

Week 3 Report

January 27, 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

During the third week of the Legislative session, the focus continued to be introducing new policy bills, public hearings on proposed legislation as well as voting bills out of committee. WPPA staff is actively managing the details, participating in conversations around alternative bill language by getting committee amendments adopted prior to bills moving along in the process.

Once again, the legislature held several public hearings on climate and environmental related bills as well as focused on several priority bills for Democrats including health data privacy, wealth tax, and margins tax. And the legislative hallways were more crowded than usual this week, with several overlapping advocacy days, many of which featured WPPA partners. The Washington Economic Development Association held its Advocacy Day on Thursday of this week, the same day as the Aerospace Futures Alliance. The Northwest Marine Terminal Association and the Association of Washington Business both sent members to the Hill as well, bringing forward priorities that WPPA supports as well, such as tourism and marina proposals.

Notably, January 31 marks the first legislative deadline, when all bills must pass out of their respective policy committee to remain alive unless they have an impact on the state budget. That impacts the committee schedule for next week, with the focus of the latter half of the week turning toward fiscal committees, and long sessions with packed agendas expected in House and Senate Transportation, House Appropriations, and Senate Ways and Means.

AT A GLANCE

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

For up-to-date legislative information, visit: <u>leg.wa.gov</u>

To listen to a legislative hearing, visit: <u>tvw.org</u>

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

NEXT WEEK'S HEARINGS

Port Day: For those traveling to Olympia for Port Day next week, please see below for a schedule of committee proceedings of interest and prospective floor action, in case you have down time between meetings and want to see the legislative process in action!

Thursday, Feb. 1st

1:30pm – Public Hearing, Senate Transportation Committee J.A. Cherberg Building, Hearing Room 1

Scheduled for public hearing:

 SGA 9362, JC Baldwin, Member, Transportation Commission (Commissioner Baldwin will appear before the committee to formalize her appointment to the Transportation Commission – stop by and check it out if you can!) This coming week also heralds the arrival of Port Day, held this year on Friday, February 2nd, and we hope to see many of you at the Capitol and in our offices. We are jointly hosting a reception with the Washington Maritime Federation, set for 5pm on Thursday, February 1st, and are welcoming legislative leaders for a breakfast event on Friday, February 2nd. For those who can remain on campus and have Friday morning meetings with their legislators, please join us for lunch as well, where Speaker Laurie Jinkins will address our group at 12pm on Friday, 2/2. <u>Full details on Port Day and associated</u> <u>events available here.</u>

Aviation

SEA Airport legislation

The bill to require the Port of Seattle to devote a certain portion of its tax levy to mitigation of noise and air impacts from SEA Airport (<u>SB 5955/HB 2103</u>) appears likely to move out of the Senate Local Government Committee in the week ahead, with some substantial amendments currently under consideration. With the Port of Seattle as the lead, WPPA continues to express concerns with the current bill, specifically the manner of which it brings the State of Washington into the operational management and budget process of an independent local government. Details on the final amendment language that the bill sponsor will put forward are not clear, but WPPA remains concerned about the bill and will continue to raise those concerns with policymakers.

Sustainable Aviation Fuel/Private Jets

<u>SB 6114</u>, sponsored by Sen. Liias (D-Edmonds), 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 testified with concerns about the 2028 implementation date and suggested additional off ramps may be needed for the bill to be viable. We have been working on modified language with the sponsor to ensure this bill can be implemented and that it doesn't interfere with existing incentives for in-state production.

- Senate Bill 6302, creating a Washington state supply chain competitiveness program (see Port Action Needed below for details, WPPA supports this bill and is encouraging ports to weigh in as well)
- Senate Bill 6304, implementing certain recommendations of the Transportation Electrification Strategy

Scheduled work session:

Transportation agencies cybersecurity
 review

Friday, February 2nd:

10:30am – House Transportation Committee John L. O'Brien Building, Hearing Room B

Scheduled work session:

- Highway Preservation Program
- Highway Improvements Program
 Current project costs and contracting trends
 - Megaprojects update

10:30am – House Appropriations Committee John L. O'Brien Building, Hearing Room A

Schedule for Public Hearing:

 Bills referred to Committee (This will be updated through the week with legislation that could be of interest to WPPA members)

Port Action Needed!

