Week 2 Report

January 21, 2024

The Legislative Report is distributed weekly throughout the legislative session. Each edition includes an update of legislative activities as well as a list of specific legislative meetings of interest to ports. Copies of bills can be found on this page of the Legislature's web site: <u>Bill Information</u>.

INTRODUCTION

Week 2 of the 2024 Legislative Session was filled with a flurry of new bill introductions, committees holding work sessions, and public hearings on proposed legislation. Committees have already begun voting bills out of committee to move them along in the process.

Prior to the pandemic, Martin Luther King Day was one of the busiest days at the State Capitol, as masses of visitors and school children took advantage of their day off to honor the life of Dr. King and used the opportunity to visit the capitol and engage in the policymaking process. Despite being back to in-person legislating for the second year, the Capitol Campus was mostly empty and devoid of the high-energy atmosphere we used to see on holidays. Constituents from around the state appear to be taking advantage of the hybrid options that continue to allow them to testify and meet with legislators remotely.

At the end of the first week, there were about 900 new bills under consideration, adding bills introduced this week, and there are now close to 1100 new bills under review.

This week, the legislature continued to discuss several high-profile issues, including bills to address artificial intelligence, several labor and workforce related measures, if the state should have a role in unspent gift cards, shaking up the states recycling system by creating a bottle deposit return system and establishing an extended producer responsibility system, solar consumer protections, creating a new community solar program and more.

AT A GLANCE

Length: 60 days; Regular session began on January 8, 2024

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For current & previous copies of our report, visit our website at: washingtonports.org

SESSION CUT OFF DATES

The cut-off dates are designed to keep legislation moving. Any bill that fails to move past a cut-off deadline is usually considered "dead."

January 8, 2024: First Day of Session

January 31, 2024: Last day to read in committee reports (pass bills out of committee and read them into the record on the floor) in house of origin, except House fiscal committees and Senate Ways & Means and Transportation committees.

February 5, 2024: Last day to read in committee reports (pass bills out of committee and read them into the record on the floor) from House fiscal committees and Senate Ways & Means and Transportation committees in house of origin.

February 13, 2024: Last day to consider (pass) bills in house of origin (5 p.m.).

Aviation

SEA Airport legislation ("Improving Equity and Mitigation in Large Port Districts") Legislation to require the Port of Seattle to devote a certain portion of its tax levy to mitigating the noise and air impacts of aviation activities (SB 5955/HB 2103) was heard this week in the House and the Senate Local Government Committees. Alongside the Port of Seattle, WPPA testified to serious concerns with the bill, including: the bill's failure to acknowledge the substantial work the Port of Seattle does to mitigate airport impacts; the fact that airport noise and air quality mitigation efforts are funded primarily by airport revenues, not the port's tax levy and that legislation brings the State of Washington into the operational management and budget writing of an independent local government.

The bill sponsors are actively working on language to address many of the concerns raised by the Port and by WPPA, including our request that the section devoting a

February 21, 2024: Last day to read in committee reports (pass bills out of committee and read them into the record on the floor) from opposite house, except House fiscal committees and Senate Ways & Means and Transportation committees.

February 26, 2024: Last day to read in opposite house committee reports (pass bills out of committee and read them into the record on the floor) from House fiscal committees and Senate Ways & Means and Transportation committees.

March 1, 2024*: Last day to consider (pass) opposite house bills (5 p.m.) (except initiatives and alternatives to initiatives, budgets and matters necessary to implement budgets, differences between the houses, and matters incident to the interim and closing of the session).

March 7, 2024: Last day allowed for regular session under state constitution.

section of the tax levy to newly authorized mitigation be removed. At this time neither bill has been scheduled for Executive Session, the next step if they are to continue advancing. WPPA will continue to monitor and support the Port of Seattle's attempts to address our shared concerns with the bill.

Sustainable Aviation Fuel/Private lets

SB 6114, sponsored by Senator Liias, requires airports to provide jet fuel for use in private jets which includes a minimum of 10% sustainable aviation fuel (SAF) blend by 2028. WPPA supports the deployment of SAF but has concerns about the aggressive timeline particularly given that demand for SAF by commercial airlines is anticipated to exceed supply for the foreseeable future. WPPA is seeking input from our members to better understand potential infrastructure costs associated with adopting the policy. SB 6114 will be heard in the Senate Transportation Committee on January 23rd.

