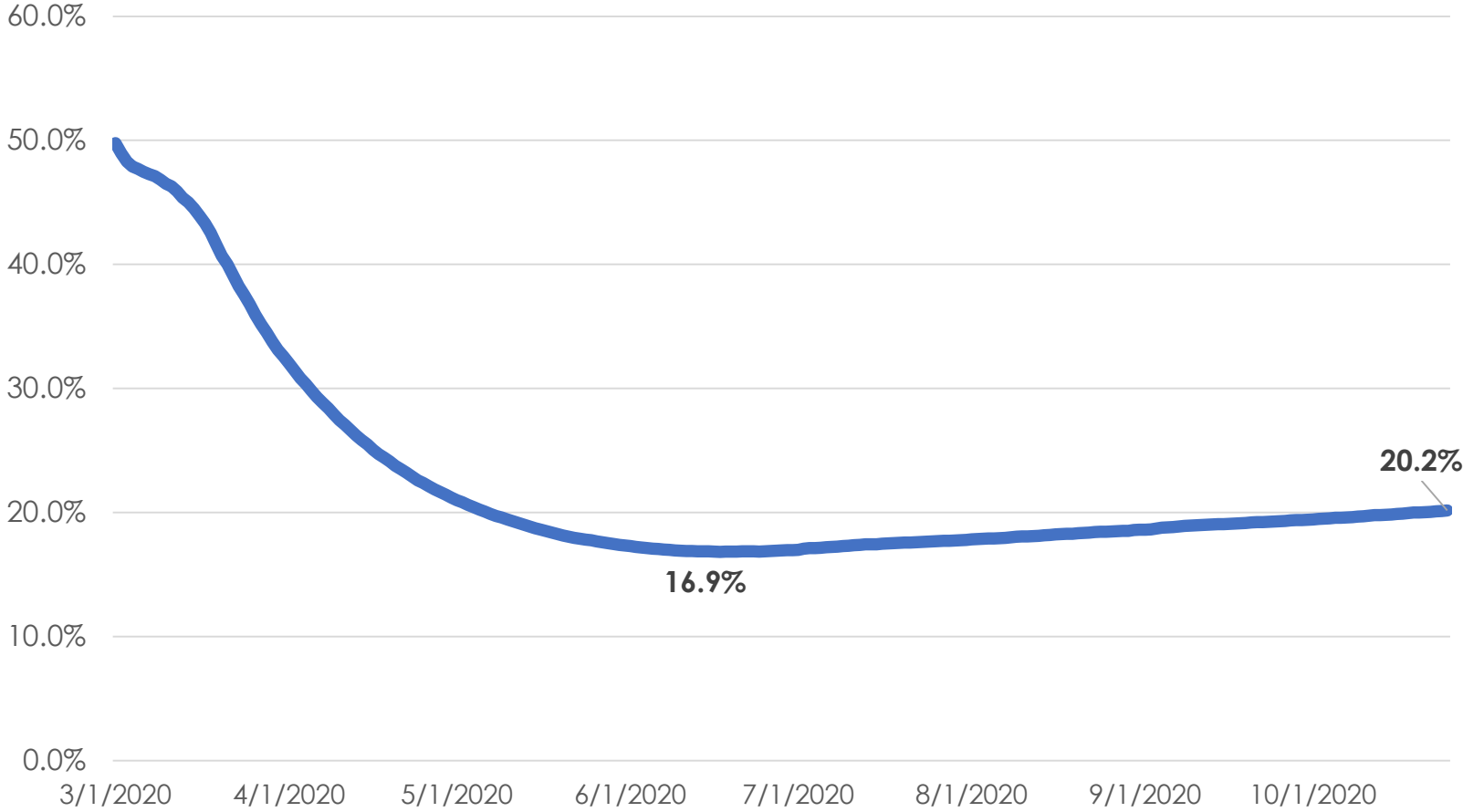
Total jobs per direct job	2.71
Total output per \$ direct output	1.36
Total labor income per \$ direct output	0.31

Sources: Washington State Office of Financial Management, 2020; Author's calculations.

Most Immediate Impact: Airlines

Precipitous decline in air travel since March 1, 2020

Cumulative Air Travelers, U.S., as % 2019 for same period

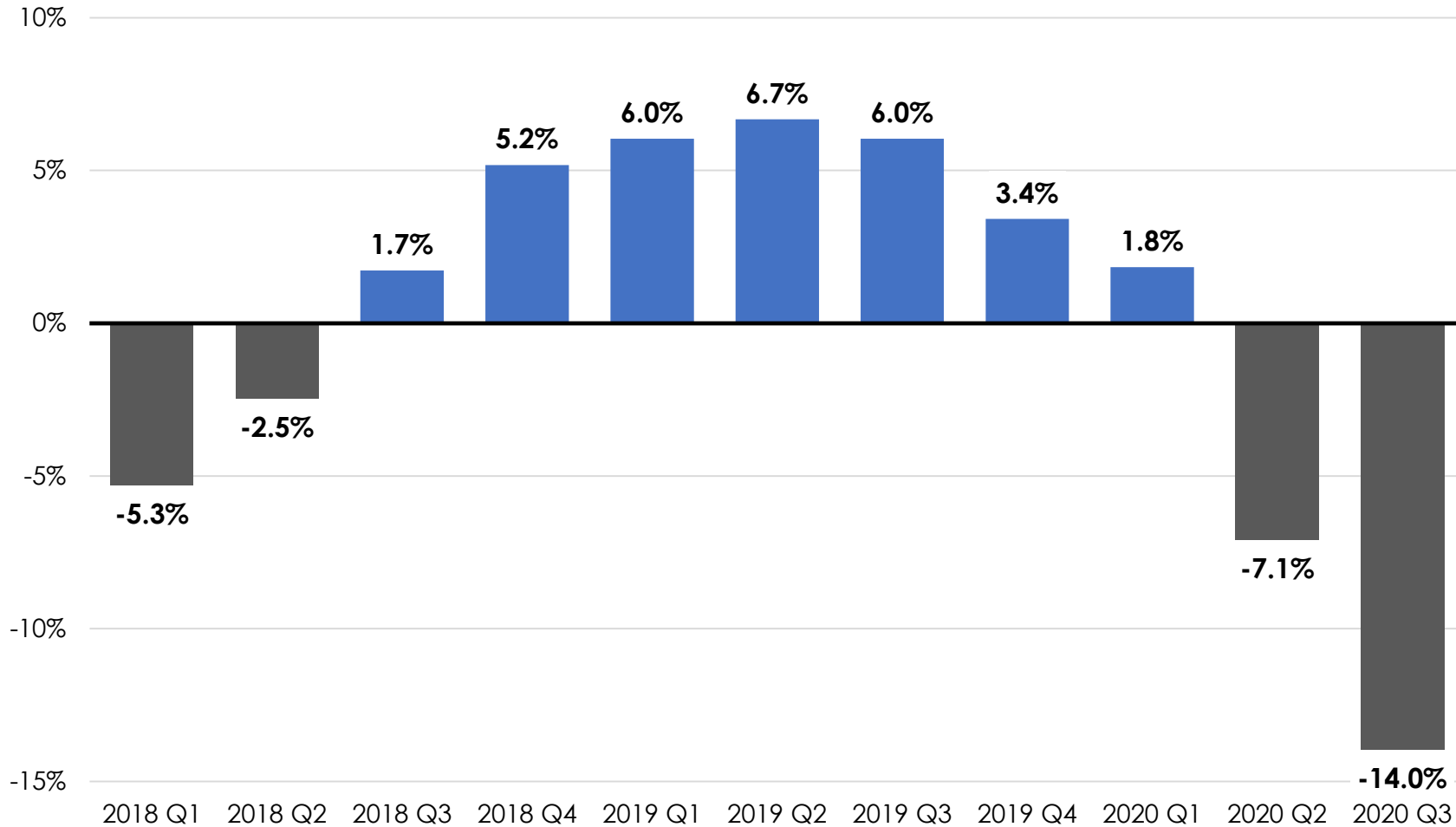


- Total travels since March at only 20% of levels in 2019.
- Less travelers can translate into fewer flights, resulting in less belly cargo space for exporters.

Sources U.S. Transportation Security Administration, 2020. Data based on daily checkpoint numbers.

