Week 15 Report

April 21, 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: <u>Bill Information</u>.

INTRODUCTION

The countdown to Sine Die continues in Olympia – Friday, April 21 marks the 103rd day of the 105 day 2023 Legislative Session. This abbreviated report will be followed by a comprehensive report next week, as the legislature works overtime to finish their work by Sunday, April 23.

This week the legislature focused on two items: Bill concurrence and finishing negotiations on the state's biennial budgets: Operating, Capital and Transportation. Additionally, the Governor has begun signing bills into law.

As a reminder, after a bill passes both chambers, it either proceeds to the Governor to be signed into law or it returns to the original chamber for concurrence. This means the bill was amended by the second chamber and must be approved in its 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

AT A GLANCE

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

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

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

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

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.).

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

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

Executive Summary – bill status as of 4/20/23 — 4:00pm

Passed - Needs Concurrence

- HB 1521 Self Insurance (Con) *amended 4/20, click here to view the amendment
- <u>HB 1050</u> Apprenticeship Utilization (Concerns)

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

- HB 1257 Authority of Cargo and Passenger Ports (Pro) WPPA PRIORITY
- <u>HB 1791</u> Supporting the need for commercial aviation services (Pro)
- HB 1838 Transportation Revenue Forecast (Pro)
- HB 1216 Clean Energy Siting (Neutral)
- HB 1084 Freight Mobility Board (Pro) WPPA PRIORITY
- <u>SB 5437</u> Vacancies/Special Purpose Districts (Neutral)
- <u>SB 5371</u> Orca Vessel Distance (Monitoring)
- <u>SB 5447</u> Alternative Jet Fuel (Pro)
- <u>SB 5268</u> Small Works Roster (CPARB request) (Pro)
- HB 1258 Tourism Funding (Pro)
- HB 1267 Rural public facilities tax (.09) (Pro) WPPA PRIORITY
- HB 1527 TIF Technical Correction (Pro) WPPA PRIORITY
- <u>SB 5433</u> Derelict Structure Removal (Pro)

Governor has signed into law

- <u>HB 1254</u> Periodic Adjustments (*Pro*)
- SB 5229 Site Readiness Grants (Pro) WPPA PRIORITY
- <u>HB 1048</u> Voting Rights Act (Concerns)
- <u>SB 5192</u> Derelict Vessel Appeals (*Pro*)

Budget Watch

After each chamber has released and passed their respective biennial budgets – Operating, Capital, and Transportation, budget leaders retreat behind closed doors to negotiate differences between the House and Senate versions of the budgets. Negotiations are now complete. Along with other stakeholders WPPA is anxiously awaiting their release. Latest rumors indicate the Transportation Budget will be released on Friday afternoon and Capital/Operating Budgets on Saturday afternoon. The budgets will be released as conference reports, which are final versions of the budget that cannot be amended. Below are the highlights of what WPPA will be watching for:

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 23, 2023: Last day allowed for regular session under state constitution.

* After 5:00pm on the 94th 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.

Operating Budget

Operating	Senate	House
Quiet Sound (orca monitoring)	\$750,000	\$500,000
Tourism	\$8m	\$9m
Associate Development Organizations	\$8.8m	\$8.6m
Clean Energy Permitting and Planning	\$10 m	\$10m
ADO Innovation Grant Funding		\$5.3m
Innovation Cluster Acceleration Program		
International Market Program	\$1.2m	\$600,000
NWSA Zero Emission Truck Pilot	\$6 m	
SB 5268, public works procurement	\$1.4m	
Site Readiness	\$2.5m	\$4.0m

Highlights:

- **Tourism:** The Senate's operating budget proposal included just \$8m for the Washington State Tourism Marketing Authority. The House budget included an amendment to increase funding to \$9m for the biennium. Advocates with whom WPPA is partnering expect that will be the high-water mark, so we will work to ensure the House level is maintained.
- **Clean Energy Permitting:** House and Senate proposals both include funding for clean energy permitting. Ports are eligible to apply for this funding if it is retained in the final budget. Meanwhile, the House budget includes funding for the implementation of <u>HB 1216</u>, the clean energy siting bill that WPPA supports.
- **International Markets:** The International Marketing Program supported by our partners at the Department of Commerce is funded at \$1.2m per biennium in the Senate Operating Budget, thanks to a floor amendment from Senator Hasegawa, whereas in the House funding remains at \$600,000 for the biennium. This will be an important area to watch as budgets are merged.