Unleaded Aviation Fuel Tax Exemption

Representative Dent has introduced a bill that would exempt unleaded aviation fuel from certain fuel taxes. <u>HB 2393</u> is designed to assist in the transition from leaded aviation gas to unleaded fuel by removing the tax. WPPA supports a "West Coast First" strategy deploying unleaded fuel in Washington first in an attempt to commercialize the fuel and accelerate its availability. There are some concerns, mainly, an up to \$500,000 reduction in revenue available to WSDOT Aviation through the Aeronautics Account. The bill will be heard in the House Transportation Committee on January 25th.

Broadband

CERB Rural Broadband Program

HB 1982, sponsored by Rep. Waters, would codify the Community Economic Revitalization Board's (CERB) Rural Broadband Program and make it a permanent part of the board's funding program. WPPA testified in support of the bill on January 9. On January 16, the bill was voted out of the Innovation Community & Economic Development & Veterans Committee unanimously without amendments. The bill has been referred to the House Capital Budget Committee. A committee hearing has not yet been scheduled.

Economic Development

Tax Increment Financing

Companion bills, <u>HB 2354</u> and <u>SB 6230</u> sponsored by Rep. Street and Sen. Rivers respectively, would alter existing tax increment financing law by allowing junior taxing districts the option to opt-in to economic develop projects developed within a tax increment area. WPPA has been asked to both support and oppose these bills by association members. Therefore, the association will remain neutral and communicate details related to status and progress of the legislation only. HB 2354 is scheduled for a hearing in the House Local Government Committee on January 24th. SB 6230 will be heard in the Senate Local Government, Land Use and Tribal Affairs Committee on January 23rd.

Promoting Economic Development Through Federal Funding

HB 1870, the Match Act, sponsored by Rep. Barnard, would direct Washington State Department of Commerce to provide local governments, including port districts, technical assistance aimed at securing additional federal funding for local government projects. WPPA has confirmed port districts would be eligible to receive this support based on the definition of local government found in the bill. On January 16, the bill was voted out of the Innovation Community & Economic Development & Veterans Committee without amendments. The bill has been referred to House Appropriations. It has not yet been scheduled for a hearing.

ADO Innovation Grants

HB 1717, from the 2023 session is quickly making its way through this year's legislative process. The bill would create an Innovation Grant program for Associate Development Organizations (ADO's) which would provide important new competitive funding for these economic development organizations. The program would be administered by Department of Commerce. On January 11, the bill was voted out of the House by a vote of 93-4 and has been scheduled for a public hearing in the Senate Business Financial Services, Gaming & Trade on January 23rd. WPPA will continue to support this important new tool for ADO's.

Nonresident Vessel Permit Lengths

HB 1906, sponsored by Rep. Chapman (D-24th), would increase the allowable nonresident vessel length from 200 feet in length to 300 feet in length. This legislation aims to encourage more boats to cruise Washington's waters and will allowing for extended stays and services including deep maintenance and retrofitting in Washington's boatyards. Several ports and WPPA supported HB 1906 in its first public hearing, and the bill was moved out of the Transportation Committee by a unanimous vote on Wednesday, January 17th. The bill was amended to include a fee for the acquisition of a nonresident vessel permit for vessels of this length. This is a priority of a key WPPA partner and Associate Member, the Northwest Marine Terminal Association, and WPPA will continue to support the measure as it advances.

.09 Funding - Expanded Use For Affordable Workforce Housing

HB 1987, sponsored by Rep. Low, would expand the eligible uses of .09 funds to include land acquisition for affordable workforce housing. WPPA testified with concerns during the hearing in the House Local Government Committee on January 12th and the committee advanced the bill on January 19th. The bill title does not support the primary interest of our members which is to ensure .09 funds can be used for land aquisition for public facility projects as well. WPPA continues to work with the bill sponsor to clarify that affordable workforce housing be retained for essential workers and available for workers within a reasonable distance from home. WPPA maintains that .09 funds are an ineffective tool to address affordable workforce housing because it does not raise enough funding to improve the stock of affordable workforce housing.

