

WPPA Lobby Team



Chris Herman- Aviation, Broadband, Energy, Labor & Workforce, Procurement/Prevailing Wage, Tax, Transportation.

Eric ffitch- Governance.

Carly Michiels- Energy, Environment, Natural Resources, Land Use.

James Cockburn- Governance, Marinas, Labor & Workforce, Procurement/Prevailing Wage, Recreation, Transportation.

WPPA also utilized **Marian Dacca** as a contract lobbyist for the 2024 Legislative Session to assist with bill tracking and report writing.



Agenda

2024 Legislative Session Wrap-Up

WPPA's Interim Work Plan

WPPA's 2025 Legislative Agenda Setting

2024 Election Cycle

Economic Revenue Forecast Council – June update



2024 Legislative Session Highlights

2024 Session lasted 60 days: January 8, 2024 – March 7, 2024

Democrats controlled the agenda with majorities in both House & Senate;
and Governor

Passed 3 supplemental budgets: Operating, Capital, & Transportation

Policy Bills

- 1191 introduced

- 364 passed the legislature

Top Themes: housing, workforce & labor relations,
six initiatives to the legislature



2024 Port Legislative Policy Priorities

POLICY HIGHLIGHTS

CERB Rural Broadband
Program Codified

HB 2039 Appeals process for
energy siting (passed)

\$75M capital funding for clean
energy projects and planning

Derelict Vessel Removal
Streamlining-Private Marinas

POLICY CHALLENGES

Port Competitiveness
Grant Program (SB 6302)

Rail Modernization Tax Credit

MTCA funding

Non-resident Vessel Permits-
Over 300'

SB 5770 – Property tax reform



2024 Supplemental Budgets

BUDGET – HIGH LEVEL

\$73.3 billion “general fund”
operating budget

\$8.8 billion capital budget

\$14.6 billion
transportation budget

BUDGET – SPECIFIC HIGHLIGHTS

\$150 million for energy rebate
assistance

\$26.5 million for port
electrification

\$25 million – Green Jobs and
Infrastructure Grants

\$100 million additional –
highway maintenance and
preservation

\$227 million additional – fish
passage barrier removal





2024 Session Wrap-up Report

March 11, 2024

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](#).

Washington State 2024 Legislative Session

The 2024 Legislative Session was scheduled as a short, 60-day session that began Monday, January 8, 2024, and concluded on time on Thursday, March 7, 2024. It was an action-packed session that attempted to tackle topics like artificial intelligence, housing supply and affordability, along with several workforce and labor-related measures. Additionally, the legislature negotiated and passed the state's supplemental biennial budgets: Operating, Capital, and Transportation. As a reminder, during the two-year biennium, all bills that do not pass during the 105-day session, are technically *alive* again for the 60-day session. While many were not revived this session, more than 1,000 bills from 2023 were eligible for consideration.

Democrats continued to control the agenda in Olympia with strong majorities in both the House (58-40) and Senate (29-20) as well as control of the executive branch.

1,191 bills were introduced, and 364 bills passed the legislature and have been sent to the Governor to be signed into law. Between now and March 30th, the Governor will review bills passed by the legislature and choose one of

Port Funding Priorities

Make sure to check out our legislative report, and the final wrap-up with a detailed funding chart!



Preparing for the 2025 Session

WPPA's Legislative Vision: Proactively advance more policy priorities for possible inclusion into WPPA's 2025 Legislative Priorities

WPPA's 2025 Priority Setting Process

- WPPA Legislative Committee Meeting
- WPPA Standing Committees (ie Environmental/Trade & Transportation etc.)
- WPPA Work Group Development
- Building closer external partnerships

Work Groups (So Far)

- Port Electrification Work Group
- Energy & Grid Reliability Working Group
- Stormwater Work Group



2024 Elections

- The 2025 Legislature will look very different.
- For the first time since 2012 there will be four statewide seats open: Governor, Attorney General, Commissioner of Public Lands, and Insurance Commissioner.
- Primary Election: Aug 6, General Election: Nov 5
- Redistricting shakeup!
 - 5 eastern WA legislators were redistricted out of their current districts.
- Initiatives to the Legislature
 - I-2109 – Repeal of the Capital Gains Tax
 - I-2124 – Opt-out of the State-Run Long Term Care Program
 - I-2117 – Repeal WA's Cap and Invest Program





Economic Revenue Forecast Council

Economic Forecast updated monthly

- Uses a “basket” of broad state and federal indicators
- Includes actual receipts to the state General Fund

