



Week 10 Report

March 17, 2023

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

March 17 marks the 68th day of the 2023 Legislative Session. The legislature has shifted its focus back to committee work - bills are again assigned to committees and have the same type of work sessions, public hearings, and debate as in the original chamber. WPPA staff, including our contract lobby team, is actively working on several bills that still need improvements as well as monitoring bills to ensure they continue to match our position. The next legislative deadline is fast approaching – all bills must pass out of their respective policy committees by March 29 to remain alive. Similar to previous cutoffs, several bills will not advance. As always, exceptions to cutoff deadlines are bills considered Necessary to Implement the Budget.

In addition to passing policy bills, the legislature will begin to publicly focus on the development and approval of the state's biennial budgets: Operating, Capital and Transportation. March 20 is the next highly anticipated [quarterly revenue forecast](#) which is the final piece of data needed to finalizing and releasing the House & Senate draft budgets. As previously reported, Current rumors indicate that revenues remain positive, however increases may be slowing. Once released, the two chambers will negotiate their differences.

Budget Watch

After budgets are released, they will immediately be scheduled for a public hearing and vote out of committee – typically within 24-48 hours. WPPA will review budgets as soon as they are released, however

AT A GLANCE

Length: 105 days; Regular session began on January 9, 2023

For up-to-date legislative information, visit: leg.wa.gov

To listen to a legislative hearing, visit: tvw.org

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

NEXT WEEK'S HEARINGS

If you would like to testify at any of these, please contact WPPA.

Tuesday, March 21st

4:00 pm S Ways & Means: SHB 1267

Concerning rural public facilities sales and use tax. (Remote Testimony Available).

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 9, 2023: First day of session

we encourage members who are seeking specific funding, to quickly review as well! [Once released, all proposed budgets can be found here.](#)

- *Senate Capital Budget*
 - * Tentative release date: Monday morning, 3/20
 - * Scheduled for a public hearing Monday, 3/20 at 4:00pm
 - * Scheduled for a vote out of committee Wednesday, 3/22 at 5:00pm
- *Senate Operating Budget*
 - * Tentative release date: Friday Morning, 3/24
 - * Scheduled for a public hearing Friday, 3/24 at 2:00pm
 - * Not yet scheduled for a vote out of committee however it will occur fast
- *Senate Transportation Budget*
 - * Rumored to be released on 3/27
- *House Capital, Operating, & Transportation Budgets*
 - * TBD

**** Action Alert ****

Please sign-in in support of [HB 1267](#) on March 21

On March 21, WPPA's priority bill, extending the .09 economic development funding sunset date is scheduled for a public hearing in the Senate Ways & Means Committee. WPPA will work to organize a panel of supporters, however, would appreciate other port members signing-in in support.

Aviation

Sustainable Aviation Fuel

Senate Majority Leader Andy Billig's Alternative Jet Fuel tax incentive bill was heard at the House Environment, Energy, and Technology Committee on Monday, March 13th. WPPA offered testimony in support of the bill, which proposes tax incentives and other policy changes to attract Alternative Jet Fuel producers to Washington, and also features a tax break for airlines that use the fuel. [ESSSB 5447](#) is scheduled to move to Executive Session on March 21, 2023.

Leaded Aviation Gas

[HB 1554](#) was heard in the Senate Environment, Energy & Technology Committee on Wednesday. WPPA is now neutral on the bill as it no longer prohibits the sale of 100 low lead AvGas. A technical amendment improving the bill has been drafted by airport managers that has been offered for consideration should the bill continue to move forward.

February 17, 2023: Last day to read in committee reports in house of origin, except House fiscal committees and Senate Ways & Means and Transportation committees.

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 9, 2023: First day of session

February 17, 2023: Last day to read in committee reports in house of origin, except House fiscal committees and Senate Ways & Means and Transportation committees.

February 24, 2023: Last day to read in committee reports from House fiscal committees and Senate Ways & Means and Transportation committees in house of origin.

March 8, 2023: Last day to consider bills in house of origin (5 p.m.).

March 29, 2023: Last day to read in committee reports from opposite house, except House fiscal committees and Senate Ways & Means and Transportation committees.

April 4, 2023: Last day to read in opposite house committee reports from House fiscal committees and Senate Ways & Means and Transportation committees.

