



## Week 4 Report

February 4, 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: [Bill Information](#).*

### INTRODUCTION

This week, port members from around the state traveled to Olympia for our Annual Ports & Maritime Day! This year's event was a rousing success, and we express sincere thanks to the attendance and active participation of so many WPPA members.

We began on Thursday evening, with a packed house at Heritage Distilling for the Ports and Maritime Reception, hosted jointly with our partners from the Washington Maritime Federation. We were lucky to be joined by more than twenty-five lawmakers, a sign of the good relationships our members have with their legislative offices, as lawmakers opted to attend our event when there were several others happening around the Capitol that night.

The following morning, WPPA members met for breakfast and heard from Majority Leader Andy Billig (D-Spokane) and Republican Leader John Braun (R-Centralia). After a break during which port members spread across the hill to meet with their member offices, we convened a lunch that featured Speaker of the House Laurie Jinkins (D-Tacoma). Each of the lawmakers offered a brief overview of their caucus's priorities for the session.

The momentum from Ports and Maritime Day will carry us forward through the busy next few weeks, as the pace

### AT A GLANCE

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

*For up-to-date legislative information, visit: [leg.wa.gov](http://leg.wa.gov)*

*To listen to a legislative hearing, visit: [tvw.org](http://tvw.org)*

*For current & previous copies of our report, visit our website at: [washingtonports.org](http://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.).*

*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*

of the legislature continues to quicken. This week, the legislature passed a key milestone – policy cutoff in House of Origin! Cut-off dates play a critical role in the legislative process by paring down the amount of bills under consideration. For the first deadline, any bills that have not been voted out of a policy committee are considered “dead” and no longer eligible to move forward this year unless they are considered “Necessary to Implement the Budget” (NTIB). It is important to note that bills are never *truly* dead because their content can be amended into other legislation or rare procedural moves can occur to keep them alive. The next deadline is Monday, February 5<sup>th</sup>, when all bills must advance out of their fiscal committees to remain alive. Fiscal committees will be working over the weekend and likely long into the night to meet this deadline and continue moving bills along in the legislative process.

### Status of WPPA Priority Bills

#### **Bills in Rules – Ask your delegation to help move these bills from Rules to the floor:**

HB 1371 Shortline Rail Tax Credit – Support – Request to Pull from Rules

HB 1982 CERB Rural Broadband Program – Support - Request a Pull from Rules

HB 1906 Nonresident Vessel Permit Lengths – Support – Request a Pull from Rules

#### **Dead:**

HB 1863 Aquatic land surveys/payment

HB 1912 Economic development info.

HB 2042 Water supply/energy sites

HB 2051 Small off-road engines

HB 2087 Apprenticeship objections

HB 2341 Offshore wind dev. study

HB 2429 Energy facility eval process

SB 5992 Water supply/energy sites

SB 6055 Natural resource indus. dev.

*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 Phone: 360.943.0760**

**Website: <https://www.washingtonports.org/>**

**Eric ffitch: [effitch@washingtonports.org](mailto:effitch@washingtonports.org)**

**Chris Herman: [cherman@washingtonports.org](mailto:cherman@washingtonports.org)**

**Carly Michiels: [cmichiels@washingtonports.org](mailto:cmichiels@washingtonports.org)**

**James Cockburn: [jcockburn@washingtonports.org](mailto:jcockburn@washingtonports.org)**

## Aviation

### *SEA Airport legislation:*

Legislation ([SB 5955/HB 2103](#)) related to SEA Airport's noise mitigation program was heard by the Senate Ways and Means Committee on Saturday, February 3<sup>rd</sup>. The Committee heard a proposed substitute that establishes a grant program using a portion of the construction sales tax that is generated from development at the airport. That bill language no longer implicates the port's tax levy, which was the primary source of WPPA's initial concern with the measure as introduced. The Port of Seattle testified in support of this substitute at the Saturday hearing, and WPPA is no longer advocating on the legislation. We will continue to monitor the legislation as it advances, with the committee likely to vote on advancing the bill at its Monday, February 5<sup>th</sup>, Executive Session.