Renewing Washington's Engagement in International Affairs

HB 2000, sponsored by Rep. Mena, would broaden the state's existing international trade programs overseen by the Office of International Relations and Protocols. The bill also establishes specific protocols for engagement with British Columbia. The bill was heard and voted out of committee this week. The Senate version, SB 6168 was heard in the Business Financial Services, Gaming & Trade Committee on January 18th. WPPA supports these bills as they provide a meaningful update to the state's trade policy.

Encouraging Rural Economic Development Through Data Collection

SB 5817 and HB 1912 would task the department of revenue, the employment security department, and the department of commerce to collect and consolidate information about business in Washington state. Over time, the end use would be to analyze, and support increased economic development in rural areas of Washington by providing the data to Associate Development Organizations. SB 5817 was heard in the Senate Business, Financial Services, Gaming & Trade Committee. HB 1912 was voted out of committee with minor modifications on Friday. WPPA supports these bills as they propose removing barriers to effective economic development in predominantly rural areas of the state.

Including Ports/Others into the Intrastate Mutual Aid System

<u>HB 1978</u> would make port districts and other special purpose districts eligible partners of the Intrastate Mutual Aid System. This bill is agency request legislation for the Military Department. WPPA support this bill which was voted out of committee on January 16th and is currently in the House Rules Committee.

Energy

Appeals Process for Environmental and Land Use Matters

<u>HB 2039</u>, introduced by Majority Leader Rep. Joe Fitzgibbon (D-West Seattle), is part of a multi-year effort to continue to work on improving the energy siting process in Washington state. This bill specifically focuses on modifying and streamlining the appeals process. On January 8th, the bill had a public hearing in the House Environment and Energy Committee where WPPA testified in support and noted the need for further expediting the siting and permitting process. The bill is still in committee, scheduled to be voted out next week January 23rd.

Community Solar

HB 2253, introduced by Rep. David Hackney (D-Tukwila) would establish a new community solar program in Washington state. The bill redefines many community solar related terms and includes a requirement that fifty percent of program participants must be low-income households. Under the bill the maximum allowable size of community solar project is increased from 1,000 kilowatts to 5,000 kilowatts. A public hearing was held on January 16th in the House Environment and Energy Committee. Organizations that provided testimony in support including groups like the Coalition for Community Solar Access, Northwest Energy Coalition, Olympia Community Solar, and Climate Action of Southwest Washington. PacifiCorp, Avista, Puget Sound Energy, the Association of Washington Business, and Washington Public Utilities District Association testified in opposition, with concerns that it would impact the state's current community solar framework, without creating additional benefits. On January 19th, the senate version of the bill, SB 6113 had a public hearing in the Senate Environment, Energy & Technology Committee. Neither version of the bill has been scheduled for a vote out of committee.

Water Supply for Energy Permitting

HB 2042, introduced by Rep. Corry (R-Yakima), would require applicants to the Energy Facilities Site Evaluation Council for an "energy facility site certification for an energy facility that generates electricity using renewable resources" to provide evidence of an adequate water supply for the project. This would create a new permitting requirement for energy facilities. HB 2042 has not been scheduled for a hearing. The Senate companion legislation, SB 5992, sponsored by Sen. Warnick (R-Moses Lake) is scheduled for a hearing in the Senate Environment, Energy, and Technology Committee on January 24th.

PSE Phasing Out of Natural Gas

During the 2023 Legislative Session, the state's largest investor-owned utility, Puget Sound Energy, brought forward proactive legislation (HB 1589) that would have outlined a path for them to ease out of the retail natural gas business. Under the proposal, the bill did not call for discontinuing service to current natural gas customers however it did include an almost immediate timeline that it would have stopped connecting new customers (June 30, 2023 – just two short months after the end of the 2023 session). It requires the utility to create a gas decarbonization plan and an electrification plan. Ultimately, the legislation failed to pass. On January 11, HB 1589 was revived, and both chambers of the Legislature caucused on a new version of the bill which can be found here. It is still in the Rules Committee waiting to get scheduled for a full House floor vote.

