



Week 14 Report

April 14, 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

The countdown to Sine Die continues in Olympia, as Friday, April 14th, marks the 96th Legislative Day. Another important legislative deadline occurred this week, in which all bills must have passed out of both chambers by April 12th to remain alive, unless they are deemed Necessary to Implement the Budget.

After a bill passes both chambers it either proceeds to the Governor to be signed into law or returns to the original chamber on the Concurrence Calendar, which means the bill was amended by the second chamber and must be reapproved in its new amended form.

Concurrence Calendar Process: To pass the Legislature, bills on the Concurrence Calendar require reconciling the differences between the two versions passed by each chamber. The chamber of origin can either concur with the opposing chamber's amendments, ask them to recede from them, or request a conference with a limited group of legislators to craft a compromise version of the bill. The House and Senate must reach an agreement on the final version of the bill prior to end of session, or the bill dies.

Governor Signing Process: Once a bill is passed by the Legislature and delivered to the Governor, he has 5 days (excluding Sundays) to act on the bill, or 20 days if adjournment is within 5 days. The clock starts once a bill is delivered which could be within days of passage or the House and Senate may strategically delay delivering the bill to the Governor by a few days. In Washington, the Governor has three options: 1) Sign the bill into law 2) Veto the entire bill 3) Partially Veto the

AT A GLANCE

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

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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

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.).

bill by removing entire sections. He does not have line-item veto authority which means removing sentences or words.

The first WPPA priority bill has been signed into law. [SB 5229](#) was signed by Governor Inslee Friday morning. [SB 5229](#) incorporates Site Readiness as an eligible activity for Community Economic Revitalization Board (CERB) Planning Grants. WPPA's Deputy Director, Chris Herman participated in the signing ceremony alongside CERB's Janea Stark and bill sponsor Senator Noel Frame.



Photo credit: Washington State LSS

Over the next nine days the legislature will focus on budget negotiations, bills on the Concurrence Calendar, and bills that are Necessary to Implement the Budget.

Governor Inslee Appoints Director of the WA Department of Commerce

On April 12, Governor Inslee named Michael Fong as the new director of the Washington State Department of Commerce. Fong currently serves as the regional administrator for the U.S. Small Business Administration's operations in the Pacific Northwest. He will replace former Director Lisa Brown who led the agency for four years. [Click here to read the announcement.](#)

Executive Summary – bill status post cutoff on 4.14.23 current as of 1:44pm

Passed – Needs Concurrence

- [SB 5268](#) Small Works Roster (CPARB request) (Pro)
- [HB 1257](#) Authority of Cargo and Passenger Ports (Pro) WPPA PRIORITY
- [HB 1791](#) Supporting the need for commercial aviation services (Pro)
- [HB 1838](#) Transportation Revenue Forecast (Pro)
- [HB 1521](#) Self Insurance (Con)
- [HB 1050](#) Apprenticeship Utilization (Concerns)
- [HB 1216](#) Clean Energy Siting (Neutral)
- [HB 1084](#) Freight Mobility Board (Pro) WPPA PRIORITY
- [SB 5437](#) Vacancies/Special Purpose Districts (Neutral)
- [SB 5371](#) Orca Vessel Distance (Monitoring)
- [SB 5447](#) Alternative Jet Fuel (Pro)

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.*

Passed the Legislature – Heading to the Governor to be signed into law

- [HB 1527](#) TIF Technical Correction (Pro) WPPA PRIORITY
- [SB 5433](#) Derelict Structure Removal (Pro)
- [HB 1753](#) Changing certain notice provisions in the derelict vessel removal program (Pro)
- [HB 1254](#) Periodic Adjustments (Pro)
- [HB 1663](#) Allowing functionally consolidated port districts to adopt a unified levy (Pro)
- [HB 1783](#) Grant Writers (Pro)

Governor has signed into law

- [SB 5229](#) Site Readiness Grants (Pro) WPPA PRIORITY
- [HB 1048](#) Voting Rights Act (Concerns)
- [SB 5192](#) Derelict Vessel Appeals (Pro)

Dead

- [HB 1267](#) Rural public facilities tax (.09) (Pro) WPPA PRIORITY
- [HB 1584](#) Planning for advanced nuclear reactor technology (Pro)
- [HB 1554](#) Reducing Lead/Aviation Fuel (Con)
- [HB 1258](#) Tourism Funding ****Maybe NTIB**** (Pro)
- [HB 1746](#) Concerning a state broadband map (Concerns)
- [SB 5267](#) Railroad Workers (Con)

Aviation

Sustainable Aviation Fuel

[ESSB 5447](#), the Alternative Jet Fuel tax incentive bill, is one WPPA priority that will rely on a “Necessary to Implement the Budget” designation to move forward. Because it is a priority of the Senate Majority Leader, as well as a broad business, labor, and environmental coalition, it is still expected to advance. The legislation would put in place tax incentives and other policy changes that seek to attract Alternative Jet Fuel producers to Washington, and also features a tax break for airlines that use the fuel. It was approved by the House on Friday, April 14th, by a unanimous 96-0 vote. Next it will go back to the Senate for concurrence and then off to the Governor’s desk to be signed into law.

