

National Boating Federation
January 2018 Legislative Report
Earl Waesche

Congress Passes Tax Reform Bill, Favorable to Recreational Boaters: Congress passed historic tax reform legislation, which President Trump signed. The National Marine Manufacturers Assn (NMMA), Federal Government affairs team has been heavily engaged throughout the year as tax reform developed from a concept to actual legislative text. While no legislation of this magnitude is ever perfect, the final package includes a number of provisions that can be considered “wins” for marine manufacturers and recreational boaters. Some highlights of the tax package:

No new luxury tax on boat sales. This was a priority for NMMA, and they were successful in ensuring no new luxury tax was ever considered.

Preservation of the 2nd home interest deduction for boats. NMMA lobbied for parity with regard to the 2nd home interest deduction for boats. They didn’t want boats to be unfairly singled out and were successful in this regard. The 2nd home interest deduction will remain without changes to boat eligibility. However, the tax reform package does lower the mortgage interest cap from \$1 million to \$750,000.

This is indeed good news for the entire boating community as stated by the **National Boating Federation**.

U. S. Coast Guard Advancements in Search and Rescue: As reported in Coast Guard **PROCEEDINGS**, by LT Fitzpatrick, Search & Rescue (SAR) is one of the Coast Guard’s oldest, largest missions. From 2010 to 2015, the USCG conducted more than 114,000 SAR cases, saving more than 22,000 lives. To keep with this continually changing mission, the Coast Guard is constantly trying to leverage new SAR technologies to help mariners in distress and prevent loss of life, injury, and property damages. Judging by past performance, we expect to continue to advance SAR effectiveness thanks to such technology.

Alerting and locating are two key components of search and rescue technologies. The alerting function informs people that the mariner/vessel is in distress, while the locating function informs the rescuers of the location of the mariner/vessel. The best SAR devices will include both of these functionalities, but the ultimate goal of SAR technologies is to take the “search” out of “search and rescue.”

Current Devices. Many historical SAR devices have been upgraded over the last decade, and several new devices have dramatically changed the way the Coast Guard responds to mariners in distress. These changes have come at a time when electronics and digital devices are becoming more prevalent in our daily lives. Correspondingly, these technological improvements have increased the effective distance of the alerting functions while improving the locating capability and precision of the devices.

Rescue 21 System: The National Distress and Response System coastal sites have recently been upgraded to the Rescue 21 System, which has increased the effective alerting distance to 20 nautical miles and added improved direction-finding capabilities. This system is currently

available throughout most of the US and is expected to be completed in the near future. Rescue 21 allows the Coast Guard to determine the direction of a distressed call, receive GPS coordinates from a VHF Digital Selective Calling (DSC) radio and also use multiple frequencies at the same time. (For those who have not done so, all mariners are encouraged to connect their VHF/DSC radios to their GPS.) With all of these benefits, the Coast Guard will be able to respond to mariners in distress faster and more effectively. As technology continues to advance, we should expect more improvements in devices with increased range, multiple functionality and compact size. Fortunately for those using our waterways, these new devices are helping to increase the number of lives saved during emergency situations.

No Discharge Zone Prospect in Puget Sound: The EPA has issued its final affirmative determination that adequate sewage pump-out facilities are available for recreational and commercial vessels to support the Washington Department of Ecology's proposed No-Discharge Zone for Puget Sound. This determination does not itself constitute the designation of a no-discharge zone. Rather, the Washington Department of Ecology may now in its discretion finalize the proposed designation in accordance with State law.

Summary of Washington State's proposal. The Washington Department of Ecology proposed to establish a No-Discharge Zone for Puget Sound which would prohibit the discharge of vessel sewage - both treated and untreated - into Puget Sound waters. Ecology's petition concluded that there is sufficient need for establishing a no-discharge zone to protect water quality and the related ecological, economic, and recreational benefits provided by Puget Sound.

EPA's role. Under Section 312 of the Clean Water Act, the EPA's role for this particular type of no-discharge zone designation (commonly known as a "312(f)(3) NDZ") is to determine whether adequate pump-out facilities for recreational and commercial vessels are reasonably available. EPA's final determination was based on information that the Department of Ecology included in its petition package and a supplemental submission.

EPA's final determination also considered over 40,000 comments received from individuals, environmental organizations, vessel associations, boating and yacht clubs, industry representatives, port authorities, federal, county, local and tribal governmental entities, and other interested groups.

H.R. 1315 Renewable Fuel Standard Reform Act of 2017: This bill introduced by Congressman Goodlatte, amends the Clean Air Act to revise the renewable fuel standard program. Beginning in 2017, the renewable fuel that is required to be blended into gasoline must be advanced biofuel, which cannot be ethanol derived from cornstarch. This bill revises the renewable fuel standards by decreasing the total volume of renewable fuel that must be contained in gasoline sold or introduced into commerce for years 2017 through 2022. The Environmental Protection Agency (EPA) must determine the target amount of cellulosic biofuel to be blended into transportation fuel based on the actual volume of cellulosic biofuel produced in the current year. The EPA must reduce the required volume of renewable fuel in transportation fuel by the same volume of cellulosic biofuel in the fuel. The EPA may not allow gasoline containing greater than 10% ethanol by volume to be introduced into commerce. Waivers that allow gasoline containing a greater percentage of ethanol are nullified.

The National Boating Federation provides full support for passage of **H.R. 1315**.