



WASHINGTON PUBLIC PORTS ASSOCIATION

LEGISLATIVE REPORT

WEEK OF JANUARY 8, 2017

INTRODUCTION

The 2018 Legislative Session began this week, best characterized as “fast and relentless”. Dozens of bills bottled up by last year’s Republican majority in the Senate were scheduled for early hearings and votes. Many hundreds of additional measures were introduced, often at the urging of labor, environmental and progressive interests. With full – albeit narrow – control of power in Olympia, Democrats see a window of opportunity to put into law a number of long-sought priorities.

Your staff at WPPA were very busy, securing the introduction of several WPPA priority measures, including unit-priced contracting authority, broadband authority, and increases in bid limits.

Many other measures affecting ports were also introduced, including one allowing port professional staff to unionize. Additional bills relate to port trucking emissions, prevailing wage payments, oil spill prevention, funding for large cleanups, a carbon tax and several transportation policy issues.

For additional information, call WPPA at 360-943-0760, or email one of our staff members.

ECONOMIC DEVELOPMENT

Port Workforce Training Authority: HB 1510, originally introduced and heard last year – is again under consideration. The bill expands port authority to provide workforce training. The precise scope of this expansion and limitations on it, are being discussed with the bill’s sponsor. The measure is expected to move out of committee next week.

Port Broadband Telecommunications Authority: HB 2664 (and Senate draft bill currently without number) expands the geographic limits of port broadband authority to include all ports. A new House version was introduced this week, again under the sponsorship of Rep. Mary Dye. The Senate companion bill sponsored by Sen. Lisa Wellman continues to gather co-sponsors, scheduled for a hearing in the Senate Energy, Environment & Technology Committee on January 17. This session will continue to see vigorous debate on broadband and internet issues begun last year.

PUBLIC WORKS

Unit Priced Contracting: SB 6072 and HB 2691 (sponsored by WPPA) would clarify port authority to use unit-priced contracting. SB 6072 was heard in the Senate Local Government Committee this week. Thanks to the Ports of Seattle, Tacoma, Vancouver and Olympia for your support of the bill during the hearing. We expect a hearing on HB 2691 to be scheduled early the week of January 22. Please consider testifying on this bill in person.

Collective Bargaining Agreements to set Prevailing Wages: SB 5493 was heard on Thursday, which mandates that if a local collective bargaining agreement is in place for a construction trade, the prevailing wage will be set using the agreement. A House version of this bill was heard last year. WPPA testified with concerns about using agreements from distant urban areas to set wages in rural areas, and also with questions about how to proceed if there is more than one collective bargaining agreement.

Out-of-State Materials Used in Projects: HB 2407 creates a reporting requirement for public agencies using certain materials purchased from sources outside the state, requiring a reason for not using locally-sourced steel and concrete and where it is sourced from. The new law affects projects broadly and is only waived for small projects and those using only local funding.

ACTION TO TAKE:

TALK TO YOUR REP TO SUPPORT:

- **Broadband Port Authority (HB 2664)**

CONTACT CHRIS HERMAN TO TESTIFY IN PERSON ON:

- **Unit Priced Contracting (HB 2691)**

- **Establishing Bid Limits for Ports (SB 6329 / HB 2690)**

CHERMAN@WASHINGTONPORTS.ORG

AT A GLANCE

Length: 60 days

Session began on January 9, 2018

For up-to-date legislative information, text of bills and other helpful information, including hearing schedules, visit:

www.leg.wa.gov

Hearings – including past hearings - may be watched at: www.tvw.org

For current and previous copies of our report, visit: www.washingtonports.org



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PUBLIC WORKS (CON'T)

Establishing a Bid Limit for Competitive Solicitation: SB 6329 and HB 2690 address that port districts are one of only two local governments without authority to waive competitive solicitation 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. Both have been introduced and we expect a committee hearing early in the week of January 22nd. Please consider testifying on these bills in person. WPPA encourages you to contact your legislators and express support for these bills.

ENVIRONMENT

Oil Transportation: SB 6269 is oil spill legislation requested by The Governor, in part, to pay for a previous, unfunded expansion of Ecology's Oil Spills program. It increases tax assessed on crude oil (Barrel Tax) by 2 cents per barrel and expands the tax base to include oil shipments received by pipeline. It also expands Ecology's planning and preparedness responsibility to specifically include oil that sinks in water. Ecology is required to study oil spill risk and emergency response capability in Haro Strait, Boundary Pass, and Rosario Strait.

