



## Week 7 Report

February 24, 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

With just under two weeks remaining in the 2024 Legislative Session, the Legislature will once again spend the weekend working in advance of the final "fiscal cutoff" deadline on Monday, February 26<sup>th</sup>. From there, the last remaining hurdle is the "opposite chamber cutoff," when House bills must pass the Senate and vice versa.

Budgets have now all been introduced, as you've seen detailed in our reports and with more information below. We were glad to see progress on some WPPA priorities but as always there were other items we tracked that didn't get the funding we'd hoped. Minimal changes are made to budgets in committees and at the floor, and the next big moment for changes to be made will be in conference, as the two chambers meet to resolve their budget differences.

We were lucky to see some of our Tri-Cities ports friends, with Tri-Cities Day on the Hill this past week, and friends from the Port of Grays Harbor came to Olympia for the ever-popular WA Seafood Day. The Ports of Everett and Tacoma also made an appearance, joining the Port of Benton and WPPA to provide testimony in support of an Association priority, Senator Lias's supply chain competitiveness bill (SB 6302, more information below).

After the opposite chamber fiscal cutoff on Monday, floor time will occupy the remaining days of session, with budget negotiations taking place in the wings as the schedule narrows and we approach the Sine Die date of March 7<sup>th</sup>.

### 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*

With floor and committee action continuing this weekend, this report includes information that's current through Friday evening, but any changes to priorities outlined below that occur on Saturday may not be reflected.

**Call to Action!** Contact your Senator and voice support for HB 1371 – creating a tax credit for Shortline Rail Modernization. WPPA continues to work with Senate leadership to determine what size fiscal impact would be supported by Ways & Means members. The bill was caucused by committee members but ultimately no action was taken on February 22<sup>nd</sup>.

### **Supplemental Budgets**

Within days of releasing budget proposals, the House and Senate have now held public hearings and passed their respective budgets out of committee.

As a reminder, the three biennial budgets are:

- The Operating Budget is a two-year plan that pays for the day-to-day operations of state government.
- The Capital Budget is the state's construction budget, and typically includes investments to state and local agencies for building and infrastructure projects, such as public schools and universities, parks, prisons, etc.
- The Transportation Budget pays for both day-to-day operations of state transportation agencies, the construction and preservation of state highways and roads, and public transportation. Most of the revenue that supports the transportation budget comes from the state gas tax.

[All proposed budgets and summaries can be found here](#)

*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)**

<i>Budget Bold = occurred</i>	<i>Release Date</i>	<i>Public Hearing</i>	<i>Voted out of Committee</i>	<i>Approved by full Chamber</i>
Senate Capital ( <a href="#">SB 5949</a> )	2/15	2/15	2/19	2/22
Senate Operating ( <a href="#">SB 5950</a> )	2/18	2/19	2/21	2/23
Senate Transportation ( <a href="#">SB 5947</a> )	2/20	2/21	2/23	
House Capital ( <a href="#">HB 2089</a> )	2/19	2/20	2/23	
House Operating ( <a href="#">HB 2140</a> )	2/19	2/19	2/21	
House Transportation ( <a href="#">HB 2134</a> )	2/18	2/19	2/21	

The Chart below highlights a few key items in the House and Senate Operating, Transportation, and Capital supplemental budgets. Items accompanied by asterisks are related to WPPA's 2024 Legislative Agenda or priorities of our port members.

<b><i>Budget</i></b>	<b><i>Senate</i></b>	<b><i>House</i></b>
<b>Operating</b> <a href="#">SB 5950</a> / <a href="#">HB 2104</a>	\$71.7 billion (+900 million)	\$72 billion
Low Income Utility Bill Rebates	\$150 million	\$150 million
MTCA Operating Acct Transfer to the General fund (oppose)*	\$50 million	\$50 million
CCA Agriculture Exemptions - Reimbursements	\$30 million	\$30 million
Innovation Cluster Accelerator Program	\$1.3 million	\$500,000
Blue Wind Supply Chain*	\$250,000 Dept Commerce study,	\$250,000 Dept Commerce study, \$375,000 coalition workshops,
Offshore Wind (concerns)	\$338,000 Ecology-led planning and engagement	\$338,000 Governor-led planning and engagement
Department of Commerce Grants for Federal Funding Support*	\$9 million	\$12 million
Seattle Jobs initiative-Entry Level Assistance	\$200,000	X
Industrial Symbiosis Program*	\$2.5 million	\$1 million
Strategic Growth Area Investment	\$2.4 million	2.4 million
Maritime Fuels Strategy*	\$250,000	\$250,000