### *Sustainable Aviation Fuel/Private Jets:*

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. The bill is scheduled for executive action on February 5<sup>th</sup> when an amendment will be considered which ties the implementation date to in-state SAF production targets.

### *Unleaded Aviation Fuel Tax Exemption:*

Rep. Dent (R-Moses Lake) has introduced a bill that would exempt unleaded aviation fuel from certain fuel taxes. 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. The bill received a hearing but has not been scheduled to be voted out of committee and is likely dead for the 2024 legislative session.

## Broadband

### *CERB Rural Broadband Program:*

[HB 1982](#), 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. During the public hearing on February 1, Wendy Smith with the Port of Shelton and David Ripp with the Port of Camas-Washougal testified in support. We also appreciated the Ports of Benton, Skagit, Walla Walla, Bellingham, and Whitman County signing-in in support of the proposal! The bill was voted out of Committee on February 2. Thank you to Wendy and David for testifying!

## Economic Development

### *Tax Increment Financing:*

Companion bills, [HB 2354](#) and [SB 6230](#) sponsored by Rep. Street (D-Seattle) and Sen. Rivers (R-La Center) respectively, would have altered existing tax increment financing law by allowing junior taxing districts the option to opt-in to economic development projects developed within a tax increment area. WPPA has been asked to both support and oppose these bills by Association members. Therefore, the association opted not to engage in advocacy on either bill. HB 2354 was modified, removing the “opt in” provision. Instead, the bill makes technical changes to TIF and proposes a study designed to look at the number of TIF areas that could be formed in junior taxing districts. HB 2354 has been scheduled for executive session on February 5<sup>th</sup>. Additional technical modifications to the bill are also being considered. SB 6230 will not advance this session.

### *Promoting economic development through federal funding:*

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. The bill has been scheduled for executive session in House Appropriations on February 5<sup>th</sup>.

### *ADO Innovation Grants:*

[HB 1717](#), would create an Innovation Grant program for Associate Development Organizations (ADO's) which would provide important new competitive funding for these economic development organizations. An amendment added a provision that no matching funds are required to participate in the program and also added certain reporting requirements. The bill is in Ways & Means and is necessary to implement the budget. WPPA will continue to support this important new tool for ADO's.

### *Nonresident vessel permit lengths:*

[HB 1906](#), 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 allow 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 unanimously approved by the Transportation Committee and was referred to House Rules on January 22<sup>nd</sup>. This past week, the bill sponsor reached out to WPPA and member ports to solicit feedback on an amendment related to the implementation timeline. A floor amendment is expected to address Department of Licensing concerns with fee implementation, and WPPA has affirmed that we continue to support the bill and will seek its advancement along with our partners from the Northwest Marine Trade Association.

### *.09 Funding – expanded use for affordable workforce housing:*

[HB 1987](#), sponsored by Rep. Low (R-Marysville), would expand the eligible uses of .09 funds to include land acquisition for affordable workforce housing. WPPA has concerns with the bill. 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 is scheduled to be voted out of the House Finance Committee on February 5<sup>th</sup>.

*Renewing Washington's engagement in international affairs:*

[HB 2000](#), 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 voted out of the House Appropriations Committee on January 31<sup>st</sup> with a modest amendment. The Senate version, [SB 6168](#) 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: Dead*

[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. Neither the house bill or (SB 5817), will advance and are dead for this session.

## **Energy**

*Appeals Process for Environmental and Land Use Matters:*

[HB 2039](#), 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. As the bill was voted out of committee, an amendment was adopted that added additional criteria for consolidation of appeals cases. The bill is now in the House Rules Committee for further review and action before it can make it to the Floor for a vote by the entire House.

*PSE Phasing Out of Natural Gas:*

The House approved the bill last week, now the Senate process begins. On January 31, seventy-nine individuals signed up to testify on [HB 1589/SB 5562](#), PSE's bill aimed at easing out of the natural gas business. Broadly, the bill was supported by state agencies, PSE, trades labor groups, and environmental interests. Opposition was expressed by various stakeholders in the business community. The committee ran out of time and was not able to hear from everyone who signed up. The hearing was held on a [new striking amendment](#), which removed some of the more controversial elements of the bill including removing language that would have allowed PSE to stop connecting new gas customers and a market share carve-out on ownership or renewables. The bill does not call for discontinuing service to current natural gas customers. We anticipate this bill changing significantly if it continues to progress through session.