Aerospace Employment

Washington state, year-over-year quarterly employment change, 2018 Q1 to 2020 Q3

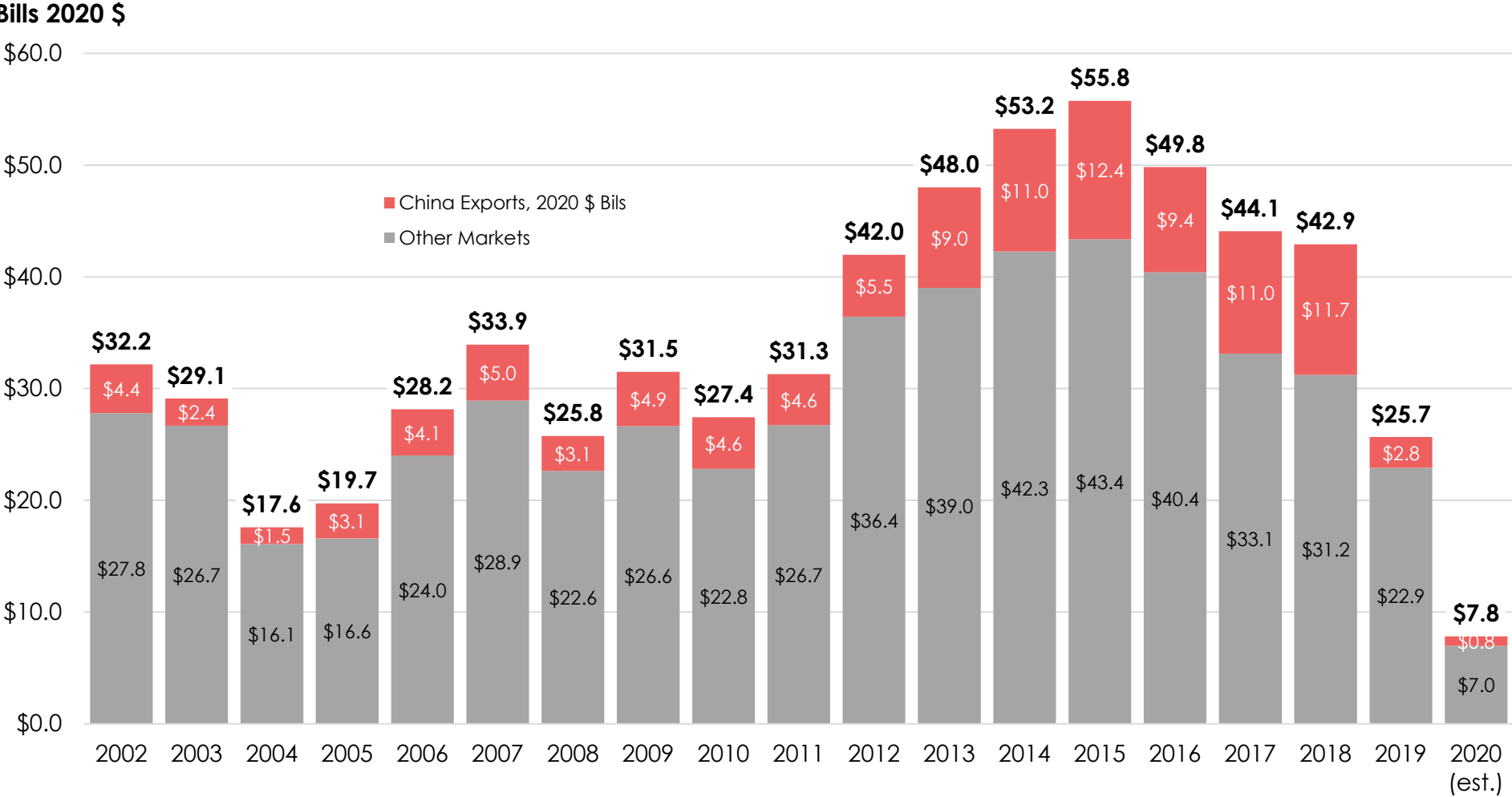


- Quarterly employment down 14% compared with Q3 2019.
- Overall, aerospace sector has shed nearly 6,000 jobs through first three quarters of 2020 compared with first three quarters of 2019.

Source: Washington State Employment Security Department, 2020.
*Estimated annual employment based on employment through September YTD.

Aerospace Exports

Washington state, 2002-2020 August YTD (2020 \$)

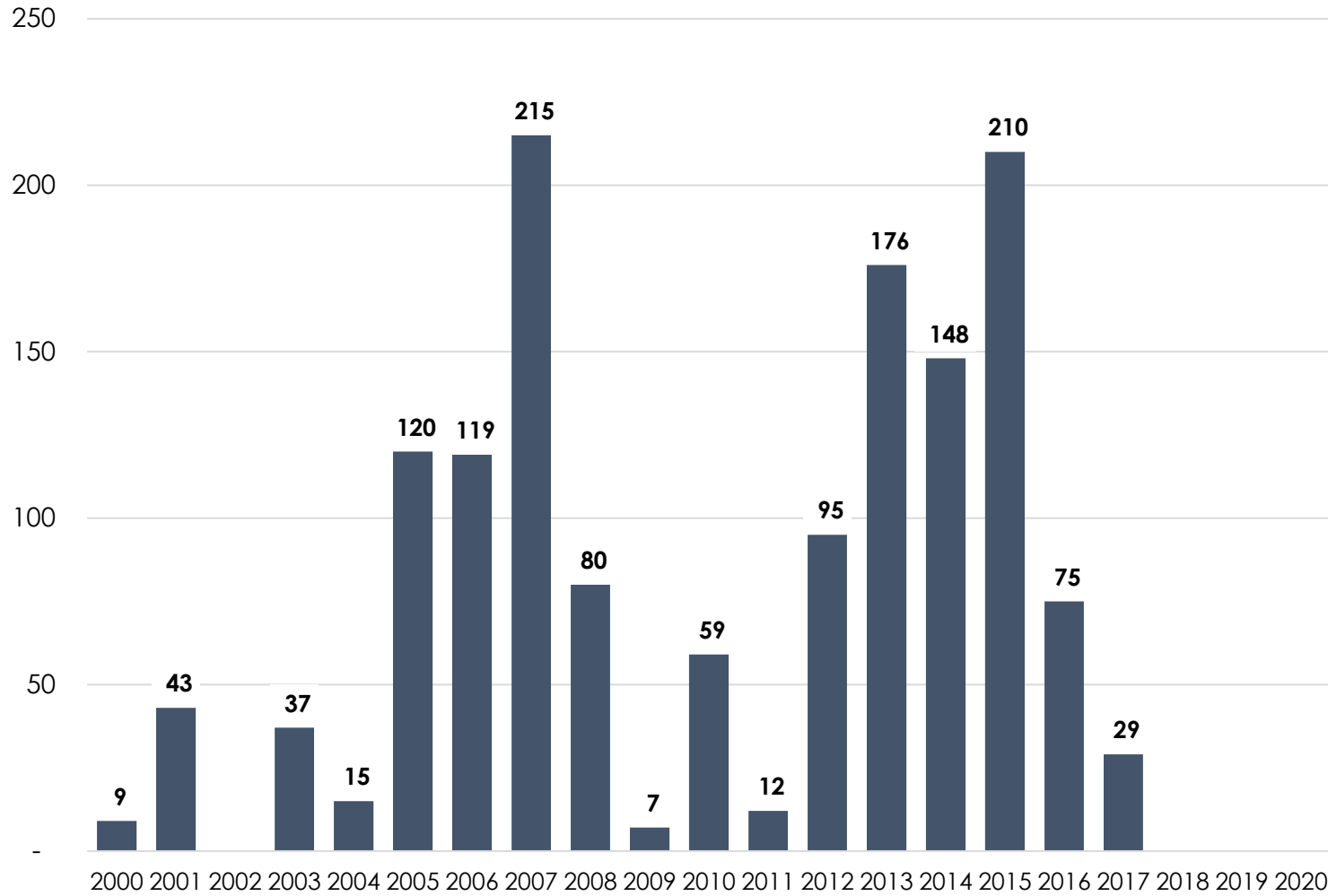


- Decline in sales to China began during trade war.
- Aerospace exports through August 2020 down more than 69% compared with August 2019 YTD.

Sources: U.S. Census Bureau, 2020; Federal Reserve Bank of St. Louis, 2020.

Boeing New Orders (Gross) from China

2010 to 2020 (through September)



Source: The Boeing Company, 2020.

- No new orders since 2017.
- 122 existing backlog orders, however (as of September 30).
- Boeing aircraft were not included in China's retaliatory tariff list during the height of the trade war.
- Overall, 381 cancellations for Boeing aircraft (all markets) YTD.
- China = 8% of all orders over past 10 years.
- 67 new gross orders.
- Backlog: 5,126 aircraft.

Boeing Orders and Economic Outlook

2011-2020, share of total gross orders and IMF forecast

Largest Markets for Gross Boeing Orders, 2011-2020, and Economic Forecast

Market	Share Total	GDP Growth (actual for 2019, and forecast)			
		2019	2020	2021	2021-2025
USA	27.8%	2.2%	-4.3%	3.1%	2.4%
China	7.8%	6.1%	1.9%	8.2%	6.2%
Ireland	6.6%	5.9%	-3.0%	4.9%	3.6%
United Arab Emirates	6.0%	1.7%	-6.6%	1.3%	2.2%
India	4.1%	4.2%	-10.3%	8.8%	7.8%
Indonesia	3.5%	5.0%	-1.5%	6.1%	5.3%
Singapore	3.2%	0.7%	-6.0%	5.0%	3.0%
Turkey	2.4%	0.9%	-5.0%	5.0%	3.9%
Hong Kong	2.3%	0.0%	-7.5%	3.7%	3.1%
Vietnam	2.2%	7.0%	1.6%	6.7%	7.0%
United Kingdom	2.1%	1.5%	-9.8%	5.9%	2.9%
All other markets	31.9%				
Total, World	100.0%				

- Global economy projected to contract 4.4% in 2020.
- Advanced economies: 5.8%.
- Eurozone: -8.3%.
- Latin America and Caribbean: -8.1%.
- Emerging and developing Asia: 1.7%.

Source: The Boeing Company, 2020; International Monetary Fund World Economic Outlook, October 2020.