Tourism Marketing Grants*	X	\$1 million
6PPD Study	\$300,000 remove tires with 6PPD from docks. \$300,000 waste tire study.	\$300,000 waste tire study
HB 1717, ADO Grants*	X	\$668,000
SB 5931, Safer Products 6PPD	\$665,000	\$665,000
SB 6058, carbon market linkage	\$1.78 million	\$1.78 million
SB 5955 - Large Port Districts*	\$67,000 for implementation. \$1 million to create a Port District Equity Fund.	X
HB 2020, Military Dept Public Infrastructure Assistance*	X	\$250,000
Mitigate aviation-related pollution in King County	X	\$6 million
Chelan-Douglas regional sports complex outreach	\$250,000	X
Prepare commercial thinning timber sales to restore spotted owl	\$10 million	\$10 million
GMA planning – task force examining port inclusion (concerns)	X	\$250,000
Fusion energy innovation cluster accelerator	X	\$250,000
Waters of the state admin orders at Ecology*	\$2.4 million	\$2.4 million
Embodied Carbon Study	X	\$250,000
Snake River Dams invasive species study*	X	\$3.6 million
RCO Snake River Recreation Study*	X	\$1 million
Public Works Study	\$175,000	
<b>Transportation</b> <a href="#">SB 5947/HB 2134</a>	\$14.6 billion	\$14.3 billion
Port Supply Chain Competitiveness Infrastructure Funding*	\$2 million	X
MTCA Grants for Zero Emissions School Buses (concerns – MTCA)	\$15.7 million – MTCA Capital Account	\$15.7 million – MTCA Operating Account
Fish Barrier Removal	\$150 million	X
MHD-ZEV Incentive and School Bus Replacement*	\$61.3 million (reduction)	Additional \$15 <a href="#">million</a>

MHD hydrogen refueling infrastructure*	\$20 million	X
Port Electrification Grant Program*	\$15 million (dedicated \$11.5M to Puyallup Tribe)	Maintained at \$26.5 million
Stormwater Retrofits and Improvements project	\$15 million	\$20.9 million
Puget Sound Gateway Project*	Backfills 2027-29 with toll bonding creating unfunded deficit	Keeps current funding levels whole
Port of Longview Rail Project*	X	\$5 million
Port of Quincy Rail Project*	X	\$2 million
NWSA Shore-Power Project*	X	Additional \$14 million
Port of Anacortes Electrification Project*	X	Additional \$1.5 million
Port of Bremerton airport feasibility study	X	\$300,000
Alternative Fuel Vehicle Charging Infrastructure	X	\$10 million
JTC study – ocean-going vessels (concerns)	X	\$477,000
JTC Study – streamlining project permitting	\$375,000	X
<b>Capital HB 2089/SB 5949</b>	<b>\$1.277 billion total appropriated</b>	<b>\$1.274 billion total appropriated</b>
Green Jobs and Infrastructure Grants*	\$24 million	\$51.5 million
Clean Energy Community Grants*	\$50 million	\$50 million
Broadband Pre-development Technical Support*	\$1 million (capital budget)	\$2.5 million (operating budget)
State Funding for the Federal BEAD Program:	X	Additional \$11.4 million
Port of Hoodspport Dock*	\$40,000	\$41,000
Port of Skagit Granary Expansion*	X	\$125,000
Port of Quincy Business & Event Center*	X	\$3.1 million
PFAS Cleanup Sites – MTCA funded*	\$2 million Eastside Fire and Rescue Pilot. \$2.2 million Hannah Heights	\$2 million MTCA Eastside Fire and Rescue Pilot



Mitigation for schools in communities near SEA Airport*	\$500,000 School District Indoor Air Quality & Energy Efficiency	X
Wildfire Restoration Grants	\$2.5 million	X
Maritime 253, Puget Sound Skills Center*	\$4 million	X
SB 6243 clean technology B&O tax exemption*	\$8 million	X