April 12, 2023: 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).*

April 26, 2023: 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.*

Boating & Marina

Plastic Pollution

[SHB 1085](#) – Plastic Pollution, is scheduled for executive action in Senate Environment, Energy & Technology committee on March 21st. The measure includes the amendatory language WPPA helped to craft. As passed, the bill allows hard-cased foam meeting the industry standard to continue to be used in over-water structures. The substitute also creates a study of the effectiveness and safety of currently used products and their potential alternatives. WPPA continues to monitor the bill to ensure the bill remains acceptable.

Derelict Structures

[SSB 5433](#) is scheduled for executive action on March 22nd in House Agriculture and Natural Resources, while the companion [SHB 1378](#) has not yet been scheduled for a senate hearing. DNR request legislation, this bill streamlines derelict structure removal and creates nearshore credits to facilitate the process. WPPA worked with DNR to add amendments that eliminated our concerns, and we are monitoring the legislation to ensure our amendments are preserved.

Derelict Vessels

[SHB 1753](#) is scheduled for public hearing in the Senate Committee on Agriculture, Water, Natural Resources & Parks on March 23rd. This measure streamlines the derelict vessel removal process by allowing email notification to vessel owners and decreasing the notification timeline prior to taking custody. WPPA supports the bill.

[SB 5192](#) passed out of the House Agriculture and Natural Resources committee on March 17th. This bill authorizes administrative law judges to supplement the three members of the Pollution Control Hearings Bord (PCHB) in order to expedite the appeal process prior to removal of derelict vessels. The bill is supported by WPPA.

Broadband

State Broadband Map

[2SHB 1746](#) was heard on Friday in the Senate Environment, Energy & Technology Committee. The bill directs the State Broadband Office to use the most current version of the national broadband map as the basis for a state broadband map. A well-developed map could be a critical tool in helping the state inform where federal funding should be deployed and deter frivolous challenges to broadband projects through better access to data. WPPA continues to support the measure.

Economic Development

Site Readiness

[SB 5229](#), would include site readiness as an eligible use for CERB planning grants and would also temporarily eliminate the cap (\$50,000) on how much the board can award planning grants. The bill moved unanimously out of the House Innovation, Community & Economic Development & Veterans Committee this week.

Tax Increment Financing – Technical Corrections

[HB 1527](#) is a port priority bill that makes technical corrections to the Tax Increment Financing statute. The bill represents agreement by port districts on the necessary changes to TIF statute that are needed to keep existing projects, including the Port of Vancouver's Terminal 1 project, moving forward. The bill was voted out of the Senate Business, Financial Services, Gaming & Trade Committee this week and is scheduled for executive action by Senate Ways & Means on March 21st.

ADO Innovation Grants

[HB 1717](#) was heard in the Senate Business, Financial Services, Gaming & Trade Committee this week and has been scheduled for executive action by the committee on March 21st. The bill would create an Innovation Grant program for Associate Development Organizations (ADO's) which would provide important new funding for these economic development tools.

Tourism Promotion

Legislation to promote Washington state tourism survived cutoff, with the House version, [HB 1258](#), receiving unanimous 96-0 on March 1st. WPPA continues to support the bill and we are coordinating with a range of tourism stakeholders. The House adjusted the funding level authorized by the bill from \$26m per biennium to \$9m per biennium, and WPPA and our partners are working to see it restored. Members ports have previously reached out to their legislators to express support, and WPPA continues to engage ports with an interest. The legislation is expected to move through the Business, Financial Services, Gaming, and Trade Committee without the funding level addressed, but it could be amended at the Senate Ways and Means Committee. Please reach out to WPPA if you're interested in engaging.

Grant Writers

The Senate Business, Financial Services, Gaming & Trade Committee is scheduled to exec [HB 1783](#) on March 21st. The bill would instruct the Department of Commerce to recruit and retain grant writers designed to help ADO's and other local government's secure funding opportunities for economically distressed areas.

Energy

Support for Hydrogen

Two bills, [SB 5091](#) / [HB 1729](#), would create and expand tax incentives for hydrogen fuel cells remain alive despite not passing their chamber of origins. On March 16, [HB 1729](#) was unanimously voted out of the House by a vote of 94-0. The Senate Bill did not see action this week, but is deemed Necessary to Implement the Budget and will remain under consideration until the final days of session. Once the budget is released, it will be important to confirm this proposal is funded. WPPA supports both proposals.