Transportation Budget

Transportation	Senate	House
FMSIB	\$10m (unallocated)	\$21.5m(funded project list in full)
Truck Parking		\$2.3 m dedicated to expand rest area truck parking and other projects
WPPA Marine Cargo Forecast		\$300,000 (in partnership with FMSIB)
Snake River Dams Transportation Study	185 mf or WXIIIII	\$5m for WSDOT and \$.5M for JTC Independent Review
Port Electrification		\$23.3 m for three projects

Highlights:

• Funding for Connecting WA projects: We were pleased to see strong funding for US-12 in Walla Walla in the House Transportation Budget, but the Senate proposal did not include planning nor right-of-way funding nor language about a federal fund match. Meanwhile, the Puget Sound Gateway program appears to enjoy enough support in both chambers to keep the project on schedule, but WPPA members have a slight preference for the House language.

- Snake River Dams transportation alternatives study has been allocated \$5 million in funding in both the House and Senate Transportation budgets. WPPA prefers both the prescriptive language incorporated in the House version as well as the inclusion of an independent legislative effort to monitor and conduct more stakeholder engagement by the Joint Transportation Committees. As a reminder, WPPA supports a robust study which assesses all transportation aspects which was originally recommended to receive \$10 million.
- The House Transportation Budget fully funds the \$21.5 million project list submitted by the Freight Mobility Strategic Investment Board, including \$300,000 for the Marine Cargo Forecast. The Senate does not fund any of the projects submitted on list. Instead, the Senate allocates \$12 million for undefined investments in truck parking, and leaves \$10 million in funding unallocated to the board. WPPA supports funding for truck parking at the level the Senate has proposed but doesn't think it should come at the expense of projects the board has selected to be funded.

Capitol Budget

Capital	Senate	House
Remedial Action Grants	which features strong funding for several	\$115m for Remedial Action Grants under MTCA, fully funding the Governor's list which features strong funding for several port projects.
Port Electrification	Everett specifically identified and a \$21m	No port electrification funding (House included NWSA and Port of Everett, no grant program)
Hard-to-Decarbonize Sectors Program		\$40 million, Hard-to-decarbonize definition includes industry, aviation and maritime.
CARB	\$5 million	\$5 million
Broadband	\$50m for the Broadband Infrastructure Federal Match Projects which is funding exclusively provided as match for the Broadband Equity, and Deployment (BEAD) federal program funded in the Infrastructure, Investment & Jobs Act (IIJA).	\$50 million for the Broadband Infrastructure Federal Match Projects. \$25 million is provided to the State Broadband Office and \$12.5 million is provided to both CERB and the Public Works Board.
CERB	\$25 million for Core CERB	\$25 million for the Core CERB

Highlights:

• Model Toxics Control Act and RAGs: Both the House and Senate Capital Budgets include strong funding for Remedial Action Grants funded through MTCA, with \$115m in each. Close to \$85m of the MTCA funding will go to port districts, including major projects at the Ports of Everett, Seattle, Tacoma, Olympia, and Bellingham. WPPA supports this funding.

- **Shorepower and port electrification:** WPPA continues to prefer the Senate Capital Budget's approach to port electrification. Sec. 1031 includes two specific projects NWSA and Port of Everett—plus \$21m in a port-specific grant program. WPPA is communicating support to lawmakers while asking that the additional three projects we put forward Anacortes, Bremerton, and Port Townsend are included in addition to the grant program.
- **Broadband:** The House and Senate Capital Budgets agree on \$50 million in state funding designated as matching funds for the Broadband Equity, Access and Deployment (BEAD) Program. The similarities stop there. The House dedicated \$25 million for the State Broadband Office and \$12.5 million each to the Public Works Board and to the Community Economic Development Board. The Senate provides the entire funding to the Department of Commerce.

Stay tuned for our comprehensive report next week!



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