## *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. Both Senate and House policy committees approved the bill with an amendment to address some technical issues and allow Bonneville Power Administration (BPA) to opt-in to the program. It is scheduled to be voted in the House Appropriations Committee on February 5<sup>th</sup>. 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]:*

WPPA previously cohosted a “Lunch and Learn” event to educate state 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). At the federal level, our partners at the Pacific Northwest Waterways Association (PNWA) are leading the conversation with Congress. Executive Director Neil Maunu testified on January 30<sup>th</sup> before an oversight hearing held by the U.S. House Committee on Natural Resources Subcommittee on Water, Wildlife, and Fisheries on clean energy production and the ongoing conversations relating to the CBRI. See PNWA’s press release [here](#).

## *Offshore wind*

[HB 2341](#), legislation that directed the University of Washington to study the impacts to the ocean ecosystem of offshore wind development, did not advance from the Agriculture and Natural Resources Committee before the January 31<sup>st</sup> “policy committee cutoff” deadline. There continues to be an expectation that the bill sponsor, Rep. Larry Springer (D-Kirkland) will seek its inclusion in the 2024 Supplemental Operating Budget. In its public hearing, WPPA expressed concerns with the proposal’s “Intent” section and its critique of the state’s hydropower system. With budget proviso language considerably more concise, that intent section will not move forward as the bill is now considered “dead.”.

WPPA plans to support a budget request from Sen. Lovelett (D-Anacortes) and Rep. Fosse (D-Everett) that would study the potential economic benefits of Washington entities supporting the offshore wind *supply chain*. That study would be consistent with the interest of some WPPA ports in potentially supporting the deployment of offshore wind resources in California.

## *Update on Other Energy Related Bills:*

WPPA continues to monitor several bills relating to energy including things like tax incentives for clean energy manufacturing, energy storage, community solar, linkage, and geothermal energy. Below is a brief overview of other proposals and their status for session.

[HB 2253](#) relating to community solar, did not pass the policy committee by the cut-off deadlines and is considered dead. [HB 2120](#), concerning tax preferences for clean energy manufacturers. Has been referred to the House Rules Committee for further review and action before it can make it to the Floor for a vote by the entire House.

[SB 6303](#), providing tax incentives to encourage energy storage system and component parts manufacturing in Washington. It has passed out of the policy committee and has been referred to the Senate Committee on Ways and Means.

[HB 2388](#), promotes equitable economic and technological advancement through the clean energy

fund. This bill has been referred to the Capital budget committee.

[HB 2417](#), establishes the development of renewable energy for Washington revolving loan program and account. This bill has been referred to the Capital budget committee and a public hearing was held February 1<sup>st</sup>.

## **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 as a response to consumer gas price spikes over the past year, the bill originally 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. After conversations with the Governor's office and bill sponsor relaying our concerns, a substitute amendment was introduced. The amendment includes more stringent definitions and requires reporting of a refinery, oil terminal operator, or major marketer regarding transportation fuels supply and pricing rather than including major storers, pipeline operators, and ports. A public hearing was held in the Senate Ways & Means Committee on February 3<sup>rd</sup> where environmental advocates testified in support and petroleum and fuel organizations testified with concerns.

### *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. We will continue to advocate for this budget change in meetings with lawmakers during the session.

### *Environmental Justice for Certain Projects:*

[HB 2070/](#)[SB 5990](#) 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. Additionally, the bill prohibits compelling public interest from including considerations of economic benefits. The bill passed out of both the Senate and House policy committees but have not been scheduled for a hearing in their fiscal committees.

### *Safer Products for WA – 6PPD:*

In 2019, the Legislature established an administrative process for the Department of Ecology to regulate priority chemicals in consumer products, referred to as Safer Products for Washington (SPWA). [SB 5931](#), would identify the chemical 6PPD as a priority chemical, which Ecology was already working on, and expedites that process. As the bill has advanced, it was amended to remove 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. The bill is currently in the Senate Rules Committee awaiting further review and action before it can make it to the Floor for a vote by the entire House.