Climate Commitment Act – Linkage with California & Quebec

SB 6058/HB 2201, introduced by Chairs of the Senate and House Energy Committees, Sen. Nguyen (D-West Seattle) and Rep. Doglio (D-Olympia), would allow the Department of Ecology to pursue linking the state's carbon market with California and Québec. On January 12th, the Senate version of the bill had a public hearing in the Environment, Energy, and Technology Committee and it is scheduled for a committee vote January 26th. On January 15th, the House version of the bill had a public hearing in the Environment and Energy Committee, and it is scheduled for a committee vote January 23rd. WPPA has been monitoring this process as Ecology will have to undertake rulemaking if this is approved.

Offshore wind (and dams?)

Representative Larry Springer introduced a bill this session (HB 2341) that would direct the University of Washington undertake a study of how any potential offshore wind development will impact the ocean ecosystem. The bill initially attracted the attention of WPPA due to the fact that some member ports are interested in participating in the supply chain to support the California deployment of offshore wind turbines, while other ports are concerned at the potential impact to the commercial fishing industry. Perhaps of greater interest in the bill, however, is an "Intent" section (an introductory section that can be used to explain what a bill is trying to accomplish, that doesn't carry force of law) that makes sweeping and critical claims of the impacts the state's hydropower industry has had on fish and marine ecosystems. After speaking with the bill sponsor and expressing concern with that section, WPPA staff appeared before the House Agriculture and Natural Resources Committee on Friday, January 19th, to share the same feedback with that panel. The legislation appears more likely to continue only as a budget item, and the intent section and its critique of the hydro system is not expected to remain a part of that policy. WPPA will continue to work with the committee and the bill sponsor on next steps.

Environmental & Natural Resources

Petroleum Product Supply and Pricing

At the request of Governor Inslee, the Chairs of the House and Senate environment committees are bringing forward legislation (SB 6052/HB 2232) that's intended to collect information on petroleum product supply, transportation, distribution, and pricing from point of entry to pump. Characterized by proponents and sponsors as a response to consumer gas price spikes over the past year, the bill has attracted the attention of WPPA and our members due to its inclusion of ports, port operators, and terminal operators in its oversight of the petroleum supply chain. WPPA met with the bill sponsor, the Governor's Office, the Utilities and Transportation Commission, and testified at the hearing on Wednesday, January 17th, to share concerns with the bill potentially adding unnecessary burdensome reporting requirements on our members. The position that was articulated in WPPA staff testimony was that public ports simply provide the infrastructure for the movement of petroleum products. Ports are not setting prices – the stated focus of the legislation – and hence should not be inadvertently captured in this bill. WPPA staff have suggested amendment language to achieve this, and are eagerly awaiting word on whether an amendment will be included.

Model Toxics Control Act (MTCA)

When the State Legislature adopted the 2023-25 biennial operating budget last April, they included a transfer of \$50 million from the MTCA operating account to the state's general fund for fiscal year 2025. Unfortunately, the Governor's proposed supplemental operating budget maintains that \$50 million transfer from the MTCA operating account. This week, WPPA and a coalition of stakeholder groups sent a letter to the House Appropriations Committee and the Senate Ways and Means Committee requesting that the Legislature reverse transfer when it adopts its supplemental operating budget, keeping MTCA whole. Specifically, our letter asks budget writers to restore \$50 million in the General Fund for environmental programs and putting the \$50 million back in the MTCA operating account for its intended purpose of supporting the reduction of toxic pollution. The organizations that partnered with us in this effort included: Western States Petroleum Association (WSPA), Association of Washington Cities (AWC), Washington State Association of Counties (WSAC), Washington Conservation Action. We will continue to advocate for this budget change in meetings with lawmakers over the course of session.