Thank you

Spencer Cohen, PhD
Economics and Trade Consultant

scohenke@gmail.com

Aircraft Markets: A Brief Perspective

Presentation to the Washington Senate Special Committee on Economic Recovery

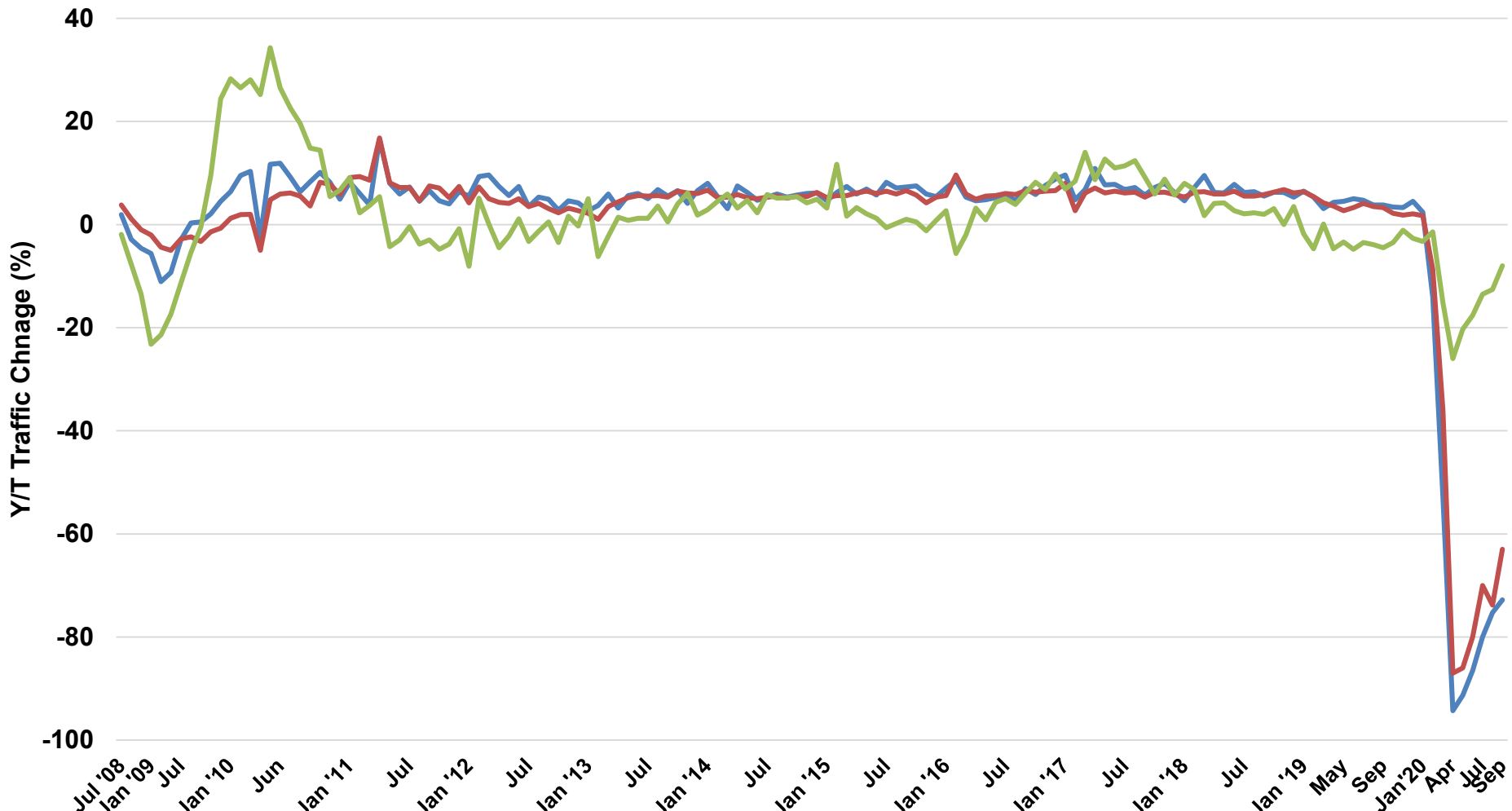
Richard Aboulafia
Vice President, Analysis
Teal Group Corporation
www.tealgroup.com

October 27, 2020

Traffic: Like Nothing We've Ever Seen Before

66% Decline in 2020?

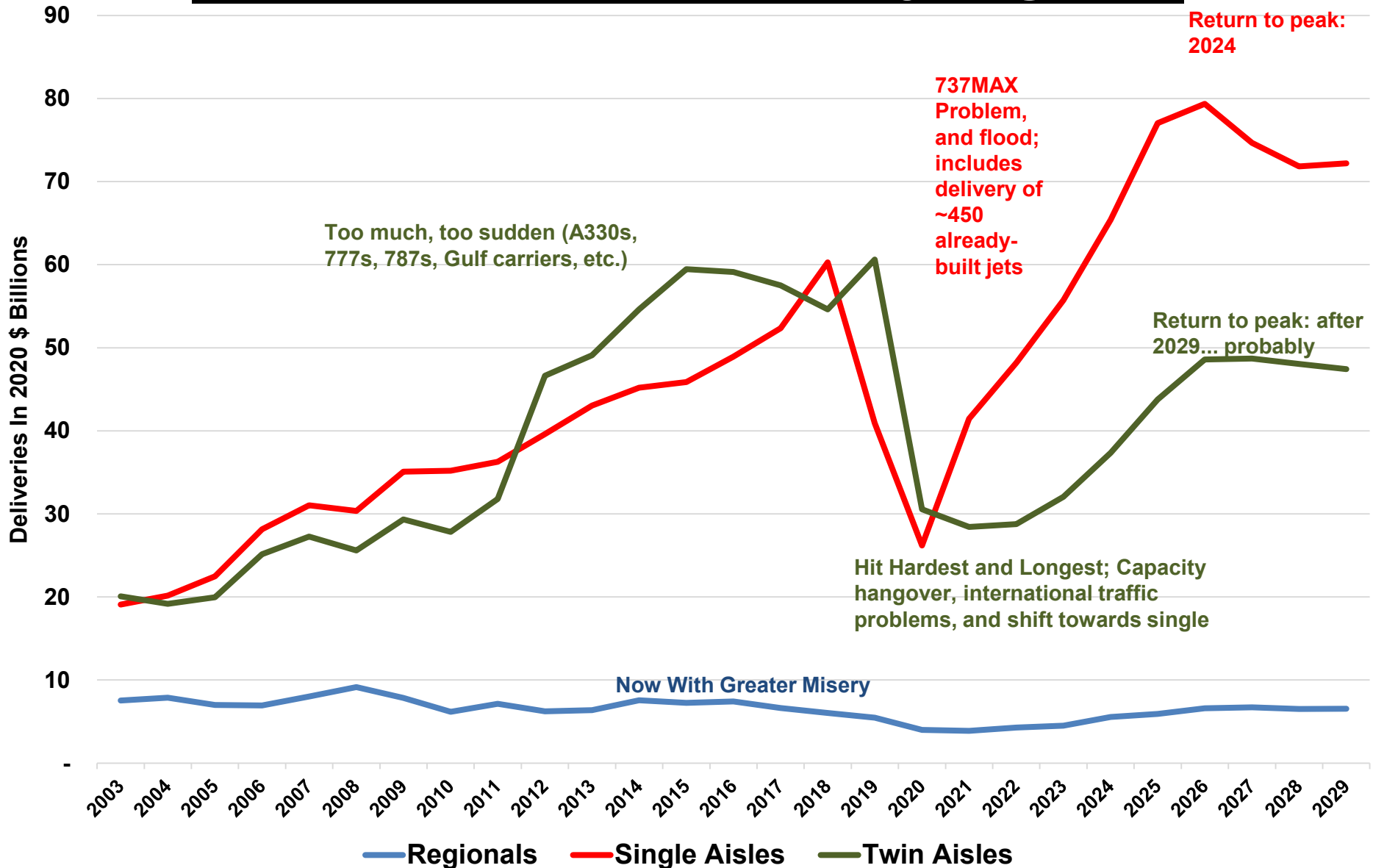
2019 Totals: RPKs 4.2%, ASKs 3.4%, FTKs -3.3%
2018 Totals: RPKs 6.5%, FTKs 5.4%; 2017: RPKs 7.6%, FTKs 9%



