



WASHINGTON PUBLIC PORTS ASSOCIATION

# LEGISLATIVE REPORT

WEEK OF JANUARY 15, 2018

## INTRODUCTION

Two weeks into the legislative session, and it feels like we've been here for two months. There remain a large number of bill introductions – though slowing down – and committee hearings are packed. We are two weeks away from the first bill cut-off, so any measures with a decent chance at passage should be already introduced.

The major news this week is that the legislature finally reached a compromise on the "Hirst" water policy fix, relating to new wells. This cleared the way for passage of the Capital Budget, to everyone's great relief. The details of the budget are mostly the same as the last version of the budget that was available – but did not pass – last year.

WPPA's various priority bills have all been introduced, and either heard or are scheduled for a hearing. There have also been a number of bills of concern that your Association staff have been working on. Tuesday is Port Day – we are looking forward to seeing many of you here for our briefings and to visit your legislators. For an up-to-date agenda and program, click [here](#).

## CAPITAL BUDGET

The drawn-out wait for a state Capital Budget ended late Thursday evening, when the legislature passed the long-delayed spending package. The construction budget was held up primarily by Republicans, who insisted that the legislature first address the "Hirst" land use case that effectively ended the long-established practice of allowing small wells to be drilled in rural areas for homes. On Tuesday, after months of talks, key legislators agreed to a compromise allowing small wells in most basins, with enhanced water planning requirements. Also, \$300 million is pledged over a multi-year period for efforts to enhance stream flows in low-water basins.

The final budget appropriates \$8 million for the Community Economic Revitalization Board (CERB) grant program for the traditional projects, and an additional \$5 million to CERB for broadband projects. Several million dollars are also provided for marina and dredging projects at the ports of Grays Harbor, Bremerton, Port Townsend, Chinook and Ilwaco. Remedial Action Grants – which are cleanup projects under MTCA – were funded at a level of \$20 million, with an additional \$10 million for Coordinated Prevention Grants.

The budget also creates an Aviation Revitalization Loan program for the purpose of making loans to General Aviation airports. This effort is funded with \$5 million, and will be administered by a Community Aviation Revitalization Board.

## ECONOMIC DEVELOPMENT

**Port Broadband Telecommunications Authority: SB 6426** (and House companion bill HB 2664) expands geographic limits of port broadband authority to include all ports. The Senate bill was heard in the Energy, Environment & Technology Committee this week with well-developed testimony from Sara Young (Port of Skagit) and Nelson Holmberg (Port of Ridgefield). The House version of this bill under the sponsorship of Representative Mary Dye, is not yet scheduled for hearing.

## ACTION TO TAKE:

**PORT DAY 2018**

**Tuesday, January 23**

**We encourage you to mention the following when meeting with legislators:**

**SB 6329** (Port District Contracting) will be heard in the Senate Local Government Committee on Ports Day. To testify, contact [cherman@washingtonports.org](mailto:cherman@washingtonports.org).

**SB 6072 + HB 2691** - we encourage you to mention support of unit price contracting bills when meeting with your legislators.

Representative Dent's bill on additional grant funding for airport infrastructure scheduled for a hearing in the Senate Transportation Committee on Thursday, Jan 25.

## AT A GLANCE

Length: 60 days

Session began on: January 8, 2018

For up-to-date legislative information, text of bills and other helpful information, including hearing schedules, visit: [www.leg.wa.gov](http://www.leg.wa.gov)

Hearings – including past hearings – may be watched at: [www.tw.org](http://www.tw.org)

For current and previous copies of our report, visit: [www.washingtonports.org](http://www.washingtonports.org)



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## ECONOMIC DEVELOPMENT (CON'T)

**Port Workforce Training Authority: HB 1510**, The bill expands port authority to provide occupational training consistent with the port's economic development goals. The measure received executive action and moved out of the House Committee on Technology & Economic Development with a do pass recommendation this week.

## ENVIRONMENT

**Water Availability (Hirst Fix): SB 6091** – After a long fight, a bipartisan bill passed the legislature on Thursday night and cleared the way for the passage of a Capital Budget. In order to reach a compromise, the law creates different amounts of water allowed under exempt wells based upon the basin in which it is located. For a more detailed analysis of the bill that passed the legislature, please contact Gerry O'Keefe by email at [gokeefe@washingtonports.org](mailto:gokeefe@washingtonports.org).

**Strengthening Oil Transportation Safety: SB 6269** funds activities previously authorized by the legislature for which no ongoing funding source had been provided. Ecology is directed to specifically address the risks of oils submerging and sinking; and coordinate with Canadian partners in order to protect Puget Sound from spill accidents. The bill requires the Ecology to consult with the Puget Sound Partnership and the Pilotage Commission, complete a report of vessel traffic and vessel traffic safety within the Strait of Juan de Fuca, including the San Juan archipelago, its connected waterways, Haro Strait, Boundary Pass, and the waters south of Admiralty Inlet.

**Construction in State Waters: HB 2337** has been scheduled for executive session in the House Agriculture and Natural Resources Committee, but continues to be worked behind the scenes. WPPA has been actively involved in this work.

**Carbon Taxes: SB 6203** - The Governor testified on the bill in the Senate this week. It is complicated legislation made more difficult because of the short timelines this year. It remains a long shot to be enacted.