## **Initiatives**

As previously reported, a conservative interest group named [Let's Go Washington](#), collected signatures on six high profile "Initiatives to the Legislature." The six measures were brought forward by the current chair of the State Republican Party, Rep. Jim Walsh (R-Aberdeen). All six have been certified by the Secretary of State, which leaves lawmakers with three options on each initiative:

1. They can ignore it, choosing not to act, in which case the initiative will be on the ballot for voters to consider on the upcoming November ballot.
2. They can propose alternative, which would result in the original qualified initiative and the alternative put forward by the Legislature both appearing as a choice for voters on the November ballot.
3. They can approve it, enacting it as law without a direct vote of the people.

On February 16<sup>th</sup>, House and Senate Democratic leaders [announced](#) plans to hold public hearings on three of the six initiatives: [Initiative 2113](#) (police pursuits); [I-2111](#) (state income tax); and [I-2081](#) (parental notification). The lawmakers also confirmed that the remaining three – [I-2117](#) (repeal of the Climate Commitment Act), [I-2109](#) (repeal of the capital gains tax) and [I-2124](#) (opt-out of Washington's long-term care retirement program) – will not receive hearings or floor action and will go directly to the November ballot. The House and Senate will hold joint public hearings on I-2111, I-2081 and I-2113 on February 27<sup>th</sup> and February 28<sup>th</sup>.

## **Aviation**

### *SEA Airport Legislation*

[SB 5955](#) would establish a Port District Equity Fund to support some of SEA Airport's noise mitigation work. The bill, which was introduced by Senator Keiser (D-33rd LD, Des Moines) passed the Senate on February 13th by a vote of 49-0. The bill was most recently the subject of a public hearing on February 23rd at the House Capital Budget Committee, its final committee stop before it can advance for a potential House floor vote before the end of session. The Port of Seattle remains supportive of the legislation and WPPA will continue to monitor it without plans for additional engagement.

## **Broadband**

### *CERB Rural Broadband Program*

[HB 1982](#), sponsored by Rep. Waters (R-17th LD, 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. On February 20th, the bill was voted out of the Senate Business, Financial Services, Gaming & Trade Committee and on February 23rd had a public hearing in the Senate Ways & Means Committee.

## Economic Development

### *Tax Increment Financing*

[HB 2354](#), sponsored by Rep. Street (D-37<sup>th</sup> LD, Seattle), would make technical changes to the tax increment financing law. On February 20<sup>th</sup>, the bill was voted out of the Senate Local Government, Land Use & Tribal Affairs Committee and on February 23<sup>rd</sup> had a public hearing in the Senate Ways & Means Committee.

### *Promoting Economic Development Through Federal Funding*

The Match Act ([HB 1870](#)), sponsored by Rep. Barnard (R-8<sup>th</sup> LD, 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. On February 20<sup>th</sup>, the bill was voted out of the Senate Business, Financial Services, Gaming & Trade Committee and on February 23<sup>rd</sup> had a public hearing in the Senate Ways & Means Committee.

### *ADO Innovation Grants*

[HB 1717](#), introduced by Rep. Rule (D-42<sup>nd</sup> LD, Blaine), would create an Innovation Grant program for Associate Development Organizations, which would provide important new competitive funding for economic development organizations. The bill received a public hearing in the Senate Ways & Means Committee on February 22<sup>nd</sup>.

### *Nonresident Vessel Permit Lengths*

[HB 1906](#), sponsored by Rep. Chapman (D-24<sup>th</sup> LD, Port Angeles) would increase the allowable nonresident vessel length from 200 feet in length to 300 feet in length. This bill is seen as an economic development opportunity for ports who host larger vessels at marinas and who have tenant shipyards who could see additional work from this change. On February 20<sup>th</sup>, WPPA joined the Port of Port Angeles and our partners at the Northwest Marine Trades Association in providing testimony in support of the proposal at the Senate Transportation Committee. The bill advanced on February 22<sup>nd</sup> and is now at Senate Rules, where it will need to move to the Floor Calendar to be eligible for a vote before Sine Die.

### *.09 Funding – Expanded Use for Affordable Workforce Housing*

[HB 1987](#), sponsored by Rep. Low (R-39<sup>th</sup> LD, Marysville), would expand the eligible uses of .09 funds to include land acquisition for affordable workforce housing. 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. On February 20<sup>th</sup>, the bill was voted out of the Senate Local Government, Land Use & Tribal Affairs Committee and is currently in the Senate Rules Committee.