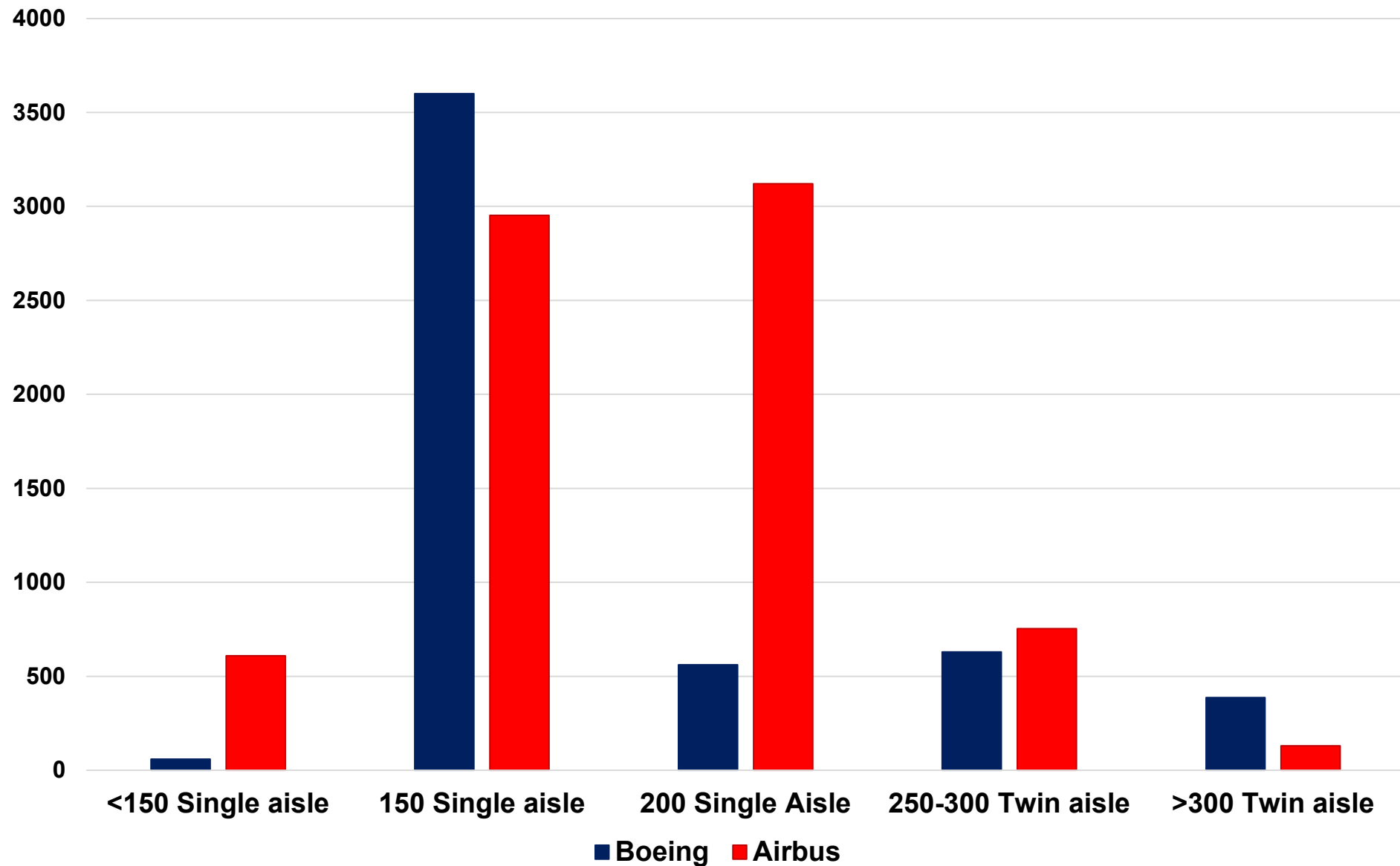
Source: IATA

— RPKs — ASKs — FTKs

The Air Transport Market By Segment



Airbus, Boeing Jetliner Backlogs (July 1)





Alaska Airlines State of Air Travel

October 2020

Scott Kennedy
Manager, State & Local
Government Affairs
Scott.kennedy@alaskaair.com

✈️ State of the U.S. Airline Industry Today

U.S. Airline domestic passenger volumes are down

63%

Domestic carriers are averaging

74

passengers per flight.

U.S. Airline international passenger volumes have fallen

78%

U.S. Airline departures are down

49%

U.S. carriers collectively burned

\$5B

each month in Q2

U.S. Airlines have grounded

1,700+

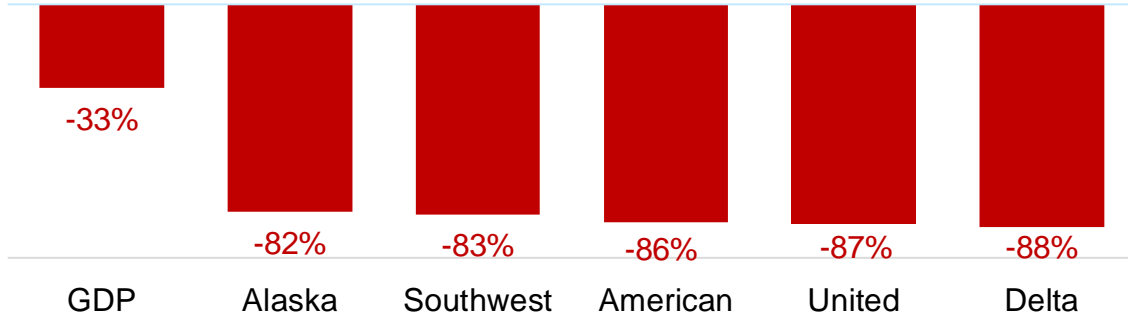
aircraft
(as of 10/26/20)

Source: Airlines for America

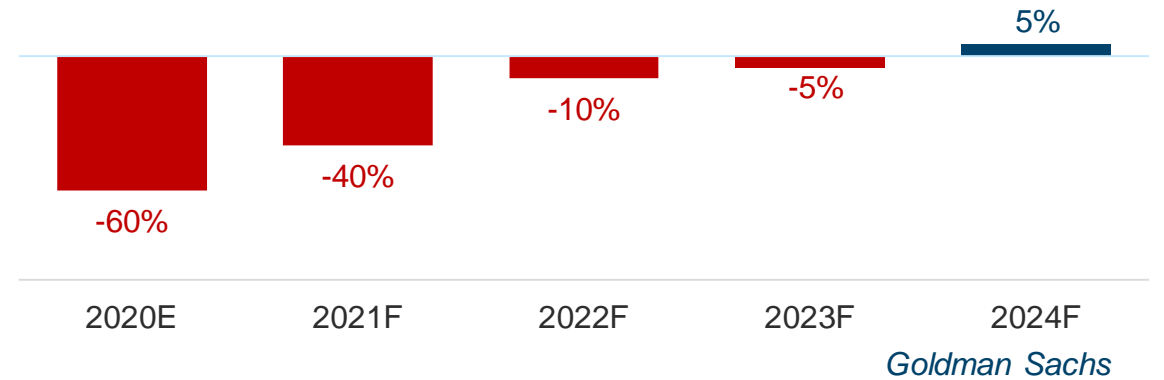


COVID-19 Economic Impacts to U.S. Airlines

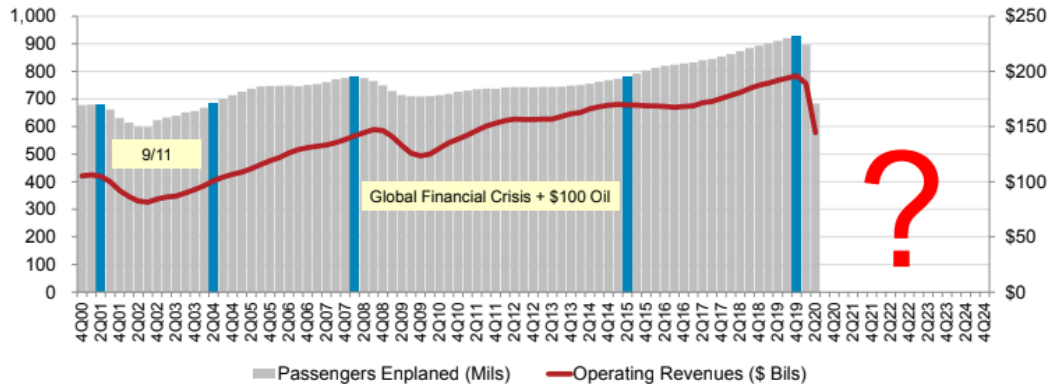
U.S. airline revenue dropped 2.5x more than GDP fell in Q2 2020, year over year.



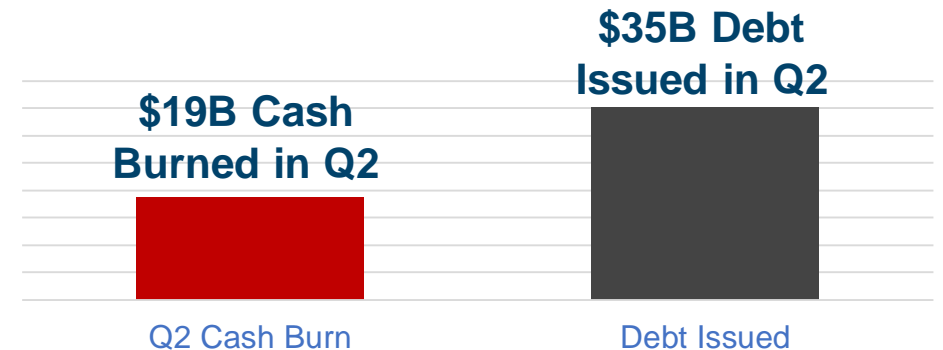
Passengers likely won't return to 2019 levels for at least 3-4 years.



After 9/11 and Global Financial Crisis, it took years for passengers and revenue to return.

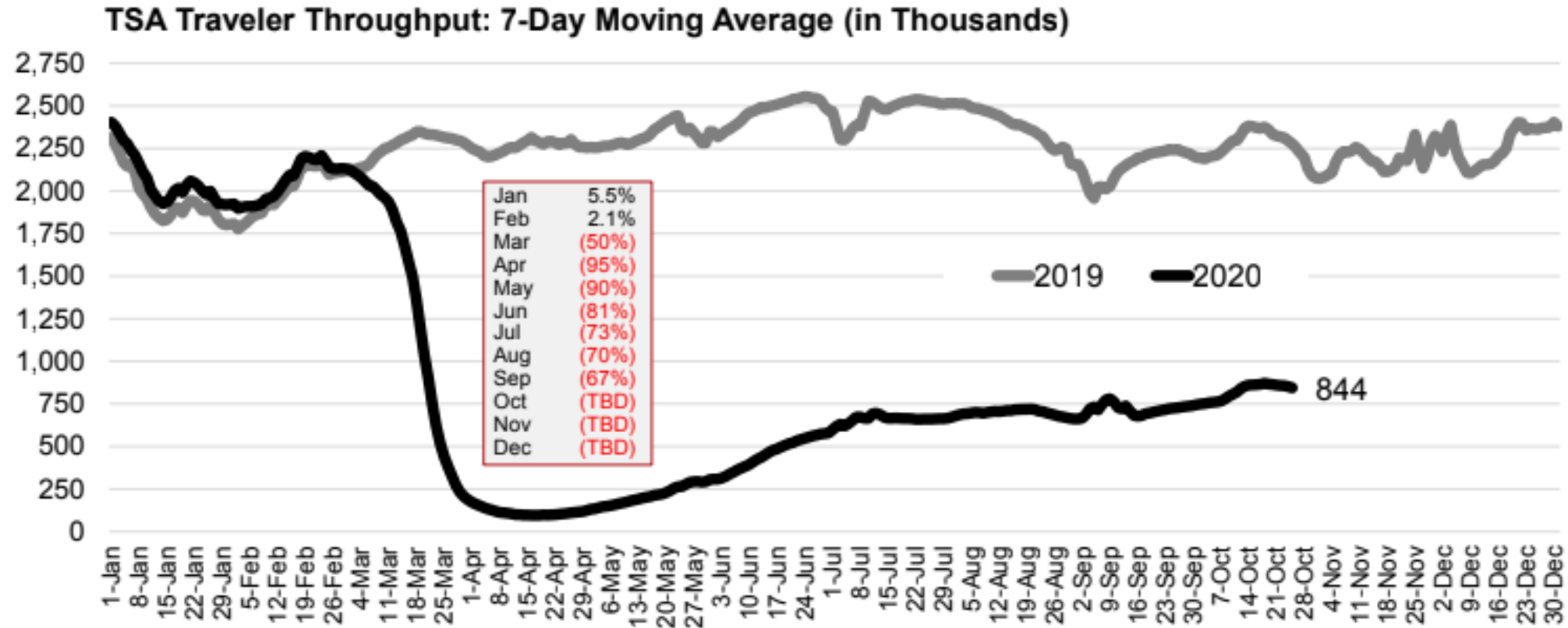


Industry will be burdened with debt for years, slowing growth even after COVID recovery.