### *Sale of Biogenic Carbon Dioxide:*

[SB 5919/ HB 2069](#) 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. A substitute amendment was approved through the committee process. The Senate unanimously approved the bill on February 2<sup>nd</sup>. On the House side, the bill is in the Rules Committee awaiting further review and action before it can make it to the Floor for a vote by the entire House.

### *Small Off-Road Engines – Dead:*

[HB 2051](#), would have banned small gas-powered outdoor equipment like leaf blowers and lawnmowers, starting in 2027 in Washington state. It would have also established a temporary \$5 million grant program for local governments to purchase zero emission outdoor power equipment and would establish a broad sales and use tax exemption. The bill did not advance prior to cutoff and is considered dead for 2024.

### *Surveys of state-owned aquatic lands – Dead:*

[HB 1863](#), would have prohibited the Department of Natural Resources (DNR) from requiring payment for surveys of state-owned aquatic lands by current or prospective lessees of such lands. The bill 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 did not advance prior to cutoff and is considered dead for 2024.

## **Governance**

### *Public comments – technical changes:*

WPPA continues to monitor 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. The bill had a public hearing in the Senate State Government & Elections Committee on January 30, but has not yet been scheduled for Executive Session.

### *Prejudgment Interest*

[SB 5059](#), sponsored by Senator Patty Kuderer (D-Bellevue) would have allowed interest for judgements against public agencies, individuals, and other entities 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 proposal represented a substantial change with potentially substantial consequences. WPPA and several other entities, among them our local government association partners, maintain significant concerns with this proposal, and WPPA signed in CON at the January 15<sup>th</sup> public hearing on the bill. With no vote at the Ways and Means Committee scheduled and fiscal committee cutoff just a few days away, the bill is not expected to continue advancing this session.



*Even-numbered year elections:*

Legislation ([HB 1932](#)) brought forward sponsored by Rep. Gregerson's (D-SeaTac) legislation to permit cities, towns, and some limited purpose governments to hold their elections in even-numbered years ([HB 1932](#)) remains on the House Floor Calendar, eligible for a floor vote at any time. Where 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 – but that requirement was removed in committee. WPPA will continue to monitor this bill as it advances.

*Including Ports/Others into the Intrastate Mutual Aid System*

[HB 1978](#) 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 which is currently in the House Rules Committee.

*State Public Infrastructure Assistance Program:*

The State Military Department requested [HB 2020](#) 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 heard in the House Appropriations Committee on February 1 and was voted out of committee on February 3<sup>rd</sup>.

## **Labor & Workforce**

*Crane Safety:*

[HB 2022](#), which aims to increase the safety of the installation and removal of construction cranes, continues to move forward this session. As the bill advanced, it was amended to include language to ensure cranes in operation at port terminals are excluded from the legislation. The bill was voted out of House Appropriations on February 2. The Senate version, SB 5900 will not advance.

*Apprenticeship Utilization - Responsible Bidder Criteria:*

WPPA testified with concerns on [SB 5133](#) in the Senate Ways & Means Committee on January 16<sup>th</sup>. 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. The bill has not advanced, but it is anticipated that it is necessary to implement the budget and may still be alive.

## *Public Works – Prompter Pay*

[SB 6040](#) aims to encourage the adoption of policies and procedures that support paying subcontractors sooner after completion of work as a means to remove barriers that encumber small, women, minority and veteran owned businesses. Unfortunately, as introduced, WPPA testified with concerns that the bill would have the opposite effect. On January 30, the bill was amended and voted out of committee. The amended bill continues to use non typical language that may not meet the intent of this underlying legislation. As it stands now, the bill appears to not apply to public owners instead, focusing on contractors to pay more promptly. The bill was pulled from Senate Rules and is currently on the floor calendar.

## *Concerning access to personnel records:*

[SB 5924](#), 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 was voted out of committee on a party line vote and is awaiting action in Ways & Means where it is scheduled for executive session on February 5<sup>th</sup>.