### *Renewing Washington's Engagement in International Affairs*

[HB 2000](#), sponsored by Rep. Mena (D-29<sup>th</sup> LD, Tacoma), would broaden the state's existing international trade programs overseen by the Office of International Relations and Protocols. The bill was voted out of the Senate Business, Financial Services, Gaming & Trade on February 20<sup>th</sup>. WPPA supports this bill as it provides a meaningful update to the state's trade policy.

# Energy

## *Appeals Process for Environmental and Land Use Matters*

[HB 2039](#), introduced by Rep. Fitzgibbon (D-34th LD, West Seattle), is part of a multi-year effort to continue to work on improving the energy siting process in Washington state by providing greater certainty in the appeals process. On February 21st, the bill was amended and voted out of committee with two technical amendments. Next, it will proceed to the Senate Rules Committee for further consideration. We recently signed on to a coalition letter expressing support for the bill urging it's passage. WPPA remains in support of this bill and the effort make the energy siting process more efficient.

## *PSE Phasing Out of Natural Gas*

[HB 1589](#) is by Rep. Fitzgibbon (D-34th LD, West Seattle), is part of a multi-year effort to continue to work on improving the energy siting process in Washington state by providing greater certainty in the appeals process. On February 21st, the bill was amended and voted out of committee with two technical amendments. Next, it will proceed to the Senate Rules Committee for further consideration. We recently signed on to a coalition letter expressing support for the bill urging it's passage. WPPA remains in support of this bill and the effort make the energy siting process more efficient.

## *Climate Commitment Act – Linkage with California & Quebec*

[SB 6058](#), introduced by Sen. Nguyen (D-34<sup>th</sup> LD, White Center), would allow the Department of Ecology to pursue linking the state's carbon market with California and Québec. This bill remains controversial as lawmakers decide how to approach Initiative 2117 which would repeal the states Cap & Trade Program. This week, SB 6058 had a public hearing and was amended and voted out of the House Environment & Energy Committee. Next, the bill will proceed to the House Appropriations Committee for further review and consideration. There is funding in both House and Senate Supplemental Budget proposals for implementation. WPPA will continue to monitor this proposal.

## *Tax Incentives for Energy Storage*

[SB 6303](#), introduced by Sen. Nguyen (D-34th LD, White Center) provides tax preferences to attract and advance clean energy technology development in Washington. The bill incentivizes energy storage systems and manufacturers of component parts by offering a preferential business and occupation tax rate and establishes a credit against the tax. The bill was approved by the Senate Ways & Means Committee on February 23rd.

## *Tax Preferences for Clean Energy Manufacturers*

[HB 2120](#), introduced by Rep. Barnard (R-8th LD, Pasco) allows cities using the targeted urban area tax preferences to extend additional time to nuclear manufacturing facilities to attract and retain clean energy manufacturers. The bill passed the House 94-1 and received a public hearing in the Senate Environment, Energy & Technology Committee on February 20th where WPPA registered in support of the bill.



## Environmental & Natural Resources

### *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 had requested restoration of the \$50 million in the General Fund for environmental programs and putting the \$50 million back in the MTCA operating account to be used for its intended purpose. Both the House and Senate supplemental operating budget proposals included the funding sweep.

### *Safer Products for WA – 6PPD*

[SB 5931](#), introduced by Sen. Salomon (D-32<sup>nd</sup> LD, Shoreline) would identify the chemical 6PPD as a priority chemical and expedites that process. The bill was voted out of the House Environment & Energy Committee on February 15<sup>th</sup> and has been referred to the Rules Committee. Funding to support this bill is included in both the House and Senate Supplemental Budget proposals.

## Governance

### *Public Comments – Technical Changes*

WPPA continues to monitor [HB 1105](#), a bill that was introduced by Rep. Kloba ( D-1st LD, Kirkland) 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 on a 98-0 vote in late January, but it had not moved in the Senate for several weeks. It was voted out of the Senate State Government & Elections Committee on February 20<sup>th</sup>.

