



U.S. REPRESENTATIVE
RICK LARSEN
WASHINGTON'S 2ND DISTRICT

The Economy in Northwest Washington

Where We Are, Where We Need to Be, and How We'll Get There

Where We Are

My top goal is to invest in the foundation of long-term economic growth that creates jobs and opportunity in the Pacific Northwest.

Five years since the financial crisis brought on the Great Recession, the economy in Northwest Washington is continuing its recovery. Throughout the five counties of Northwest Washington, the unemployment rate has declined between 25 and 50 percent since its peak in January 2010. While strong growth in Snohomish County fueled by a booming aerospace industry has cut unemployment in half, unemployment is still too high elsewhere in the region.

	Peak – Jan. 2010	July 2013	% Drop
Island County	10.7%	8.0%	25%
San Juan County	9.8%	4.9%	50%
Skagit County	12.5%	8.4%	33%
Snohomish County	11.3%	5.6%	50%
Whatcom County	10.2%	7.3%	28%

Note: Not seasonally adjusted.

At the national level, the economy is recovering, but Congress needs to take action to cut the deficit in a responsible way and invest in the foundation of long-term economic growth. While our deficits are falling at the fastest rate in 60 years, across-the-board spending cuts known as the sequester continue to harm the economy in the short-term, without addressing the long-term drivers of our debt and deficit problem. The sequester is estimated to cost up to 1.6 million jobs through next year.

Where We Need to Be

We need to keep the focus on driving down the unemployment rate across Northwest Washington and making investments in people and infrastructure to sustain our gains long into the future. We need to make sure that students can afford and access training and educational opportunities to develop the skills they need to get the best jobs in today's economy.

At the national level Congress must end sequestration and replace it with a bold and balanced plan to cut the deficit and bring down our long-term debt. Congress must also lift the debt ceiling so that the United States can pay the bills it owes.

What We're Doing to Get There

I am focused on supporting local initiatives with particular emphasis on innovation, transportation, trade, exports and manufacturing and looking for ways to expand higher education, job skills and training opportunities. Working in concert with local governments and regional economic development organizations, I am identifying long-range growth opportunities and providing support where appropriate.

Growing the Aerospace Industry

As the House of Representatives' top Democrat on aviation issues, I am positioned to support Washington's burgeoning aerospace industry. I led the state's delegation to the Paris Air Show to help bring new jobs and businesses to Washington and lay the groundwork for even more growth in the future.

While Boeing is, and will continue to be, the anchor of Washington's aerospace industry, Washington is increasingly becoming integral to the worldwide aviation supply chain. Recognizing this, we need to work not only to bring new Boeing business to our state, but recruit other companies as well.

Aerospace companies do not want to move somewhere and develop their own workforces. They need the technicians, engineers, and airmen available to design, test, and build their equipment. The Northwest is well positioned to take advantage of its 100 years of aviation leadership and large base of talent that aviation companies are looking for by continuing to invest in its workforce. I support Governor Inslee's aerospace strategy that includes investing in education and training from preschool through higher education.

Creating Jobs by Exporting our Products

Exports already play a critical role in our economy, and are a key way we can further create jobs. More than one in three jobs in Washington state depend on trade, and the pay for these jobs is about 46 percent more than the overall state average. When Washington companies export their products overseas, they create jobs at home.

District Export Promotion Program: I established a District Export Promotion Program to link Northwest Washington small businesses directly with local, state and federal resources that help companies export their products.

Next STEP Act of 2013: I introduced the bipartisan Next STEP Act of 2013. The bill would permanently authorize the State Trade and Export Promotion (STEP) program which helps small businesses overcome hurdles to exporting. In its pilot three years, the

STEP program, 387 businesses in Washington state used STEP funding, boosting export sales by \$29 million and supporting more than 1,200 jobs.

Opening New Markets: As a leader of the New Democrat Coalition, I am pushing for new trade agreements with Europe and countries in the Asia-Pacific that open new markets for Washington businesses. I supported the establishment of free trade agreements with Korea, Columbia and Panama.