✈️ TSA Traveler Throughput Statistics

TSA Checkpoint Traveler Throughput* Is Running 63% Below Year-Ago Levels
Daily Average Bottomed Out at 95K in April 11-17

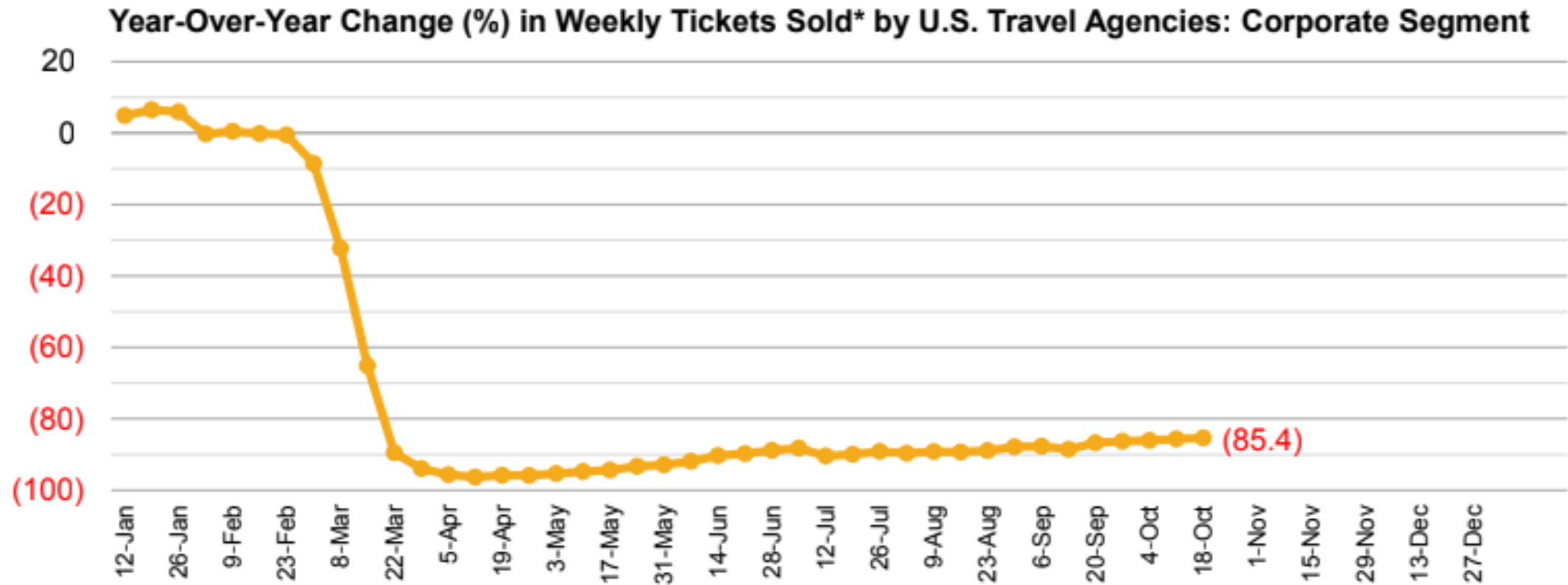


Source: Transportation Security Administration

* U.S. and foreign carrier customers traversing TSA checkpoints; 2019 is year-ago same weekday

✈ U.S. Corporate Air Travel is Down

Corporate Air Travel* Has Yet to Recover From the Steep Declines That Began in March



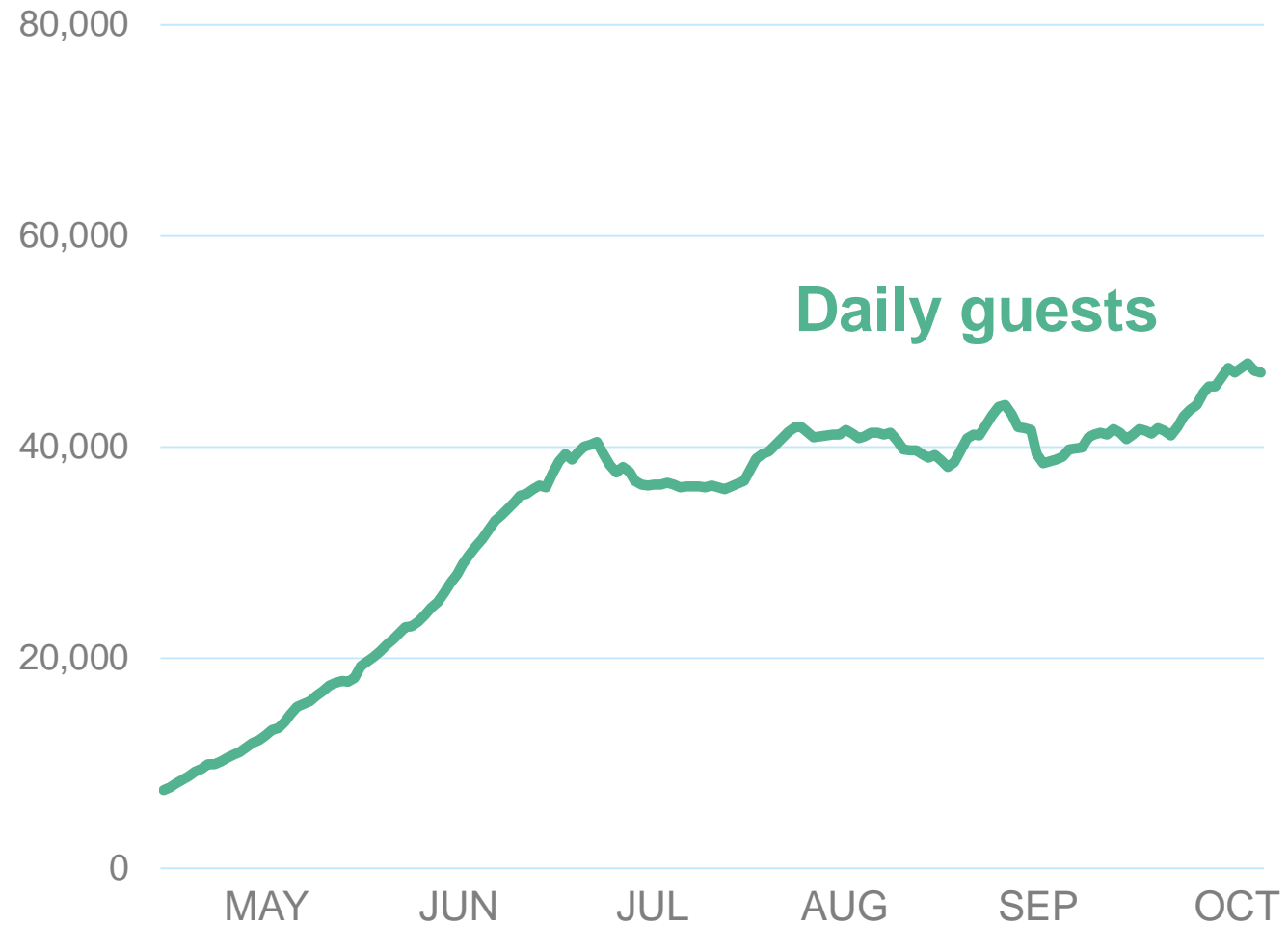
Source: Airlines Reporting Corporation (ARC)

* Results do not include sales of tickets purchased directly from airlines and are not net of refunds or exchanges.

✈️ Alaska's experience has largely mirrored the industry's

In 2019, Alaska Airlines carried ~130,000 passengers per day.

In Q3 2020, Alaska's **passenger capacity was down 55%** from 2019 levels. We expect 4th quarter passenger capacity to be down 40%.