PSE Phasing Out of Natural Gas

[HB 1589](#), brought to the legislature by the state's largest investor-owned utility, Puget Sound Energy, is an attempt by PSE to set up the process and write the rules by which they will ease out of the retail natural gas business. The bill does not call for discontinuing service to current natural gas customers, but as introduced the utility would stop connecting new gas customers after June 30, 2023. Opposition to the bill has started to grow including a vote of AWB members this week to move the association from neutral to opposed. During the public hearing on March 17, 39 stakeholders testified on the proposal (7) Pro, (9) Other, and (23) Con. At this point, it is unclear if this policy will make it over the finish line in 2023.

Environment And Natural Resources

Protecting Orcas From Vessels

[SB 5371](#), would [change a number of requirements](#) for vessels and how they interact with southern resident orcas, including a requirement making it unlawful to approach within 1,000 yards, instead of the current 300 yards, of southern resident orcas. The bill also modifies whale watching licensing fees and creates enforcement provisions for paddle tours. Eric ffitich, WPPA's executive director has reached out to ports who operate whale watching businesses for feedback on the measure. The bill was scheduled for a vote out of committee this week, however no action was taken. WPPA will continue to monitor this policy proposal.

Underground Storage Tanks

[SHB 1175](#) passed the House March 16th and was referred to the Senate Environment, Energy & Technology committee. It was scheduled for public hearing on March 22nd. The bill would create a state financial assurance program for owners and operators of petroleum underground storage tanks. WPPA is supporting the measure to provide greater financial protection to owners and operators of underground storage tanks on port facilities.

Clean Energy Siting

[E2SHB 1216](#), legislation that seeks to streamline the permitting and siting of clean energy facilities in Washington state, was heard in the Senate Committee on Environment, Energy & Technology on March 15th and WPPA testified in support. In that testimony, we highlighted some areas of proposed improvement based on several conversations with port members and associate members. We submitted a letter with proposed amendments to the House Majority Leader, who is the prime sponsor of the bill, and to the Chair of the Senate Environment, Energy, and Technology Committee. The bill is not yet scheduled for executive action, and we understand they are developing additional amendments. We continue to support the bill while advocating for additional amendments and will update our interested members when we know more about what might be added in Executive Session.

Ecosystem Services and Management of State Forest Land

[ESHB 1789](#), a measure giving DNR authority to enter state trust lands into ecosystem contracts to generate carbon credits, is scheduled for a hearing in Senate Environment, Energy & Technology Committee on March 22nd. This bill was the source of great debate and ongoing negotiation on its way through the House. In the end, an amendment addressing many of our concerns and significantly limiting the scope of the bill was adopted on the House floor, and the measure passed 82-13. Given that many of the concerns raised by WPPA and our members have been addressed, we are planning to offer brief supportive testimony in the House hearing. We will update interested members accordingly, and please reach out to WPPA if you'd like to engage further in our conversation on next steps.

Marine Shoreline Habitat

[SB 5104](#) Puget Sound Marine Shoreline Habitat is scheduled for public hearing on March 20th in the House Committee on Environment and Energy. It is also scheduled for executive action on March 23. The measure directs the Department of Fish and Wildlife to survey habitat along Puget Sound to create and maintain a baseline of habitat. WPPA continues to monitor this measure.

Governance

Prohibiting Utility Disconnections During Extreme Heat Events

[HB 1329](#), would prohibit utilities from disconnecting customers during high-heat events and as introduced would require reconnections of existing customers. This bill would impact all utilities who provide water and electricity in the state, including those provided by ports. As the bills passed out of committee this week, several improvements were made including the utilization of a heat map, requiring customers to contact the utility to be reconnected, and removed the civil cause of action. On March 21, [HB 1329](#) is scheduled for a public hearing in the Senate Environment, Energy & Technology Committee.

Modifying Public Comment Requirements for Public Agencies

[HB 1105](#), sponsored by Rep. Kloba (D-Bothell), would require public agencies, when soliciting public comment, to include the last date by which such public comment must be submitted. If a public agency does not include the last date, they are subject to a \$500 civil penalty for the first violation and \$1000 for any subsequent violation. The bill, which passed unanimously out of the House, is scheduled for a public hearing on March 24 in the Senate State Government & Elections Committee.