<u>SB 6302</u> establishing the Port Supply Chain Competitiveness Infrastructure Program was introduced earlier this week and will be heard in the Senate Transportation Committee on February 1st at 1:30pm. Please consider testifying or signing in to support this important new program! The bill is sponsored by Senator's Liias and King, and the bill would establish a grant and loan program designed to fund port or port-adjacent projects that specifically address bottlenecks and barriers to an efficiently operating supply chain. For more information on this bill please see the Transportation section of this report.

Unleaded Aviation Fuel Tax Exemption

Rep. Dent (R-Moses Lake) 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 taxes through 2031. WPPA supports a "West Coast First" strategy deploying unleaded fuel in Washington first to commercialize the fuel and accelerate its availability. There are some concerns, mainly, an \$11 million fiscal impact that threatens forward progress on the bill. WPPA supports this bill and will advocate removing certain tax provisions that should increase the likelihood that the bill will be further considered.

Broadband

CERB Rural Broadband Program

<u>HB 1982</u>, sponsored by Rep. Waters (R-Stevenson), 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 is seeking ports interested to testify in support on February 1st in the House Capital Budget Committee. Please contact Chris Herman if you can testify either in-person or remotely.

Economic Development

Tax Increment Financing

Companion bills, <u>HB 2354</u> and <u>SB 6230</u> sponsored by Rep. Street (D-Seattle) and Sen. Rivers (R-La Center) respectively, would alter existing tax increment financing law by allowing junior taxing districts the option to optin 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 not engage in advocacy on either bill and will merely communicate details related to the status and progress of the legislation through these reports and in our Monday lunch meetings. Both bills had their initial public hearings in committee this week, but as of Friday evening neither bill has been scheduled for Executive Session in the week ahead.

Promoting economic development through federal funding <u>HB 1870</u>, The Match Act, sponsored by Rep. Barnard (R-Pasco), 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.

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.).

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.

* After 5:00pm on the 54th day, only initiatives, alternatives to initiatives, budgets and matters necessary to implement budgets, matters that affect state revenue, messages pertaining to amendments, differences between the houses, and matters incident to the interim and closing of the session may be considered. 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. Please contact your House membership if you are supporting this bill and ask that it be heard in the House Appropriations Committee.

ADO Innovation Grants

<u>HB 1717</u>, continues to sail through the process! This 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. On January 23rd the bill had a public hearing in the Senate Business Financial Services, Gaming & Trade Committee and is now scheduled for a vote out of Committee on Jan 30. WPPA will continue to support this important new tool for ADO's.

Nonresident vessel permit lengths

<u>HB 1906</u>, sponsored by Rep. Chapman (D-Port Angeles), 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 amended and moved out of the Transportation Committee by a unanimous vote on Wednesday, January 17th. The bill now sits at the Rules Committee, where WPPA will coordinate with our partners at the Northwest Marine Trade Association to try to advance it to the next step in the process: a vote on the House floor.

.09 Funding – expanded use for affordable workforce housing

<u>HB 1987</u>, sponsored by Rep. Low (R-Marysville), 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 our members' primary interest, which is ensuring .09 funds can be used for land acquisition for public facility projects. 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. The bill will next be heard in the House Finance Committee on January 30th.

Renewing Washington's engagement in international affairs

<u>HB 2000</u>, sponsored by Rep. Mena (D-South Tacoma), 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 in the House Appropriations Committee this week and is scheduled for exec on January 31st. The Senate version, <u>SB 6168</u> is in the Senate Rule Committee. WPPA supports these bills as they provide a meaningful update to the state's trade policy.

Encouraging rural economic development through data collection

<u>SB 5817</u> and <u>HB 1912</u> 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 awaits a hearing in the House Appropriations Committee. WPPA supports these bills as they propose removing barriers to effective economic development in predominantly rural areas of the state.