Environmental Justice for Certain Projects

HB 2070/SB 5990 introduced by Rep. Mena (D-South Tacoma) and Sen. Lovelett (D-Anacortes), the bill would integrate environmental justice (EJ) considerations into certain projects. Among other requirements, it would require an EJ impact statement on projects defined as a "potentially impactful project." EJ is an important component to consider in impactful projects, however, the requirements outlined in the bill would add additional costs and create further delays in project timelines. It could be argued that much of this is already required in the state HEAL Act and SEPA process. Additionally, the bill prohibits compelling public interest from including considerations of economic benefits. A public hearing was held on January 16th in the House Committee on Environment and Energy. There were numerous people signed up to testify at the public hearing, which ran out of time. Many local advocacy and environmental groups in support of including EJ considerations to priorities reducing the cumulative impacts of pollution in already underserved communities. Opponents and others with concerns highlighted increasing cost, duplicate processes, and the need for clarity. We will continue to follow this bill, but at this time it is not scheduled for additional action in the week ahead.

Safer Products for WA – 6PPD

SB 5931 was introduced by Sen. Salomon (D-Shoreline). This bill identifies the chemical 6PPD as a priority chemical, which Ecology was already working on, and expedites that process. The public hearing in the Committee in Environment, Energy, and Technology on January 9th resulted in some concerns coming up and the Senator committing to working on an amendment for the bill's proposed timeline. It is scheduled for a committee vote January 26th, no amendment has yet been released. WPPA has been monitoring this process due to a lack of available alternatives, ongoing research and studies happening relating to the chemical, and Ecology will have to undertake rulemaking if this is approved.

Sale of Biogenic Carbon Dioxide

SB 5919 was introduced by Sen. King (R-Yakima) and gives public utility districts express authority to sell at wholesale, biogenic carbon dioxide, and other marketable coproducts resulting from the processing of biogas from landfills, anaerobic digesters, and wastewater treatment facilities. Biogenic CO2 is of interest in the development of e-fuels that can replace convention fuel types. A public hearing was held in the Senate Committee on Environment, Energy and Technology on January 16th and those that testified were supportive of the opportunity to produce renewable natural gas from landfills, allowing utilities to produce cleaner energy. The bill is scheduled to be voted out of committee on January 26th.

Small Off-Road Engines

HB 2051 is sponsored by Rep. Walen (D-Bellevue) at the request of the local advocacy group Quiet and Clean Kirkland. The bill would ban new, starting in 2027, gas-powered outdoor equipment under 25 horsepower like leaf blowers and lawnmowers in Washington state. It would establish a \$5 million temporary grant program for local governments to purchase zero emission outdoor power equipment and would establish a broad sales and use tax exemption. On January 11, the bill had a public hearing in the House Environment & Energy Committee and is scheduled to be voted out of committee on January $23^{\rm rd}$.

Repealing the Greenhouse Gas Content Disclosure Program

<u>HB 1955</u>, sponsored by Rep. Barnard (R-Pasco) at the request of the Department of Commerce, would simplify reporting requirements for electric utilities. Under the Clean Energy Transformation Act, utilities are required to report greenhouse gas emissions as a metric for measuring compliance. Additional reporting requirements have passed since 2019 and this provision is no longer needed. On January 9, the bill had a public hearing in the House Environment and Energy Committee and was voted out of committee on January 18 without amendments.

Surveys of state-owned aquatic lands

HB 1863 was introduced by Rep. Christian (R-Spokane Valley) at the request of local private homeowners on Newman Lake due to disputes over dock structures. The bill would prohibit the Department of Natural Resources (DNR) from requiring payment for surveys of state-owned aquatic lands by current or prospective lessees of such lands. A public hearing was held on January 10 at the House Committee on Agriculture and Natural Resources where concerns were raised that this bill was being introduced to resolve a local land dispute. We will continue monitoring its progress but do not expect this bill to pass out of committee.

Governance

Prejudgment Interest

Legislation from 2023, Senate Bill 5059, would allow interest for judgements against public agencies to begin accruing *before a claim was filed* and, in some cases, before an entity is made aware of injury or loss. Current law provides that interest begins to accrue on the date a judgment is entered by a court, so this bill represents a substantial change with potentially substantial consequences. On January 15, the bill had a public hearing in the Senate Ways & Means Committee. Nearly 100 entities weighed in in opposition including Washington Public Ports Association, Port of Seattle, Port of Tacoma, Port of Everett, Association of Washington Cities, Washington State Association of Counties, and the Association of Washington Business.