**Cleanup Project Funding: SB 6285** – establishes a contractual mechanism under the state constitution to guarantee funding for large MTCA cleanups once certain conditions are met. A solution is necessary because several very large cleanups are pending at ports but cannot proceed until confidence is restored in the legislature's commitment to this work. WPPA will monitor the bill to ensure that smaller projects continue remain

## TAX

**Reforming Federal Harbor Maintenance Tax: HJM 4012** (House Joint Memorial) calls on the President and Congress to adopt legislation reforming the federal Harbor Maintenance Tax to provide greater equity for HMT donor ports like the Northwest Seaport Alliance and ensure it does not disadvantage United States ports and maritime cargo. The memorial received public hearing and is scheduled for executive session in the House Committee on Technology & Economic Development on January 25.

## SESSION CUT-OFF DATES

### January 8

First Day of Session

### February 1

Policy Committee Cutoff -  
House of Origin

### February 6

Fiscal Committee Cutoff -  
House of Origin

### February 14

House of Origin Cutoff

### February 23

Policy Committee Cutoff -  
Opposite House

### February 26

Fiscal Committee Cutoff -  
Opposite House

### March 2

Opposite House Cutoff

### March 8

Last Day Allowed for  
Regular Session



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## GOVERNANCE

**Campaign Contribution Limits for Port Commission Candidates: HB 2647** is scheduled for public hearing and executive session next week. The bill extends current campaign contribution limits for port districts with over 200,000 registered voters to all port districts. This creates a uniform campaign contribution limit among all ports (and other special purpose districts) of \$800 per individual contributor per candidate per election cycle (primary separate from general).

**Voting Rights Act: SB 6002**, a bill that has languished for years in a politically-divided Legislature, gained traction, received executive action in the Senate Committee on State Government, Tribal Relations & Elections and moved to the Rules Committee last week. The bill was amended and placed on third reading for floor action. The act is aimed at rectifying the dilution of voting power of minority groups, would allow political sub-divisions of the state to adopt their own district-based voting systems.

**Port District Elections: HB 1999**, introduced and passed out of committee last session, has been reintroduced, received public hearing and is scheduled for executive action this week in the House Government, Elections & Information Technology Committee. The bill would align the election structure of the Port of Seattle with the King County Council, electing nine port commissioners from nine defined voting districts. The bill prohibits election-at-large, and allows for only voters from each district to elect that district's commissioner.

**Bargaining Rights of the Professional Staff at Port Districts: SB 6230** removes the prohibition on professional employees of port districts from organizing into collective bargaining units for the purpose of employment contract negotiations. Currently under Washington law, port employees are guaranteed collective bargain rights, but managerial and professional em-

## AVIATION

**Airport Infrastructure Funding: SB 6450** would create the Community Aviation Revitalization Board to be overseen by WSDOT. The Board would solicit projects, review and recommend loan funding specifically designed to fund revenue generating projects and small general aviation airports. This bill is important because it is the policy companion to the \$5 million in funding provided in the Capital Budget that both chambers passed last night. No hearing has yet been scheduled.

Representative Dent has introduced a bill that would reallocate 1% of the aviation fuel tax to program additional grant funding for airport infrastructure across the state. The bill is fashioned after a similar reallocation of aircraft excise tax funds which occurred in 2015 and resulted in an increase in revenue to the general fund due to the ability to collect sales and B&O taxes on the resulting projects. WPPA is supportive of this bill. It will be heard on Thursday January 25th in the House Transportation Committee.

**Aircraft Noise Impact Area: HB 2497** seeks to increase the area to be considered as an impacted area when port districts are investigating, monitoring or implementing aircraft noise impact remediation plans. The bill makes no change to those airports impacted by this legislation, defined as those airports serving more than 20 scheduled jet aircraft flights per day. The bill does not specifically require additional remediation but does infer that noise monitoring should be adjusted to meet the new definition.

## TRANSPORTATION

**Retaining "Railbank" Provision on the John Wayne Trail: SB 6363** - WPPA is in support of this bill to eliminate the sunset clause and retain existing framework in state law that allows the cross-state known as the John Wayne Trail to again be used for rail transportation, should it be needed. It is scheduled for a hearing in the Senate Transportation Committee next Tuesday (Ports Day).

**Railroads: HB 1669** would mandate a minimum train crew size from two to four crew members for any train operation depending on the quantity and classification of hazardous materials being hauled. It also establishes new authority for the Utilities & Transportation Committee, charged with regulating the new requirements. This bill has passed its committee and advanced to Rules. Representative Manweller has also introduced **HB 2622** which would allow county rail districts to establish sales and use tax authority to fund rail infrastructure. This bill is not yet scheduled for a hearing.



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## PUBLIC WORKS

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**Establishing a Bid Limit for Competitive Solicitation: SB 6329 and HB 2690** - Port districts are one of only two local governments that do not have authority to waive competitive bids under a certain threshold. These bills would allow ports to do so when the anticipated cost of the public works project is less than \$40,000. HB 2690 was heard in committee this past week and is scheduled to be voted on by the committee next week. SB 6329 will be heard in the Senate Local Government Committee on Ports Day.

**Unit Priced Contracting: SB 6072 + HB 2691** clarify port district authority to continue to use unit priced contracting. SB 6072 was voted out of committee last week with a minor technical amendment and HB 2691 was heard this past Wednesday and should be voted on by the committee next week.

**Collective Bargaining/Prevailing Wages: SB 5493** sets a prevailing wage by using a collective bargaining agreement, if there is one. It was heard last week in the Senate Labor & Commerce Committee, and WPPA testified with concerns. The bill is likely to be amended, and is scheduled for a committee vote on Monday.