Energy

WPPA's Focus on Energy

This session there are numerous bills relating to energy including things like tax incentives for clean energy manufacturing, energy storage, community solar, linkage, and geothermal energy. While we will continue to engage in energy-related bills that directly impact ports, this is an emerging topic of importance for many of our port members. The state of Washington has big energy and decarbonization goals and initiatives. Because of this, the state and private sector industries will move forward with electrification, developing new clean energy technologies, and building the infrastructure and capacity to support it. This is an important economic opportunity and development space for ports to stay engaged with and influence. WPPA's priority when advocating on energy legislation is to broadly support incentives for greater opportunities and projects. Ports can be a key partner to attract manufacturers and development of the technologies critical to reaching the state's carbon goals.

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. WPPA testified in support of the bill at the public hearing. An amendment was adopted in the House Environment and Energy Committee that added certain criteria for consolidation of appeals cases. The bill was voted out of committee on January 23.

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 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, but it included an almost immediate timeline that it would have stopped connecting new customers (June 30, 2023). It requires the utility to create a gas decarbonization plan and an electrification plan. Ultimately, the legislation failed to pass. On January 11th, <u>HB 1589</u> sponsored by Rep. Doglio (D-Olympia) was revived. After a lengthy floor debate, the bill passed the House (52-45) with discussion of the bill being amended further on the Senate side. The Senate companion of the bill, <u>SB 5562</u>, is scheduled for a public hearing in the Senate Committee on Environment, Energy, and Technology on January 31st.

Climate Commitment Act – Linkage with California & Quebec

<u>SB 6058/HB 2201</u>, 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 23rd, the House Committee on Environment and Energy Committee voted to approve the bill. The Senate Committee on Environment, Energy, and Technology voted to approve the bill on January 26th. Both committees approved the bill with an amendment to address some technical issues and allow Bonneville Power Administration (BPA) to opt-in to the program. WPPA has been monitoring this process as Ecology will have to undertake rulemaking if this is approved.

Legislative Update on the Columbia Basin Restoration Initiative [Snake River Dams]

On Wednesday, January 24th, WPPA cohosted a "Lunch and Learn" event to educate lawmakers in Olympia on the recently developed Columbia Basin Restoration Initiative (CBRI) and the commitments made by Governor Inslee in signing the US Government Commitments (USGC). The USGC is signed by the States of Washington, Oregon and four Tribal Nations including the Nez Perce Tribe, the Confederated Tribes of the Warm Spring Reservation of Oregon, the Confederated Tribes of the Umatilla Indian Reservation and the Confederated Tribes and Bands of the Yakama Nation. The crux of the issue is the four Snake River dams that provide irrigation and emissions-free hydropower for nearby communities but are seen as a major barrier to fish passage directly impacting 13 species of salmon and steelhead. The CBRI and USGC deal signifies an agreement by the federal government and each of the six signatories to actions designed to return healthy and abundant levels of salmon to the Snake River and clean energy production by the tribes over the next ten years. The Lunch and Learn was cohosted in partnership with the Pacific Northwest Waterways Association, Northwest RiverPartners, the Washington Public Utility Districts Association, the Northwest Rural Electric Cooperatives Association, and more – to draw attention to the CBRI and discuss the state legislature's possible role. Future considerations for state lawmakers will include funding relating to transportation on the river, power generation from the dams, efficient movement of freight and people, sufficient power supply, meeting the states electrification and carbon reduction goals, supporting agriculture, and much more. Earlier in the month, WPPA along with the partner organizations sent a letter to Governor Inslee asking him, among other questions, to clarify the commitments made by the State of Washington in the USGC.

The event featured bipartisan attendance and we were glad to welcome our partners from PNWA, with Executive Director Neil Maunu also representing the port industries' concerns with the USGC. The conversation started on Wednesday will continue with lawmakers and the Administration, and WPPA will keep members apprised of those conversations within this legislative session and beyond.

Offshore wind

Last week, WPPA testified to concerns with <u>HB 2341</u>, which would direct the University of Washington to study the impacts to the ocean ecosystem of offshore wind development. Central to WPPA concerns were the "Intent" section of the bill, which took a swipe at the impact of the state's hydropower system on salmon. After the bill was heard at the House Agriculture and Natural Resources Committee on Friday, January 19th, it appeared likely that the bill sponsor, Rep. Springer (D-Kirkland) would *at least* remove the intent section. And while the bill is scheduled for Executive Session at its House committee next week, it is still likely to become a budget proviso rather than to continue as a legislative proposal.