Commercial Aviation Coordinating Commission

[HB 1791](#) received a Senate floor vote on Wednesday, April 12th, just before Opposite Chamber Cutoff. The floor debate, and the 31-17 final vote, indicate just how challenging the airport siting conversation has become in Olympia and beyond. The bill would decommission the Commercial Aviation Coordinating Commission and turn it into a codified work group, specifically removing the goal of recommending one specific site for further development into a commercial service airport. WPPA supports this legislation because it balances the legislative interest in slowing the process down without completing stopping forward progress in determining a site to accommodate future air service. It is now back in the House for concurrence, then off to Gov. Inslee’s desk.

Boating & Marina

Derelict Structures

[SSB 5433](#) passed the legislature and is headed to the Governor for signature. This bill streamlines derelict structure removal and creates nearshore credits to facilitate the process. WPPA worked with DNR to ensure that the new program is complimentary to the work ports are already doing on such structures.

Derelict Vessels

[SHB 1753](#) passed the Senate and is headed to the Governor's desk. 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](#) was one of the first bills signed by the Governor and is now Chapter 39, Laws of 2023. This measure authorizes administrative law judges to supplement the three members of the Pollution Control Hearings Board (PCHB) in order to expedite the appeal process prior to removal of derelict vessels. The bill was supported by WPPA.

Broadband

While the bill made it out of the Senate Ways & Means committee, [2SHB 1746](#) did not make it out of the Senate and it is likely dead for this legislative session. The Senate shrunk the scope of the bill from earlier versions. Rather than producing a state broadband map, the bill focused on state validation of data submitted and included in the FCC map.

Economic Development

Tourism Promotion

WPPA worked all session with a broad coalition on tourism supporters on [HB 1258](#), legislation that would increase the authorized level of funding for the Washington State Tourism Marketing Authority and adjust the formula by which that funding allocation is calculated going forward. That legislative effort has been accompanied by budget advocacy, with \$9m per biennium the goal for a final operating budget figure. The authorizing legislation, [HB 1258](#), was moved to the Senate Floor Calendar on Tuesday, April 11th, and is expected to receive a vote in the final week.

Tax Increment Financing – Technical Corrections

The Senate passed and the House concurred on [HB 1527](#) and it will now be forwarded to the Governor for his signature. The bill is a WPPA priority bill that makes technical corrections to the Tax Increment Financing statute. The bill will ensure port districts are able to retain ownership of property included within tax increment areas.

Site Readiness

[SB 5229](#) will 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, received unanimous support in both chambers. The bill was signed into law by the Governor on Friday.

Grant Writers

The Senate voted for and the House concurred on [HB 1783](#). The bill would instruct the Department of Commerce to recruit and retain part time grant writers designed to help ADO's and other local government's secure funding opportunities for economically distressed areas.

Energy

Tax Incentives Hydrogen

[SB 5091](#) would create and expand tax incentives for research, development, production, and sales of hydrogen fuel cells. At this point, the bill could be dead or be considered NTIB given no action on the bill since April 4. WPPA will continue to monitor for action and support the proposal.

Planning for Advanced Nuclear Reactor Technology

[HB 1584](#) would have added advanced nuclear technology, renewable natural gas, and green electrolytic hydrogen as guiding principles for the development of the State Energy Strategy. This bill, which was originally intended to support advanced nuclear reactor technology, has created a fight over the

inclusion of natural gas as a guiding principle. The House removed natural gas in policy committee, on the floor added in renewable natural gas, and now as the bill advanced out of the Senate policy committee, natural gas was added back in. The bill died in the Senate Rules Committee.

Environment And Natural Resources

Protecting Orcas From Vessels

[SB 5371](#) as introduced would have made it unlawful to approach southern resident orcas within 1,000 yards, instead of the current 300 yards. As its advanced through the House, several changes have been made – increasing and decreasing the distance, infractions, warnings and fees. The bill passed the House on April 11 and is now back to the Senate for Concurrence. The Recreational Boating Association, the Pacific Whale Watch Association, and WPPA are closely coordinating and monitoring concurrence actions. [Click here to review the latest version of the bill.](#)

Underground Storage Tanks

[SHB 1175](#) passed the legislature and is awaiting action by the Governor. The bill expands the state financial assurance program for owners and operators of petroleum underground storage tanks. WPPA supports the measure as a means of providing 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, passed the Senate and it now awaits House concurrence. WPPA continues to support the legislation and signed a letter with more than 20 business, labor, and environmental groups asking the legislature to fully fund implementation of the legislation.

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 died in Senate Ways and Means. This bill was the source of great debate during session. At first, we opposed the bill, then we supported it with House floor amendments, but in the end the bill did not clear Ways and Means.

