

Aviation

Accelerating the Transition Away from Leaded Aviation Fuel

WPPA is championing a "West Coast First" strategy to transition away from the use of leaded avgas in GA aircraft. WPPA has been opposed to <u>HB 1554</u> in its current format but is working with the bill sponsor to consider incentives to accelerate the transition to an unleaded alternative.

Broadband

Local Broadband Implementation Support

\$5M annually is proposed to stand up resources designed to support planning, development and deployment of local broadband infrastructure including exploration of a public retail internet service option for communities that lack competitive ISP's.

- ✓ White Paper
- ✓ Decision Package

Codify CERB Broadband Program

The Community Economic Revitalization Board (CERB) is requesting codification of their Rural Broadband Program found in RCW 43.160. CERB has been an important funding source for port projects, including broadband projects.

State Funding for the Federal BEAD Program

The state will receive \$1.2 billion through the Broadband Equity, Access, and Deployment (BEAD) Program. In order to maximize these federal funds, the state appropriated \$200 million during the last session and has asked for an additional \$100 million be appropriated this session.

Budget

Commercial Pumpout Funding Request

It is illegal for commercial vessels to discharge into the Puget Sound. A multi-year effort is underway to site facilities throughout Puget Sound. Projects are currently under construction in Anacortes, Everett, and Tacoma. This year's funding request is targeting a facility in Bellingham.

Economic Development

Energy Supply & Grid Resiliency

Uncertainty around sufficient available power and the ability for the grid to meet near term and longer-term economic development goals have surfaced at port districts across the state. WPPA is convening a working group to define the problem and begin to identify potential actions to be considered, including potential legislative policy changes.



ADO Grant Funding

An effort to extend funding to Associate Development Organizations (ADO) failed to win support during the 2023 legislative session. Increasing funding for ADO's by providing \$10 million annually for a competitive grant program will again be considered for the 2024 session.

✓ ADO Decision Package

Removing Barriers to Economic Development

Several different legislative efforts designed to overcome burdens to better economic development are being considered this session. HB 1398 would require better sharing of data between state agencies to assist local economic development organizations in developing effective programs. Second, with federal funding is at an all-time high but local government, including port districts, often struggle to compete or even have awareness of how to be successful. The Match Act increases the capacity at the Washington Department of Commerce to assist local governments in successful grant applications.

✓ Match Act Draft

Tax Increment Financing

Certain junior taxing districts have raised questions about the impact of current tax increment law and what impact it will have on that districts capacity to responds to needs resulting from the new development. Several ports, along with cities and counties have begun advancing projects under the new TIF authority. WPPA will continue to communicate the importance this new tool is for port districts and educate members around the best practices being developed for its usage.

Innovation Cluster Accelerator Program (ICAP) Funding

Nearly a dozen economic clusters have been identified in some of the most promising industries all across Washington. Despite this, the ICAP program received inadequate resources during the 2023 session to sustain and grow the program. Over \$15 million is requested in the 2024 session to sustain these programs.

✓ ICAP Decision Package

Environment

Model Toxics Control Act Funding – Support Existing Levels

WPPA has long advocated for maintaining capital dollars from the Hazardous Substance Tax (HST) within the MTCA account where they can fund Remedial Action Grants that ports rely on to pursue complex environmental cleanups. In the 2023-2025 budget, the Legislature took \$50m from the HST receipts and deposited into the operating account at Ecology. We will work with stakeholders to request the legislature reverse this cash grab and restore those capital dollars to the MTCA capital account in the supplemental budget to support the intent of the HST.

Clean Energy Siting

Despite the passage of HB 1216 during the 2023 session, more work is needed to properly incentivize the clean energy industry promised in the state's decarbonization framework. Possible actions for 2024 include legislation that would improve the appeals process when permitting clean energy projects as well as funding to stand up a Clean Energy Navigators program at the Department of Commerce.

✓ Navigators Decision Package

Climate Commitment Act - Energy Intensive Trade Exposed (EITE) Exemptions for Agriculture & Maritime
The Climate Commitment Act (CCA) took effect on January 1 and has raised over \$1.4 billion in the first four
auctions held to date. Two sectors highlighted in the legislation that were supposed to be exempt have been
impacted by the CCA, agriculture and maritime fuels. An interim work group has been formed to identify ways to
implement these changes and to consider rebates for the funding already collected.

Port Decarbonization Funding

In the 2023-25 budget \$26.5 million was dedicated for a port decarbonization grant program. WPPA will continue to engage in ensuring this grant program is a successful opportunity for our port members. We will support the ongoing work to provide funding and opportunities for our port members to electrify and decarbonize.

Governance

Public Records Act

Work alongside other local government partners in exploring modest amendments to the Public Records Act which seek to limit frivolous requests that are not made in the spirit of open and transparent government.

Public Works

Apprenticeship Utilization in Public Works

A bill requiring all local governments to incorporate the use of apprentices on all public works with a cost over \$2M was passed by the legislature in 2023. While interim work is occurring to prepare for implementation in the summer of 2024, additional legislation is being considered. WPPA will support legislation that removes barriers to creating or improving apprenticeship programs or otherwise builds workforce capability. A bill designed to speed up adoption of new apprenticeship programs by reforming the appeals process has been proposed.

✓ Bill Draft

White Paper

Transportation

<u>Transportation Projects – Cost Increases & Funding Delays</u>

Several high-profile transportation projects included in both Move Ahead Washington as well as Connecting Washington have seen major cost increases resulting in the risk that the project won't be completed on time or within budget. Meanwhile, transportation revenue continues to fall short leading further to project delays. Ports will again need to support critical highway infrastructure spending to make sure important projects continue to be fully funded and moving towards constructure.

Railroad Infrastructure Modernization Tax Credit

Legislation designed to incentivize maintenance, preservation and new investment in rail infrastructure was introduced in 2023 but did not pass. For ports, tax preferences to exempt sales and use tax for Class III owners and operators investing in rail infrastructure as well as exemptions for new industrial rail development are critical.

✓ HB 1371 SB 5494

Supply Chain Funding

The Supply Chain Caucus has been highlighting conflicts and bottlenecks in delivering goods since the pandemic. Legislators are considering dedicated project funding to help pay project costs for those investments that correct or enhance supply chain competitiveness. A state funding program would help support recent action in Washington DC to improve supply chain resiliency and remove bottlenecks.

WPPA LEGACY ISSUES

WPPA will always prioritize policy and funding programs that are important to port districts across the state. Programs like the Model Toxics Control Account, the Derelict Vessel Account, the .09% Public Facilities Tax for Economic Development and the Community Economic Revitalization Board have been critical partners for port districts and will be at the forefront of our advocacy efforts.