COVID-19 has placed significant financial strain on our business

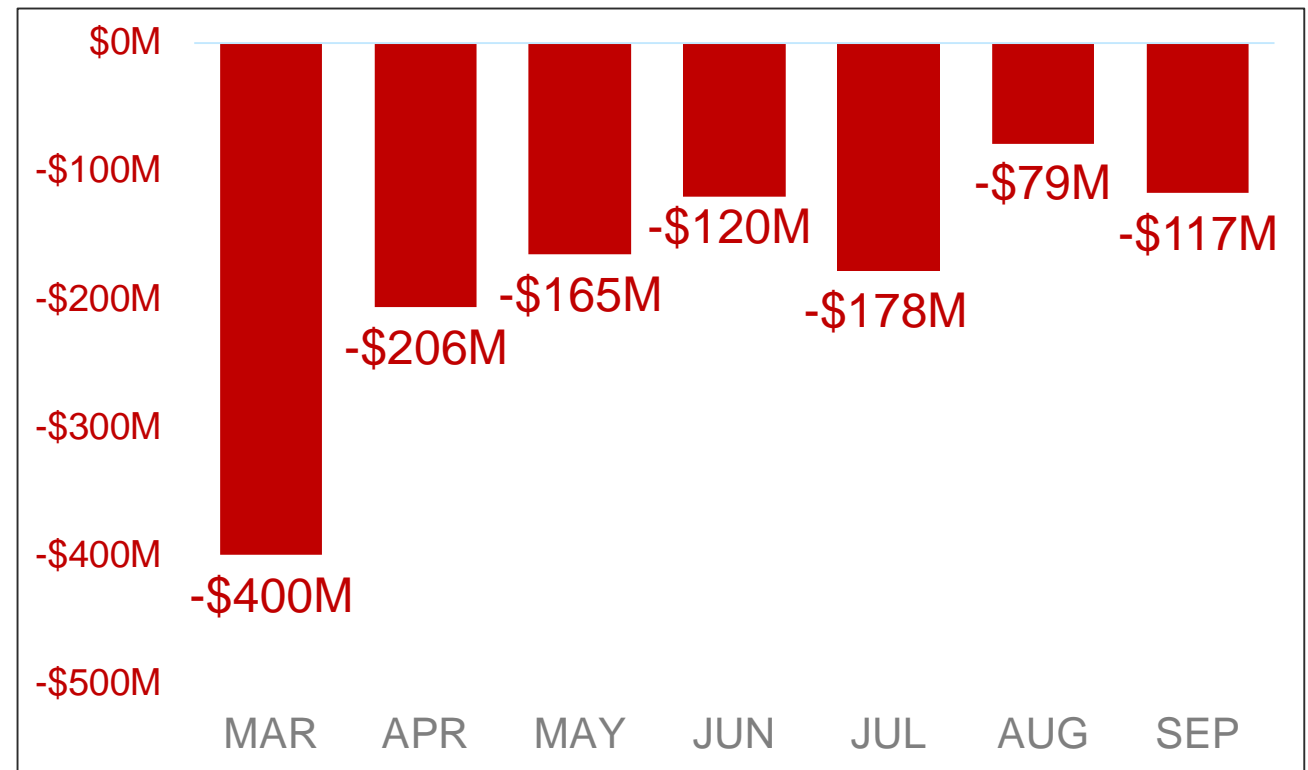
Alaska reported a **net loss of \$431 million** in Q3 2020, compared to net income of \$322 million in Q3 2019. **Total revenues were down 71%** for the quarter.

	Three Months Ended September 30,			
	2020		2019	
	Dollars	Diluted EPS	Dollars	Diluted EPS
<i>(in millions, except per-share amounts)</i>				
GAAP net income (loss) and diluted EPS	\$ (431)	\$ (3.49)	\$ 322	\$ 2.60
Payroll support program wage offset	(398)	(3.22)	—	—
Mark-to-market fuel hedge adjustments	(3)	(0.02)	—	—
Special items - merger-related costs	1	0.01	5	0.04
Special items - impairment charges and other	121	0.98	—	—
Special items - restructuring charges	322	2.60	—	—
Income tax effect of reconciling items above	(11)	(0.09)	(1)	(0.01)
Non-GAAP adjusted net income (loss) and diluted EPS	\$ (399)	\$ (3.23)	\$ 326	\$ 2.63

	Nine Months Ended September 30,			
	2020		2019	
	Dollars	Diluted EPS	Dollars	Diluted EPS
<i>(in millions, except per-share amounts)</i>				
GAAP net income (loss) and diluted EPS	\$ (877)	\$ (7.12)	\$ 588	\$ 4.74
Payroll support program wage offset	(760)	(6.16)	—	—
Mark-to-market fuel hedge adjustments	—	—	(1)	(0.01)
Special items - merger-related costs	5	0.04	39	0.31
Special items - impairment charges and other	350	2.84	—	—
Special items - restructuring charges	322	2.61	—	—
Income tax effect of reconciling items above	20	0.16	(9)	(0.07)
Non-GAAP adjusted net income (loss) and diluted EPS	\$ (940)	\$ (7.63)	\$ 617	\$ 4.97

✈️ We're taking important steps to stabilize and recover

Alaska reduced its cash burn to approximately \$4 million per day in Q3 2020, down from \$13 million per day at the beginning of the pandemic.



✈️ Our #1 Priority: Guest and Employee Safety



Next-Level Care is comprised of **100+ actions and layered safety measures** designed to reduce risk and keep our guests and employees healthy and safe while traveling with us.

ENHANCED CLEANING & SANITIZERS



Enhanced cleaning between flights.

Starting in July, individual hand-sanitizer wipes will also be available on board.

At our airports, we're rolling out additional hand-sanitizing stations in check-in lobbies and gate areas.



Electrostatic disinfectant sprayers are used to sanitize surfaces like overhead bins, armrests, tray tables, seatbelts, lavatories.

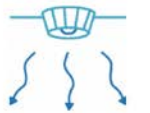
HOSPITAL-GRADE FILTRATION



Aircraft are equipped with HEPA filters—the same kind found in hospital operating rooms.



The air flows from the ceiling to the floor and creates completely new air in the cabin every 2 to 3 minutes.



Want more filtered air? Open your vent. That air is filtered for your seat only.

FACE COVERING REQUIREMENT



Face masks are required for all guests 12 and over and employees. While face coverings are not required for guests under 12, they are recommended for children 2 and older.



Face covering must cover your nose and mouth and should only be removed when eating or drinking. If you don't comply, you'll get a warning.

PHYSICAL DISTANCING & SERVICE



Our food and beverage service on board has been reduced to limit interaction.



To allow for physical distancing, airport spaces and boarding procedures have been updated.



Through January 6, 2021, we're limiting the number of guests on our flights and blocking middle seats.

The CARES Act Payroll Support Program Kept U.S. Airline Workers Employed, Gave Airlines Critical Time to Reduce Costs and Borrow Funds, and Saved Taxpayers \$9.2-15.7 Billion

- » For the 10 largest U.S. passenger airlines, **PSP awards covered approximately 84%*** of payroll expenses for the applicable six-month period, leaving a \$4.5 billion shortfall without factoring in non-payroll expenses.



- » PSP awards to passenger carriers alone are estimated to have saved state treasuries \$3.2-5.5B, and the U.S. Treasury \$6.0-10.2B, for a total of \$9.2-15.7B (see appendix for more detail).
- » Those receiving PSP funds: 1) may not conduct involuntary furloughs or reduce benefits or rates of pay, 2) must comply with minimum air service obligations (i.e., continue unprofitable flying), 3) abide by restrictions on executive compensation, 4) repay approximately 30% of the funds to U.S. Treasury and 5) surrender warrants.



Despite the challenges, we're looking up

"We are gaining momentum as we climb our way out of this crisis," said Air Group CEO Brad Tilden. "Each of the last six months has been better than the month before in terms of flights offered and passengers carried, and to date, we've kept our net debt unchanged. Alaska has competitive advantages that continue to serve us well in this crisis, and we are fighting this battle with the most passionate and dedicated employees in the business."

– Brad Tilden, Chairman & CEO

Washington's Economic Recovery Manufacturing Opportunities

Lisa Brown

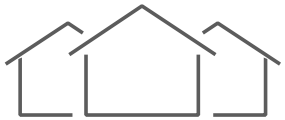
DIRECTOR

OCTOBER 2020



Washington State
Department of
Commerce

We strengthen communities



**HOUSING
HOMELESSNESS**



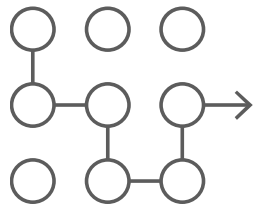
INFRASTRUCTURE



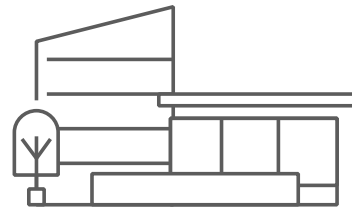
**BUSINESS
ASSISTANCE**



ENERGY



PLANNING



COMMUNITY FACILITIES



**CRIME VICTIMS &
PUBLIC SAFETY**



**COMMUNITY
SERVICES**

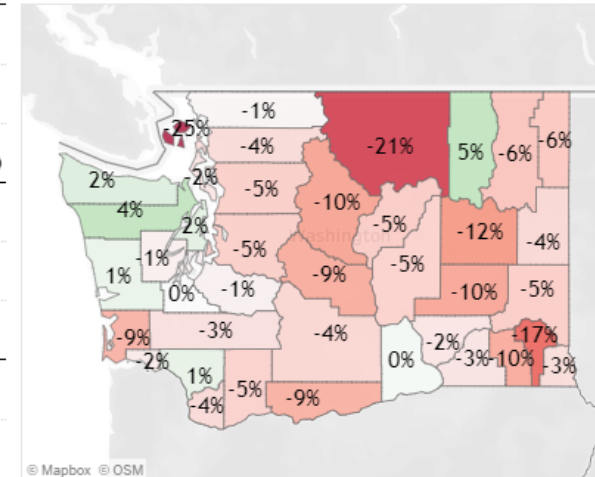
Tracking the Recovery

Economic Recovery Dashboard

Best viewed in full screen

		Current Level	% Change ¹	Absolute Change ¹	Trend
Employment	Total Employment	3,630K	-4% ▼	-140K	
	Detailed views				
	Unemployment Rate	8.4%	4.3% ▲		
	Job Postings		-24% ▼		
Business	Taxable Retail Sales	\$14,088M	-10% ▼	-\$1,484M	
	Detailed views				
	Taxable Business Income	\$55.59B	-7% ▼	-\$4.01B	
	Export Volume	\$3.20B	-23% ▼	-\$0.95B	
Support Programs	Basic Food ² Participants	953.4K	17% ▲	140.0K	
	Detailed views				
	TANF ³ Participants	73.3K	34% ▲	18.7K	
Consumer Behavior	Credit Card Spend		-2% ▼		
	Detailed views				
	Time Outside Home		-9% ▼		