Investing in our Roads, Bridges and Highways

We can't have a big league economy with a little league infrastructure. Investing in our roads, bridges, highways and transit systems creates jobs today and promotes long-term economic growth. Northwest Washington saw firsthand what happens when transportation infrastructure fails when the Interstate 5 bridge over the Skagit River collapsed in May.

SAFE Bridges Act: As a senior member of the House Transportation & Infrastructure Committee, I have long advocated for major investments in our transportation infrastructure. I joined colleagues to introduce the Strengthen and Fortify Existing Bridges (SAFE Bridges) Act to spend \$5.5 billion on repairing the nation's structurally deficient and functionally obsolete bridges. Washington would receive nearly \$160 million through this law.

TIGER CUBS Act: TIGER grants are a great way to create jobs by investing in our roads, bridges and highways, but smaller cities don't have the resources to compete for these grants with the New Yorks and San Franciscos of the country. I introduced the TIGER CUBS Act so cities like Mountlake Terrace, Mukilteo and Sedro-Woolley will have a fair shot at these critical transportation dollars. The bill would set aside 20 percent of TIGER funds for cities with populations between 10,000 and 50,000 people.

Fueling Small Business Job Growth

Small businesses continue to be the leading source of new jobs in the economy and are often the sources of new innovations that change entire industries.

Jobs Bill to Help Washington Businesses: I introduced a jobs bill to help small- and medium-sized businesses grow by equipping them with tools to compete for federal, state and local government contracts. My bill would lower costs and increase funding for Procurement Technical Assistance Centers (PTACs) which help businesses meet requirements for government contracts. Washington PTAC has helped more than 2,200 businesses secure \$222 million in government contracts and subcontracts since 2011, creating or retaining thousands of jobs. The language of my bill is included in a House-passed defense authorization bill.

Small Distilleries Fairness Act: I introduced the Small Distilleries Fairness Act to help Northwest Washington distilleries compete on a level playing field. Washington state is

home to more than 60 craft distilleries, making it one of the top producers in the nation. Small distilleries currently pay the same federal tax as large producers, while small breweries and wineries pay a significantly smaller tax rate than their larger competitors. My bill will cut federal tax rates by 80 percent for businesses that produce no more than 60,000 proof gallons of distilled spirits a year. The bill will also help local farmers that grow crops supporting the industry because small distilleries use local agricultural products.

Investing in our Workforce

Washington's success in manufacturing and high-tech was built on strong investments in education and workforce training. We must build on those investments so businesses can find the best trained workers and new entrepreneurs can thrive in Washington.

College Affordability: Students who pursue some form of higher education have a better chance of getting good, high-paying jobs. I am concentrated on making sure college is affordable for all. I fought to stop the doubling of student loan interest rates and continue to seek increased investments in Pell Grants that help low- and middle-income students go to college.

Local Taxpayer Relief Act of 2013: I introduced bipartisan legislation to continue funding for Impact Aid, which funds schools that serve large numbers of military families and Indian tribes. The bill was included in education legislation passed by the House in July.

Skills to Jobs Initiative: Veterans separating from the military have a wealth of skills but often struggle to find work in the private sector. My office works directly with veterans and local colleges to help them translate their military skills those demanded in the private sector.

VET Act: I introduced the bipartisan Veterans Education Transparency (VET) Act that will help veterans make full use of their educational benefits. The VET Act would give colleges the ability to view each student-veteran's amount of amount of GI Bill or other educational benefits so they can provide the best educational counseling to veterans.

Ending the Sequester and Tackling the Deficit

I am a determined opponent of continuing the across-the-board spending cuts known as the sequester. In February, I issued a report detailing the consequences of the sequester across Northwest Washington

As a leader of the fiscally moderate New Democrat Coalition, I am a leading voice in the Democratic Party for bringing our deficits and debt under control. I support a balanced approach that brings the debt-to-GDP level to stability within 10 years. I have voted twice for the bipartisan budget framework based on the work of Alan Simpson and Erskine Bowles that requires targeted spending cuts, entitlement reforms and new revenues.