Meanwhile, WPPA is supporting a budget request from Sen. Lovelett (D-Anacortes) and Rep. Fosse (D-Everett) that would put state resources toward a study of the potential offshore wind *supply chain*. That legislation is consistent with the interest of some WPPA ports in potentially supporting the deployment of offshore wind resources in California, which could lead to economic opportunity for Washington ports.

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 (<u>SB 6052/HB 2232</u>) that's intended to collect information on petroleum product supply, transportation, distribution, and pricing from point of entry to pump. Characterized 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's position is that public ports simply provide the infrastructure for the movement of petroleum products. Ports *do not set* prices nor have the information they are seeking and therefore should not be captured in the bill's reporting requirements. WPPA staff have suggested amendment language to achieve this. The bill is scheduled to be voted out of the Senate Committee on Environment, Energy, and Technology on January 30th.

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. WPPA and a coalition of organizations are requesting restoration of the \$50 million in the General Fund for environmental programs and putting the \$50 million back in the MTCA operating account for its intended purpose. 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 during the session.

Environmental Justice for Certain Projects

<u>HB 2070/SB 5990</u> was introduced by Rep. Mena (D-South Tacoma) and Sen. Lovelett (D-Anacortes) and integrates environmental justice (EJ) considerations into certain projects. It would require an EJ impact statement on projects defined as a "potentially impactful project" as a part of the SEPA process. EJ is an important component to consider in impactful projects, however, the requirements outlined in the bill would add additional costs and may create further delays in project timelines. Additionally, the bill prohibits compelling public interest from including considerations of economic benefits. It is scheduled to be voted out of the House Committee on Environment and Energy on January 29th and scheduled for a public hearing in the Senate Committee on Environment, Energy, and Technology on January 30^{th.}

Safer Products for WA – 6PPD

<u>SB 5931</u> 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 Senate Committee on Environment, Energy, and Technology approved the bill with an amendment that removed the timeline to expedite the process and includes new definitions. WPPA has been monitoring this process due to a lack of available alternatives, ongoing research and studies relating to the chemical, and Ecology will have to undertake rulemaking if this is approved.

Sale of Biogenic Carbon Dioxide

<u>SB 5919/HB 2069</u> 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. The Senate Committee on Environment, Energy, and Technology approved the bill and voted it out of committee on January 26th. It is scheduled to be voted out of the House Committee on Environment and Energy on January 30th. 2051

Small Off-Road Engines

<u>HB 2051</u> 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. The bill is scheduled to be voted out of the House Environment & Energy Committee on January 30th, potentially with some amendments.

Surveys of state-owned aquatic lands

<u>HB 1863</u> 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

Public comments – technical changes

Next week, the Senate Committee on State Government and Elections will hold a public hearing on HB 1105, legislation that would require a public agency that solicits public comment to include the last date by which such public comment may be submitted. This legislation passed the House last session with no opposition and has once again passed the House in 2024 on a 98-0 vote. WPPA is not engaging in advocacy related to this bill, but is monitoring its progress and will continue to update our members on its path to passage.

Prejudgment Interest

We continue to closely watch Senate Bill 5059, which 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. During the public hearing last week, 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. The bill has not yet been scheduled for Executive Session, and it will need to advance by Jan 31st to remain alive this session.

Even-numbered year elections

Legislation (<u>HB 1932</u>) brought forward sponsored by Rep. 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. 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 bipartisan support. It now sits on the House Floor Calendar and can be considered for a vote any day.

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 State Military Department. WPPA supports this bill, voted out of committee on January 16th and is in the House Rules Committee.

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 where a hearing has yet to be scheduled.

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 are excluded from the legislation. The bill has been referred to the House Appropriations Committee.

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. Other organizations such as cities and the Office of Women and Minority-owned Businesses also have concerns with this legislation.