Year-over-year employment change by county



© Mapbox © OSM

Click a county to view county-specific statistics in the table to the left - click in the gray area outside Washington to clear the filter

1. Change over time period shown in trend-line. Time periods differ due to differences in publication schedules. Percentage change reflects change over last 12 months or since the first available month in last 12 months.
2. Supplemental Nutrition Assistance Program (SNAP) and State Food Assistance Program (FAP)
3. Temporary Assistance for Needy Families

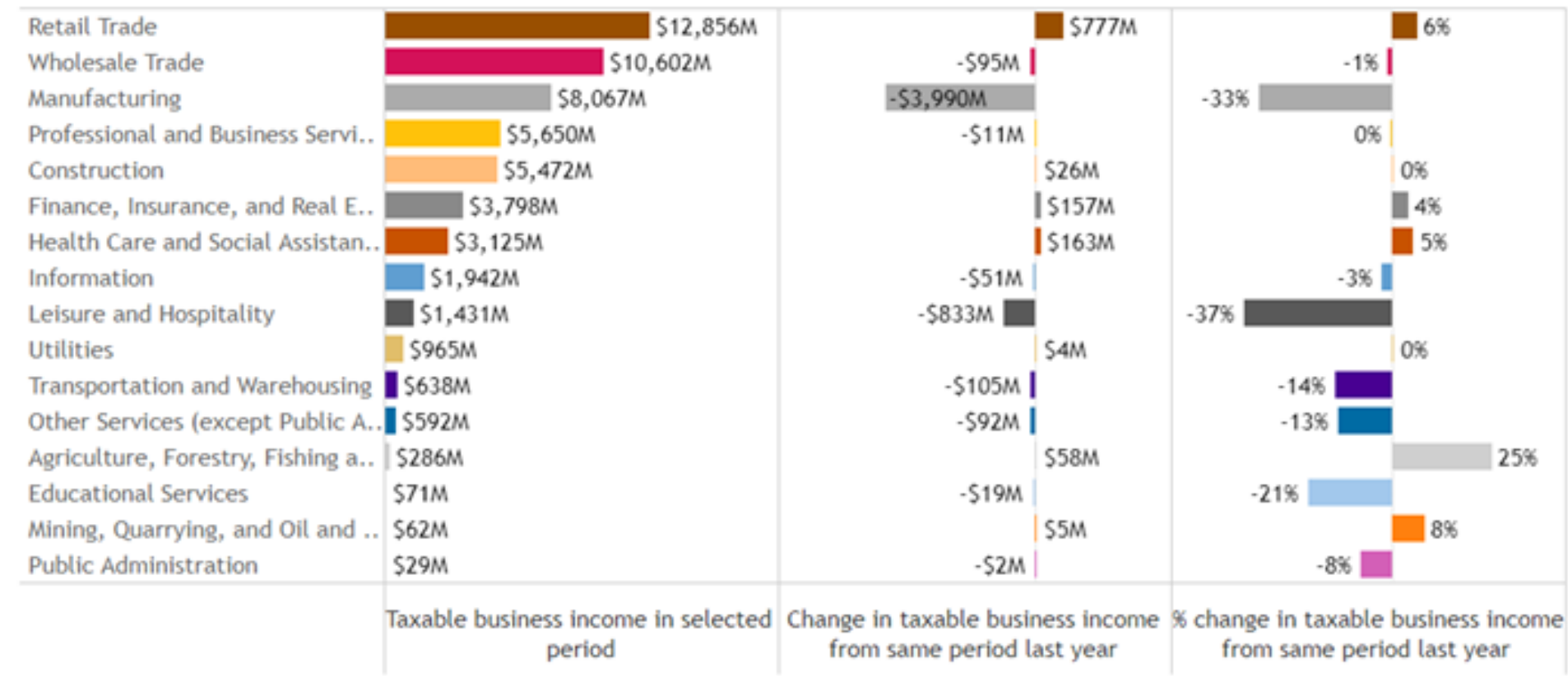
The Economic Recovery Dashboard is a visualization tool that uses an assortment of data sources to track Washington state's economic recovery and resiliency. It displays the latest available data on employment, businesses, government assistance programs, and consumer behavior, helping monitor the economic impact of COVID-19 across Washington state. This dashboard is intended to provide the public access to key metrics that may help inform policy and economic recovery initiatives. As this dashboard is still evolving, we may update the available views and data sources where possible. Updates are made on a monthly basis.

Dashboard last updated: October 13, 2020

Manufacturing Sector Revenue Impacts

Taxable business income by industry

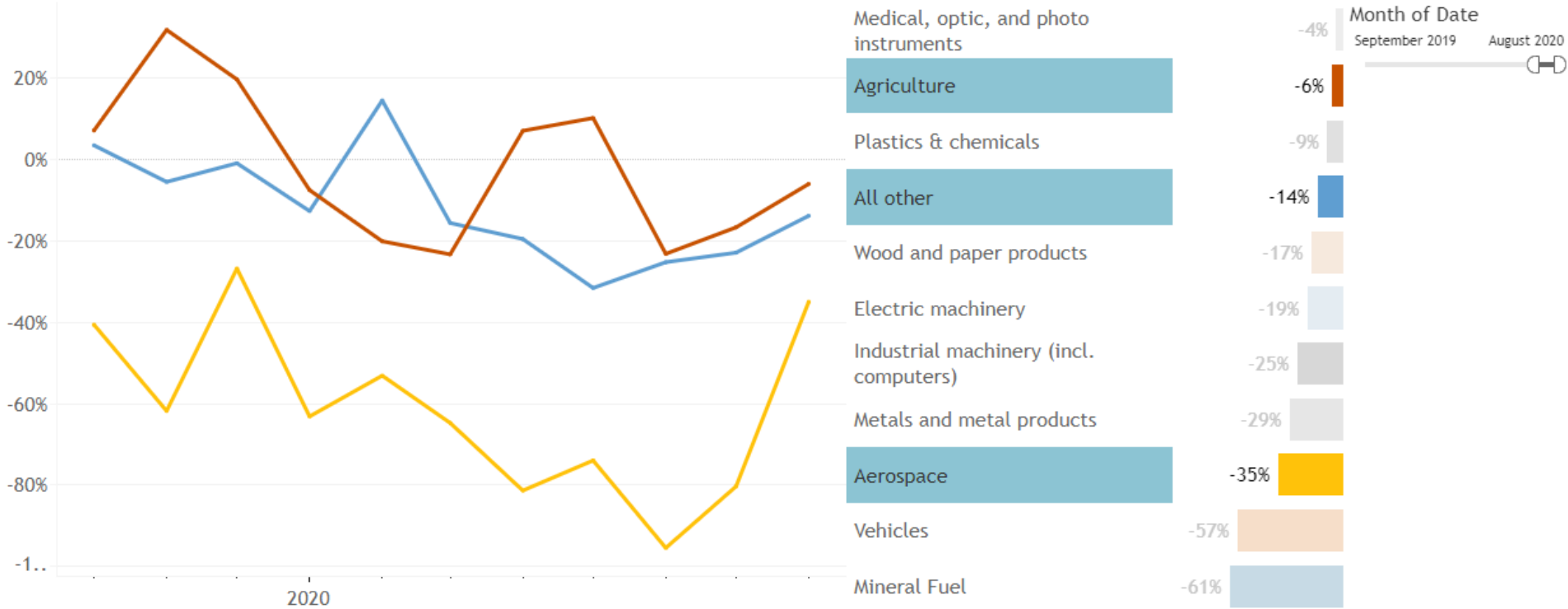
Viewing 1 month ending July 2020



International Trade

WA export volume by commodity category and month

Year-over-year % change



Source: [WISERTrade](#)

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Industry Sector Development Program

Washington's Key Sectors

Washington State's bustling economy truly has something for everyone. With more than a quarter million businesses in the state, we cover nearly every industry and profession imaginable. Following are the key industries we dedicate additional resources to, largely because they have the most potential for creating economic wealth and job growth throughout the state in the years to come.

Commerce's Sector Development is focused on building industries that help diversify the state's economy, pay living wage jobs, and insulate the state from the worst effects of global economic recessions.



Aerospace

The undisputed global leader in aerospace, Washington's aviation industry goes back more than a century. The state has more than 1,400 firms in its aerospace cluster, developing and building products and services for major manufacturers and airlines throughout the world, including Boeing, Airbus, Embraer and Bombardier.



Agriculture & Food Manufacturing

The state's 39,500 farms grow, produce and ship 300 different crops, ranking second in the nation. Food and beverage production supports 164,000 jobs in Washington State, which is the leading producer of apples, sweet cherries, pears, raspberries and hops in the United States.



Clean Technology

Washington is a major player in developing new, renewable and sustainable energy sources while protecting the environment. Businesses are engaged in an array of research and development projects utilizing wind, solar, tidal, biofuel and biomass technologies that will reduce our carbon footprint and dependence on fossil fuels.



Forest Products

For nearly 200 years Washington's forest products sector has been a mainstay of the state's economy. As the third largest manufacturing industry in Washington, the sector is composed of 1,700+ companies representing a range of product lines, from raw timber and laminates to next-generation biofuels.



Information & Communication Technology

Fourteen thousand companies and nearly 200,000 tech-based workers are changing the way we manage, manipulate and interact with information. Legendary businesses such as Microsoft.