Even-Numbered Year Elections

Legislation (HB 1932) brought forward sponsored by Representative Mia Gregerson (D-SeaTac) would permit cities, towns, and some limited purpose governments to hold their elections in even-numbered years instead of odd-numbered years. The *original* bill included a "mandatory" component, requiring those political subdivisions to transition to even-numbered years if they experience less than 40 percent voter turnout in four consecutive election cycles. That bill was opposed by some local governments who specifically highlighted their opposition to a *mandated change* in election policy. The Secretary of the State's office also testified to their concerns.

When the bill advanced through Executive Session, it was amended to remove the mandatory provision. With the bill now only permissive, it passed the Committee with Representative Sam Low (R-Marysville) joining the Committee's Democrats to support the bill. It has been sent to the Rules Committee where it will need to be pulled to the Floor Calendar to continue advancing this Legislative Session.

State Public Infrastructure Assistance Program

The State Military Department requested <u>HB 2020</u> which would establish a public infrastructure assistance program. WPPA testified with technical concerns including making sure the bill allowed port districts to be eligible to receive infrastructure assistance. WPPA has worked with the Military Department to modify the language. The bill was voted out of the Innovation, Community & Economic Development & Veterans Committee on January 16th and was referred to the House Appropriations Committee.

Labor & Workforce

Crane Safety

Companion bills designed to increase the safety of the installation and removal of construction cranes continued to see action this week. The house version of the bill, <u>HB 2022</u> (SB 5900) was amended and voted out of committee on January 19. <u>The amended version of the bill</u> included language to ensure cranes in operation at port terminals and other port operations are excluded from the legislation.

Apprenticeship Utilization - Responsible Bidder Criteria

WPPA testified with concerns on <u>SB 5133</u> in the Senate Ways & Means Committee on January 16th. An amended version of the bill would establish additional hurdles for contractors to meet including becoming a registered training agent for apprentices for projects requiring apprenticeship utilization minimums. WPPA has concerns about this legislation as it continues to add more oversight requirements for port districts on apprenticeship utilization, a policy which won't actually take effect until July 2024. WPPA testified that additional requirement on top of the existing implementation is too far too fast.

Public Works – Prompter Pay

WPPA testified with concerns on January 19th on <u>SB 6040</u> which encourages the adoption of policies and procedures that support paying subcontractors sooner after completion of work. WPPA supports the removal of barriers that encumber small, women, minority and veteran-owned businesses from thriving. However, we testified that the bill would not achieve its goal and may actually delay progressive payments. WPPA supports existing work being done by the Capital Projects Advisory Review Board (CPARB) to find a path forward

Concerning Access to Personnel Records

SB 5924, sponsored by Sen. Kuderer, is similar to legislation we saw in 2023, but has been reintroduced with changes. The bill would require an employer to furnish an employee with a complete, unredacted copy of their personnel file at no cost, if requested, within 21 calendar days (changed from 14 calendar days in 2023). The bill had a public hearing on January 11, scheduled to be voted out of committee on January 23.

Expanding Unemployment Insurance Benefits to Striking and Locked Out Workers HB 1893/SB 5777, sponsored by Rep. Doglio and Sen. Keiser, would allow employees to access unemployment insurance benefits when the employee is on strike or has been locked out following a strike against the employer. On January 9, both the Senate and House version of the bill had public hearings in their respective labor committees. SB 5777 was voted out of Committee on January 17 and HB 1893 is scheduled for a vote out of Committee on January 24.

Adding Protected Classes in Washington to the Equal Pay and Opportunities Act HB 1905/SB 5894, sponsored by Rep. Mena and Sen. Nobles, would update Washington's equal pay and opportunities act to include protected classes including but not limited to, a person's age, sex, marital status, sexual orientation, race, military status, the use of a trained dog, guide or service animal, etc. Should this bill pass, an employer may not discriminate, limit, or deprive an employee of career advancement opportunities that would otherwise be available. The violations in Washington's current Equal Pay Act would remain the same. On January 19, the committee approved the bill with an amendment specifying that a person can file a complaint or bring action under the Equal Pay and Opportunities Act based on membership in more than one protected class and requiring the Department of Labor and Industries to conduct outreach on the new provisions. Lastly, the effective date was delayed to July 1, 2025. The Senate version had a public hearing on January 15 and has not yet been scheduled for a vote out of committee.