Enhanced Voting Rights Act of Washington state

Eric ffitch and WPPA contract lobbyist Marian Dacca have both testified to port concerns with [HB 1048](#), stating that while all ports support open and fair elections, WPPA legal counsel has raised concerns about potential port impacts. In particular, the bill contains provisions that would allow cost recovery for conducted research for the claimant, even if they do not prevail in changing the political subdivisions election system. On March 17, the bill was scheduled for a vote out of committee however no action was taken. This bill will likely be brought up for a vote next week.

Labor

Paid Family Medical Leave

The bipartisan proposal, ([SB 5286](#)), to fix certain components of Washington's Paid Family Medical Leave continues to advance through the legislative process. It passed unanimously out of the Senate on February 1, and is quickly progressing through the House. The changes made in the bill come from the bipartisan [Washington Paid Family Medical Leave taskforce](#) which is made up of labor and business representatives.

Leave For Railroad Workers

[SB 5267](#) has been scheduled for a public hearing next week on March 21 in the House Labor & Workplace Standards Committee. As introduced, the bill would require standardization of unpaid time off, medical and family leave benefits for all railroad workers which caused concerns for several WPPA members as this policy is federally preempted by the Railway Labor Act. As the bill passed the Senate, several positive changes were made including removing Class III railroads from the bill, and removed the private right of action.

Apprenticeships

A bill designed to incentivize apprenticeships was heard in the Senate Labor & Commerce Committee on Monday. WPPA testified with ongoing concerns with [HB 1050](#), which would require port public works projects over \$1 million to achieve 15% use of apprenticeships. Ports strongly support apprenticeship utilization as an effective way to grow the workforce but have concerns this legislation would become a barrier to all small businesses and may limit the number of bidders interested in port projects. Local governments, including port districts, will recommend making this change effective for projects over \$2 million and will propose other interim work be done to ensure ports are prepared to implement this legislation by its effective day, July 2024, should it pass.

Prevailing Wage

[SB 5726](#) will be heard on March 22nd in the House Labor & Workplace Standards Committee. WPPA continues to have concerns with the bill, however, and is working with stakeholders on an amendment that puts sideboards on the frequency contractors may seek financial adjustments to public works contracts. The bill would ensure the prevailing wage is paid to workers is linked to when the work is performed, however, the version which passed out of the Senate requires ports to amend contracts each time prevailing wage is adjusted. This is a minimum of twice a year for each craft affected by the legislation. WPPA supports the underlying intent of this legislation and is working to make sure excessive change orders do not put port projects at financial risk. The bill has not yet been scheduled for a hearing in the House Labor & Workplace Standards.

Public Works

Small Works

The House Innovation, Community & Economic Development & Veterans Committee voted [SB 5268](#) out of committee on Friday. This bill makes significant improvements to the Small Works Process, including raising ports Small Works threshold to \$350,000.

Transportation

Truck Parking Work Session

The Senate Transportation Committee will host a work session addressing Truck Parking on March 21st at 4pm.

Tax

Freight Rail Investment Incentives

On March 16, [HB 1371](#) was voted out of the House by a vote of 92-4. This bill seeks to incentivize infrastructure spending on freight rail by providing tax incentives to both rail owners and operators, including port districts. This bill is deemed Necessary to Implement the Budget and thus is not subject to cutoff deadlines. WPPA will continue to advocate along with Port members for it to advance this year.

Tax Increment Financing – Technical Corrections

[HB 1527](#) is a port priority bill that makes technical corrections to the Tax Increment Financing statute. The bill represents agreement by port districts on the necessary changes to TIF statute that are needed to keep existing projects, including the Port of Vancouver’s Terminal 1 project, moving forward. On March 14, [HB 1527](#) was technically amended and voted out of the Senate Business, Financial Services, Gaming & Trade Committee. Next, the bill has been scheduled for executive session on March 21 in the Senate Ways and Means Committees. This is a non-traditional path where the bill has skipped public hearings after being voted out of the House Chamber.

Unified Tax Levy For Port Districts

[HB 1663](#), continues to advance through the legislative process and is scheduled for a public hearing (3/21) and vote (3/23) out of committee next week. This permissive bill would allow “functionally consolidated” port districts to adopt a unified levy if port districts which have chosen to consolidate their operations and that choose to pursue a unified levy. The striking amendment made a number of changes, including a requirement that a majority of voters is needed in both districts in order to implement a joint property tax levy. [Click here](#) to review the amendment.

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