### *Even-Numbered Year Elections*

Legislation ([HB 1932](#)) sponsored by Rep. Gregerson's (D-33<sup>rd</sup> LD, SeaTac) would permit cities, towns, and some limited purpose governments to hold their elections in even-numbered years. It was voted out of the Senate State Government & Elections Committee on February 20<sup>th</sup>. 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 and was introduced by Rep. Rule (D-42<sup>nd</sup> LD, Blaine). The bill was voted out of the Senate State Government & Elections Committee on February 20<sup>th</sup> and out of Senate Rules on February 23<sup>rd</sup>. It is currently on the Senate Floor Calendar.

### *State Public Infrastructure Assistance Program*

[HB 2020](#) which would establish a public infrastructure assistance program was introduced by Rep. Timmons (D-42<sup>nd</sup> LD, Bellingham). It was voted out of the Senate State Government & Elections Committee on February 20<sup>th</sup> and is scheduled for a hearing in Senate Ways & Means on February 24<sup>th</sup>.

## Labor & Workforce

### *Crane Safety*

[HB 2022](#), sponsored by Rep. Reed (D-36<sup>th</sup> LD, Seattle), aims to increase the safety of the installation and removal of construction cranes. The bill continues to include language to ensure cranes in operation at port terminals are excluded from the legislation. On February 9<sup>th</sup> it passed the House 77-20 and on February 23<sup>rd</sup> is passed the Senate unanimously.

### *Public Works – Prompter Pay*

[SB 6040](#), sponsored by Sen. Valdez (D-46<sup>th</sup> LD, Seattle) aims to encourage the adoption of policies and procedures that support paying subcontractors sooner after completion of work 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. The amended bill continues to use non-typical language that may not meet this underlying legislation's intent. As it stands now, the bill appears to not apply to local public owners instead, focusing on contractors to pay more promptly. The bill passed the Senate 34-15 on February 13<sup>th</sup>. It received a public hearing in the House Capital Budget Committee on February 23<sup>rd</sup> and is scheduled for executive session on February 26<sup>th</sup>.

### *Unemployment Benefits for Striking Workers*

[HB 1893](#), sponsored by Rep. Doglio (D-22<sup>nd</sup> LD, Olympia) 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. This bill continued its path through the Senate this week. The bill was voted out of the Senate Labor & Commerce Committee on February 19<sup>th</sup> with an amendment to state that unemployment insurance benefits may not be paid to striking workers if the strike is found to be prohibited by federal or state law in a final judgement by a court. It's been moved to the Senate Floor Calendar, where it's one step from a floor vote that would sent it to the Governor's desk.

## Transportation

### *Port Supply Chain Competitive Infrastructure Program*

[SB 6302](#) establishes the Port Competitiveness Infrastructure Program. The bill is sponsored by Sen. Liias (D-21<sup>st</sup> LD, Edmonds) and Sen. King (R-14<sup>th</sup> LD, Yakima) and 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. The bill was heard in the House Transportation Committee on February 22<sup>nd</sup> and is scheduled for executive session on February 26<sup>th</sup>. Thanks to Diahann Howard, Port of Benton, Sean Eagan, Northwest Seaport Alliance, Adam LeMieux, Port of Everett and Paul Jarkiewicz, Port of Port Angeles for your testimony on this important bill. Funding of \$2 million to support this bill was also included in the Senate Transportation Supplemental Budget proposal.

### *Shortline Freight Rail Modernization*

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. [HB 1371](#), sponsored by Rep. Barkis (R-2<sup>nd</sup> LD, Olympia) passed the House and was referred to the Senate. It was scheduled for a vote in Senate Ways & Means on February 22<sup>nd</sup> but no action was taken. Please contact your Senator and express the importance this bill has for your port.

## Tourism

WPPA continues to support two bills that make modest changes to the state's tourism marketing authority and its governing statute.

[SB 6080](#): This bill removes the requirement that the Legislature take action to deposit funds into the tourism account, which with this change would happen automatically. SB 6080 was voted out of the House Appropriations Committee on February 22<sup>nd</sup> and now awaits House floor action.

[HB 2137](#): This bill allows specific properties to be carved out of a Tourism Promotion Area. It continued to advance this week with a unanimous vote out of the Senate Business, Financial Services, Gaming & Trade Committee. It is now at the Senate Rules Committee.