Life Science/Global Health

Some of the most important advances in medicine and global health have come from Washington State, including revolutionary new treatments for cancer, kidney disease and heart attacks. Our



Maritime

With thousands of miles of shoreline, it shouldn't be too surprising that Washington State is a powerhouse for the maritime industry, employing 69,500 tradesmen, shipwrights and marine engineers. Fully 80% of all



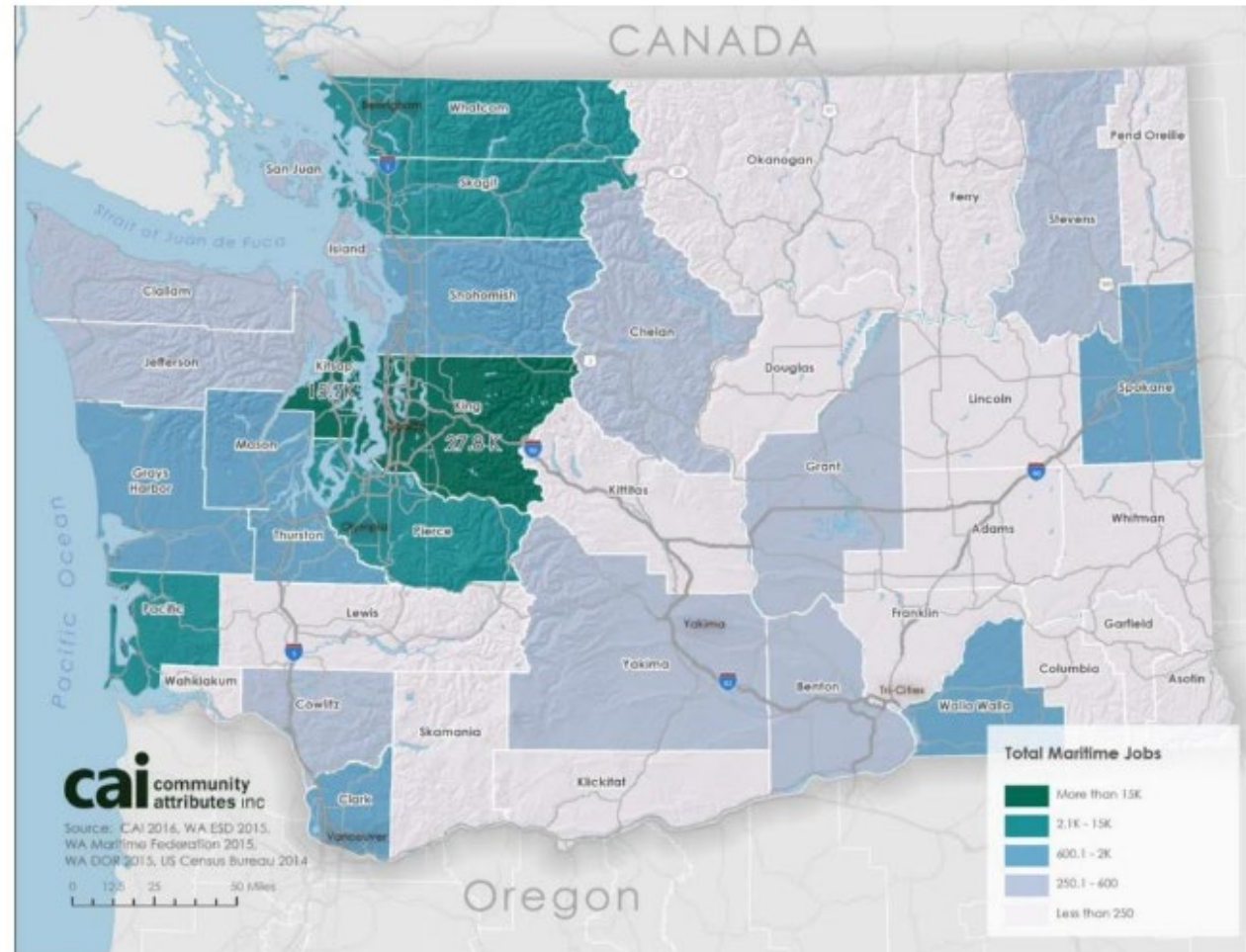
Military & Defense

Tens of thousands of jobs and billions of dollars flow into the state's economy from the military and defense sector. Washington has six active duty military installations and is 6th in the nation in the number of active

Case study: Washington's Maritime Cluster



2,300 companies
69,500 workers
\$21.4 billion in annual revenue
\$4.7 billion in annual wages



Case study: Washington's Maritime Cluster

blue WASHINGTON MARITIME
Independent, Innovation Cluster Formed

Formal Ocean/Maritime Clusters have emerged as organizational entities that enhance competitiveness and collaboration. To ensure accountability and implementation we spun out an independent, nonprofit, Cluster Organization charged to Implement the State's strategy – using the "Quadruple Helix" approach.

Industry & Business

Government & Public Sector

Academia & Research

Workforce & Community Org's

Industry Members

Organizational Partners

Research Institutions

Public Partners

blue A Strategic Alliance for Maritime Innovation and a Sustainable Blue Economy
A partnership to implement Washington State's Strategy for the Blue Economy - a thriving maritime economy, a healthy ocean & marine environment, equitable & resilient communities.

Manufacturing sector opportunities

gtm:

Solar Grid Edge Storage Wind Trending Podcasts White Papers Webinars



SOLAR

Violet Power Plans Only Vertically Integrated Crystalline Solar Factory in US

Startup will build a plant in Washington state amid growing bipartisan emphasis on local clean-energy manufacturing.

EMMA FOEHRINGER MERCHANT | SEPTEMBER 09, 2020



Violet will make solar equipment for the residential market.

Violet Power, an Oregon-based solar startup helmed by the recently retired director of the Department of Energy's solar office, plans to build a fully integrated manufacturing plant in

13



TOP ARTICLES

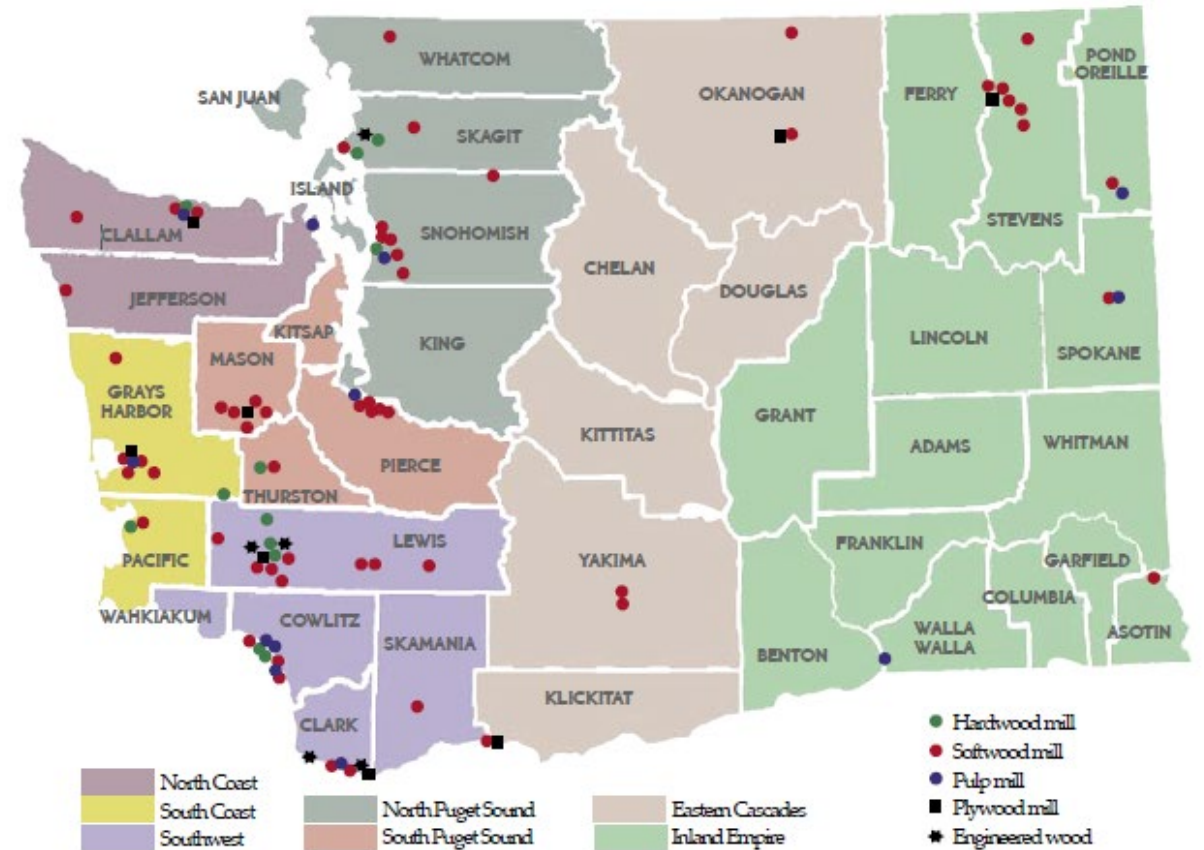
MOST POPULAR MOST COMMENTS

Competitive Advantages for WA

- Forest products
- Solar and polysilicon
- Batteries
- Agriculture Tech/Sciences
- Electric aviation
- Space and satellites
- Autonomous vehicles

Washington's forest products sector

1,700+ forest products firms
42,000 workers,
\$3 billion in annual wages
\$28 billion annual gross business income



Next steps to bolster sector development

- New Safe Start EDA grant won by Commerce will enable launch of \$3m cluster acceleration program
- Initiative will target acceleration of high growth sectors across the state that create living wage jobs
- Continued investment to develop clusters acceleration in WA will help drive job creation and compete globally for new business expansion

Thanks to our Safe Start project partners



#SafeStartWA



Washington State
Department of
Commerce

www.commerce.wa.gov



Thank you.

Lisa Brown

DIRECTOR

lisa.brown@commerce.wa.gov

360.725.4021