Construction in State Waters: HB 2337 adds civil enforcement to existing criminal enforcement authority for violations of the Hydraulic Code including up to a \$10,000 fine for for each violation below the ordinary high water line, and \$100/day for violations above the ordinary high water line. In addition, authority for stop-work orders is established, with the ability to seek administrative inspection warrants. WPPA testified with concerns in the House Agriculture and Natural Resources Committee on January 11th.

Water Availability: SB 6091 is the Senate's Hirst fix, likely to pass the Senate shortly. It will face headwinds in the House as tribal and environmental interests push back on certain elements. Pressure continues to build to pass a Capital Budget with the loss of federal matching funding for low-income housing, to occur on January 17th. Reliable sources indicate the Senate package includes \$300 million to improve stream flows in basins affected by Hirst.

Carbon Taxes: SB 6203 is Governor Inslee's latest carbon policy proposal built on a tax of \$20 per ton of greenhouse gas emissions. The Office of Financial Management estimates the bill will generate \$1.5 billion in revenue over the first two years in effect. It also distributes these revenues to a variety of purposes. Most observers do not expect the legislature to pass a carbon policy in the 2018 Session.

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. WPPA is gathering facts and working with the proponents, which include a subset of our members.

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 is scheduled for public hearing in the House Committee on Technology & Economic Development on Wednesday, January 17.

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 resular session under state constitution



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GOVERNANCE

Campaign Contribution Limits for Port Commission Candidates: HB 2647 was introduced this week and is expected to gain traction early this session. It extends campaign contribution limits currently in place for port districts with over 200,000 registered voters to all port districts. This creates uniform campaign contribution limits 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 languished for years in a politically-divided Legislature, gained traction, received public hearing, and is scheduled for executive action in the Senate Committee on State Government, Tribal Relations & Elections this week. The measure, aimed at rectifying the dilution of voting power of minority groups, allows 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 aligns the election structure of the Port of Seattle with the King County Council, electing nine port commissioners from nine defined voting districts. Additionally, it prohibits election-at-large, and allows for only voters from each district to elect the commissioner to fill that district's position.

Bargaining Rights of the Professional Staff at Port Districts: SB 6230 removes 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 employees are exempted from this statute. The bill is scheduled for public hearing on January 18, in the Senate Commerce & Labor Committee.

AVIATION

Aircraft Noise Impact Area: HB 2497 seeks to increase the area considered an impacted area when port districts are investigating, monitoring or implementing aircraft noise impact remediation plans. There is no change to which airports are impacted by this legislation, defined as airports serving more the 20 scheduled jet aircraft flights per day. The bill does not specifically require additional remediation but does infer noise monitoring should be adjusted to meet the new definition of the impacted area. This bill is up for committee hearing Tuesday, January 16 at 10am.

TRANSPORTATION

Passenger Ferry Study: SB 6054 instructs the Department of Transportation to complete a study on the feasibility, governance and funding structures for possible Passenger Ferry Service between Olympia and Seattle. The bill provides no funding for the study and waives the requirement to complete if funding is not secured through the transportation budget.

Railroads: HB 1669 - Several bills relating to railroads or rail transportation have been introduced or reintroduced in the first week of session. **HB 1669** would mandate a minimum train crew size of two people for any operation, and up to four crew members based on the quantity and classification of hazardous materials being hauled. This bill has been reintroduced and may gain more traction this year following December's Amtrak derailment. WPPA is also sponsoring a bill that seeks to retain the former Milwaukee rail corridor in state ownership, as the rail-banking statute is set to terminate in 2019. We seek to ensure the cross-state transportation corridor remains a viable option for transportation purposes in the future.

Southwest Washington River Crossings: SB 6118 and **HB 2352** address improving transportation between Washington and Oregon **SB 6118** allows the I-5 Columbia River Project Joint Legislative Action Committee (formed in the 2017 legislative session) to continue to work despite the appointment of eight Oregon legislators. **HB 2352** again seeks to fund a study on a third bridge option, to be conducted by the Joint Transportation Committee. WPPA has strongly supported the work of the Action Committee and supports an I-5 replacement as the first step to improving freight mobility between Washington and Oregon.

"Uber" Legislation: SB 6043 and **HB 2716** - Transportation Network Carriers (TNC's...aka Uber, Lyft, etc.) return to the capitol with bills in both chambers. SB 6043 and HB 2716 address authority and oversight for operations of TNC's in Washington. WPPA worked with the Port of Seattle (Thank you Eric Ffitch!) closely to address concerns with TNC's during the 2017 legislative session, to make sure our authority to manage transportation services (mainly at airports) is retained. We will continue to watch as these bills progress through their respective committees.