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 as drafted would likely have the opposite effect. The bill is scheduled to be voted out of committee on January 30th.

Concerning access to personnel records

<u>SB 5924</u>, sponsored by Sen. Kuderer (D-Bellevue), 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 is in Ways & Means after being voted out of committee on a party line vote.

Expanding unemployment insurance benefits to striking and locked out workers

<u>HB 1893/SB 5777</u>, sponsored by Rep. Doglio (D-Olympia) and Sen. Keiser (D-Des Moines), 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 its House Committee on January 24.

This has attracted the attention – and opposition – of public entities like school districts, who are concerned about the cost of implementation. Ports with represented employees are potentially

impacted, as "reimbursable employers" who don't pay unemployment insurance but instead reimburse the Employment Security Department for benefits paid out. WPPA will reach out to ports in the next week to gauge potential impacts with an eye toward potentially engaging and sharing concerns with lawmakers. Please reach out to WPPA if you have a represented workforce and have thoughts on the proposal.

Land Use

State Aerial Imagery Program

<u>HB 1990/SB 5954</u> 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. The House Committee on State Government and Tribal Relations voted to approve the bill with an amendment allowing a tribal land opt-in option on January 19.

Assessment of state lands for agricultural and renewable energy purposes

<u>HB 2336</u>, 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 unsuitable for agricultural purposes, the Washington State University Energy Program must assess the suitability for renewable energy production. The House Agriculture and Natural Resources Committee approved the bill with a substitute amendment that provides clarification language on January 24th.

Transportation

Port Supply Chain Competitive Infrastructure Program

<u>SB 6302</u> establishing the Port Competitiveness Infrastructure Program was introduced earlier this week and will be heard in the Senate Transportation Committee on February 1st at 1:30pm. Please consider testifying or signing in support of this important new program! The bill is sponsored by Senator's Liias and King, the bill would establish a grant and loan program designed to fund port or port -adjacent projects that specifically address bottlenecks and barriers to an efficiently operating supply chain. These projects are often challenging to fund through existing programs but impede Washington's competitiveness and our trade-driven economy. This program is designed to be flexible by enabling infrastructure investments in the many diverse needs that ports have including in-water, dredging, highwide-heavy corridor compliance and much more. Despite his interest in helping establish a program this year, Sen Liias has conveyed that this year's supplemental transportation budget would not support any project funding this year, giving us the opportunity to stand up the program and prepare to work on funding it in 2025.

Freight Rail Modernization

<u>SB 5494</u> was voted out of the Senate Business Financial Services Gaming & Trade Committee on January 23^{rd.} 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 companion bill <u>HB 1371</u> is in the House Rules Committee. WPPA is working with the chair to move this version out of committee and onto the floor calendar.

Transportation Electrification Strategy – implementing legislation

<u>SB 6304</u> was introduced by Senator Liias (D-Edmonds) and Sen. Nguyen (D-White Center) to implement certain recommendations of the transportation electrification strategy (TES). The state's EV Coordinating Council was created in 2022 by the <u>Move Ahead Washington</u> legislation and is tasked with creating recommendations to reach the state's transportation emissions goals. These goals include limiting emissions to 45% below 1990 levels by 2030 and achieving net zero emissions by 2050. The TES was a lengthy process that WPPA participated in, and the <u>final strategy</u> was provided to the legislature at the beginning of this year. This bill, however, implements only a few items from the TES. It requires the Department of Commerce to coordinate the development of legislative language and rules on things like electric vehicle supply equipment. It also includes a Medium-Heavy-Duty vehicle anti-idling provision. The program and incentives for any new idling prevention technology is funded through enforcement of the anti-idling measure. This bill is scheduled for a public hearing in the Senate Transportation Committee on February 1st.

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 (<u>SB 5770</u>) 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 the measure.

Tourism

WPPA continues to support two bills 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. Below is the current status of each bill:

- <u>SSB 6080/HB 1896</u>: The Senate version of the bill has a public hearing on January 30 and the House version is currently in Rules.
- <u>SB 6202/HB 2137</u>: The Senate version of the bill is scheduled for a vote out of committee on January 30 and the House version is currently in Rules.

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