## *Expanding unemployment insurance benefits to striking and locked out workers:*

[HB 1893/SB 5777](#), 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. HB 1893 was voted out of its House Committee on January 26<sup>th</sup> and was heard by the Appropriations Committee on Friday, February 2<sup>nd</sup>. SB 5777 has passed out of Senate Labor & Commerce Committee and has been queued up for a possible floor vote by the Rules Committee.

This has attracted the attention – and opposition – of public entities like school districts, who are concerned about the cost of implementing such a policy change. Ports with represented employees are potentially impacted – given that they are “reimbursable employers” who don’t pay unemployment insurance but instead reimburse the Employment Security Department for benefits paid out – as are ports who pay unemployment insurance for their workforce. WPPA has reached out to port members to solicit feedback on the potential impacts and will closely monitor this bill as it continues through the Legislature. Please reach out to WPPA if you have a represented workforce, have concerns as a reimbursable employer, or otherwise have thoughts on the proposal.

## 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. 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, but it is still awaiting action in House Appropriations.

### *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 unsuitable for agricultural purposes, the Washington State University Energy Program must assess the suitability for renewable energy production. A clarifying amendment was adopted as the bill passed out of committee. On February 1, the bill had a public hearing in the House Capital Budget Committee.

## Transportation

### *Port Supply Chain Competitive Infrastructure Program:*

[SB 6302](#) establishing the Port Competitiveness Infrastructure Program was heard on February 1<sup>st</sup>. 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, high-wide-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. In response to agency feedback, WPPA has proposed an amendment that will be considered when the bill is expected to be voted out of Senate Transportation Committee on February 5<sup>th</sup>. Thanks to Lisa Lefeber, CEO, Port of Everett, Rob Fix, Executive Director, Port of Bellingham, Cassie Hammond with Port of Benton, Sean Eagan, Northwest Seaport Alliance and Amber Carter representing the Port of Vancouver USA for testifying during the February 1 hearing.

### *Shortline Freight Rail Modernization:*

[SB 5494](#) was voted out of the Senate Business Financial Services Gaming & Trade Committee on January 23<sup>rd</sup> but has not yet been scheduled for a hearing in Senate Ways & Means. 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. The companion bill [HB 1371](#) is in the House Rules Committee. WPPA is working with the chair to move this version out of committee and onto the floor calendar. Both bills are considered necessary to implement the budget so they may remain alive for now. WPPA is working with shortline stakeholders to understand the concern that has surfaced about the \$7.2 million fiscal impact. If this bill is important to your port, please request that your House member seek to have HB 1371 pulled from the House Rules Committee and be heard on the floor.

### *Transportation Electrification Strategy – implementing legislation:*

[SB 6304](#) was introduced by Senator Lias (D-Edmonds) and Sen. Nguyen (D-White Center) to implement certain recommendations of the transportation electrification strategy (TES). The TES was a lengthy process that WPPA participated in, and the [final strategy](#) was provided to the legislature at the beginning of this year. It 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. A public hearing in the Senate Transportation Committee was held on February 1<sup>st</sup> where we testified with recommendations to further review alternatives and available technologies before penalties are imposed in a new program. Land use is top of mind and identifying locations for additional parking sites with access to larger power plug-in options and power capacity should be the primary consideration as the legislature moves toward electrification. Much of the testimony and disagreement at the hearing centered around the provision that would allow for direct EV car sales in Washington.

## **Tax & Revenue**

### *Increasing the 1% property tax cap:*

WPPA is part of a coalition of local governments that supports legislation (SB 5770) to increase the 1% property tax cap. Led by the Association of Washington Cities, Sen. Pedersen’s (D-Seattle) bill would tie the cap to inflation and make 3% the new maximum increase limit. The bill was heard on January 18<sup>th</sup> and WPPA signed in PRO at that hearing. SB 5770 has not yet been scheduled for a vote in the Ways and Means Committee and is considered unlikely to advance this year.

## **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:

[SSB 6080/HB 1896](#): The Senate version of the bill had a public hearing on January 30, but has not yet been scheduled for a vote out of committee. The House version is currently in Rules.

[SB 6202/HB 2137](#): Both the Senate and House versions of this bill have been voted out of their policy committees and now sit in their respective Rules Committees.