Protecting the Rights of Workers From Attending Meetings or Listening to Their Employer's Speech HB 1940/SB 5778, would prohibit an employer from disciplining or discharging or acting against an employee for refusal to attend an employer-sponsored meeting, listen to speech, or view communications, when the primary purpose of which is to communicate the employer's opinion concerning religious or political matters. On January 10, the House version of the bill had a public hearing in House Labor and is scheduled for a vote out of committee on January 24. The Senate version had a public hearing last week and was advanced out of committee on January 16. It is now in the Senate Rules committee awaiting further action.

Land Use

State Aerial Imagery Program

HB 1990/SB 5954 was introduced by Rep. Ryu (D-Shoreline) to create a Washington state aerial imagery program. This program would provide aerial imagery services to local governments, state agencies, special purpose districts, and tribal governments with an option to buy-up derived products or enhanced imagery at reduced rates. A program like this could be useful for port surveys, however WPPA is monitoring the bill to make sure ports would have access and privacy rights are maintained. A public hearing was held on January 10th in the House Committee on State Government and Tribal Relations and an executive session is scheduled for January 19th which approved the bill with an amendment allowing a tribal land opt-in option.

Assessment of State Lands for Agricultural and Renewable Energy Purposes

HB 2336, introduced by Rep. Morgan (D-Parkland) would require the Department of Agriculture (WSDA) to perform an assessment of unused and underutilized state-owned lands and to determine the suitability of such lands for agricultural purposes. If the land is found not suitable for agricultural purposes, the Washington State University Energy Program is required to perform an assessment to determine the suitability for renewable energy production purposes. On January 17th, the bill had a public hearing in the House Agriculture and Natural Resources Committee. Supporters included the Department of Natural Resources, the Washington State Department of Agriculture, Yakima County, Farmland Trust, Audubon Society and Avangrid. The bill has been scheduled for a vote out of committee on January 24th.

Transportation

Freight Rail Modernization

WPPA testified in support of $\underline{SB~5494}$ in the Senate Business Financial Services Gaming & Trade Committee on January 18^{th} . Most port districts making investments in rail infrastructure will be eligible for a Sales and Use Tax exemption on materials purchased as part of a rail infrastructure project. WPPA worked with stakeholders including shortline rail interests over the interim to perfect the bill language. The bill is scheduled to be exec'd by the committee on January 23^{rd} . The companion bill $\underline{HB~1371}$ was pulled for the House Finance Committee to the House Rules Committee. WPPA is working with the chair to move this version out of committee and onto the floor calendar.

Tax & Revenue

Increasing the 1% Property Tax Cap

WPPA has joined a coalition of local governments that is coming together to ask the legislature to consider legislation (SB 5770) that would increase the 1% property tax cap. Led by the Association of Washington Cities, Senator Pedersen's (D-Seattle) bill would tie the cap to inflation and make 3% the new maximum increase limit. More than 100 people provided testimony to the Senate Ways and Means Committee when the bill was heard on Thursday, January 18th. This is progress when compared to last year, as that version of the property tax cap lift didn't even receive a public hearing. WPPA signed in PRO at that proceeding and will continue to support it, though its prospects for passage appear challenging.

Tourism

Two bills have been introduced (SB 6080/HB 1896 and SB 6202/HB 2137) that make modest changes to the state's tourism marketing authority and its governing statute. These bills are considered "technical corrections," and both are supported by our partners in the tourism community. This week, all four bills saw action which is an early indication that they likely will make it across the finish line, and Commissioner Fred Felleman from the Port of Seattle testified at the House Appropriations Committee in support of HB 1896. WPPA will continue to support these bills as they move through the process, as will many of our member ports.

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