Governance

Enhanced Voting Rights Act of Washington state

The Enhanced Voting Rights Act of Washington State, [HB 1048](#), was signed by Governor Inslee on Thursday, April 13th. The bill passed the Senate with Senator Mark Mullet (D-5th LD) joining every Republican in opposition. Throughout the process WPPA indicated our agreement with the intent of the bill while emphasizing our significant concerns with implementation and what costs our port members might incur under the new provisions put in place. We will now turn our focus toward educating members about next steps and how the legislation might affect port district elections.

Authority of Cargo and Passenger Ports

[HB 1257](#) legislation regarding antitrust immunity and the ability of certain ports to meet at the Northwest Marine Terminals Association, was one of the lucky bills to receive a Senate Floor vote on the final day, brought up on the morning of April 12th, the opposite chamber cutoff deadline. The Senate adopted the Transportation Committee's amendment – to address the Attorney General's concerns, primarily by adding clarity to the definition of "qualified cargo and passenger ports" and including a clause that repeals the legislation after ten years – and the bill passed unanimously, 47-0. Because of the Senate amendment, it will go back to the House for concurrence. WPPA has made an official request for a concurrence vote and will continue to push so this bill is certain to arrive at Gov. Inslee's desk.

Periodic Adjustments

[HB 1254](#) is a technical bill that would update the current value of surplus property a port district may sell without a port commission resolution. The amount would increase from \$10,000 to \$22,000 to reflect 10 years of inflationary growth. The bill is awaiting the signature of the Governor. WPPA has supported this bill.

Labor

Apprenticeships

A bill designed to incentivize apprenticeships awaits a concurrence vote in the House. The bill would require municipalities, including ports, to require 15% apprenticeship utilization on all public works projects exceeding \$2 million. WPPA supports apprenticeship utilization as an effective way to grow the workforce but has had concerns this legislation would become a barrier to all small businesses and be burdensome by adopting utilization requirements without sufficient programs in place to enable the policy to work effectively.

Public Works

Small Works

[SB 5268](#) would make significant improvements to the Small Works Process, including raising ports Small Works threshold to \$350,000. The bill was passed by the House this week and awaits a concurrence vote by the Senate.

Transportation

Transportation Budget: Lower Snake River Dams (LSRD) Transportation Study

WPPA partnered with the Columbia River Steamship Operators Association (CRSOA) in the drafting of the majority of the study language adopted in the House Transportation Budget. In addition to \$5 million for WSDOT, the House also opted to include \$.5 million for the Joint Transportation Committees to provide legislative oversight and convene key stakeholders relevant to successful completion of the study. It's important to keep the robust analysis included in the House budget proposal in the final negotiated budget. In addition to CRSOA, the Pacific Northwest Waterways Association as well as the Northwest River Partners have coordinated messaging. There is still time to weigh in on LSRD studies currently contemplated during this legislative session. [Click Here to show your support for the studies proposed by the House.](#) Thanks to Northwest River Partners for being a strong partner in this advocacy.

Freight Mobility Strategic Investment Board (FMSIB)

WPPA supports [HB 1084](#) as a way to re-energize the board's significant value to strategic freight funding. The bill releases funding to the Freight Mobility Strategic Investment Board's project list which has been fully funded in the House Transportation Budget. On April 12, the bill passed the Senate and will now proceed to the Governor to be signed into law.

I-5 Bridge Tolling Authorization

[SB 5765](#) was voted out of the House Transportation Committee on Friday on a near party line vote. The bill provides authority to implement tolling on the future I-5 Interstate Bridge. In last year's Move Ahead Washington transportation package, toll revenue, estimated between \$1.25B to \$1.6B, was anticipated as part of the full funding package for the replacement bridge.

Connecting Washington Bond Authority

The House has opted not to take up [SB 5763](#), marking it dead for the 2023 legislative session. [SB 5763](#), which would have authorized the sale of bonds to ensure project funding in Connecting Washington can be fully funded and completed during the original 16 years contemplated in the bill.

Tax

Freight Rail Investment Incentives

WPPA and other stakeholders have agreed on a striking amendment which significantly reduces the fiscal impact, keeping the bill alive for now. The bill seeks to incentivize infrastructure spending on freight rail by providing tax incentives to both rail owners and operators, including port districts. WPPA supports this bill which got hung up in the Senate Ways & Means Committee due to a \$26 million fiscal impact over the four-year operating budget. The striker eliminates the per mile PUT tax credit for maintenance but retains the sections addressing modernization, sales and use tax credit for materials as well as the tax credit for donated materials.

Unified Tax Levy For Port Districts

On April 14, the House concurred with the Senate's amendments to [HB 1663](#). The bill will now proceed to the Governor to be signed into law! 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. Notably, the bill has been amended as it's advanced including a requirement that a majority of voters is needed in both districts to implement a joint property tax levy.

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