Revenue Forecast updated quarterly

- Council includes legislative “budget writers” and the Office of Financial Management
- Revenue Forecasts directly influence budget development
- Transportation revenue has been rolled into the ERFC



Economic Revenue Forecast Council

June Revenue Forecast

Revenue Forecast is slightly higher than the February Forecast

WA personal income

- slightly lower 24-25
- slightly higher 26-29

US GDP slightly higher for entire forecast window

Consumer spending remains strong

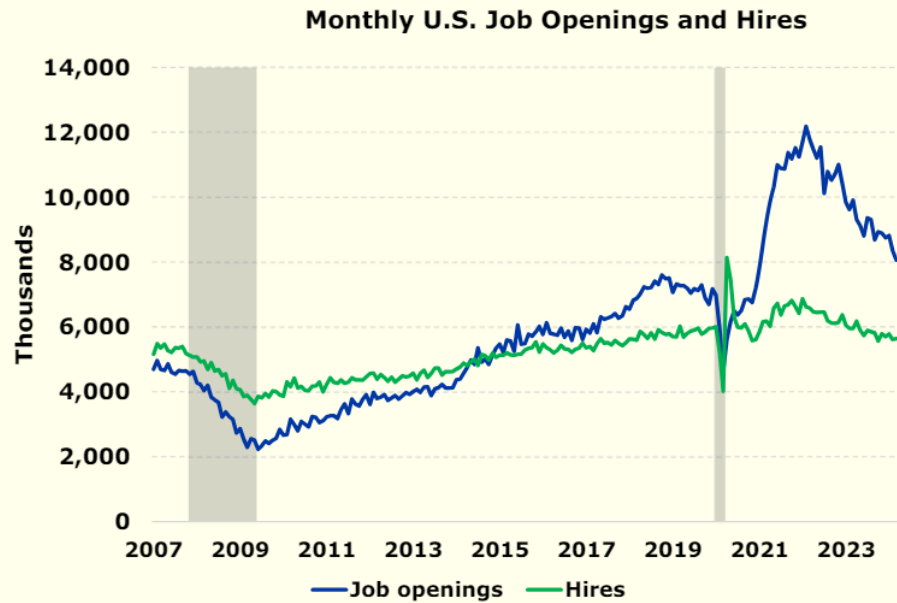
ALSO....

Revenue collections have slowed but continue to outpace the revenue forecast





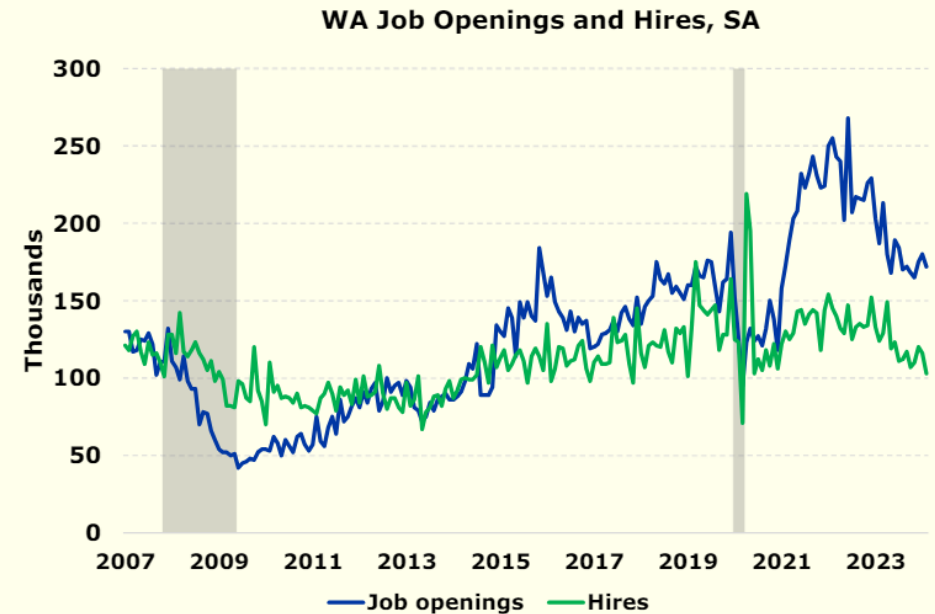
Job openings continue to slow after peaking in 2022



Source: U.S. Bureau of Labor Statistics, data through April 2024



Washington job openings also down from 2022 peak, consistent with national picture



Source: U.S. Bureau of Labor Statistics, data through March 2024

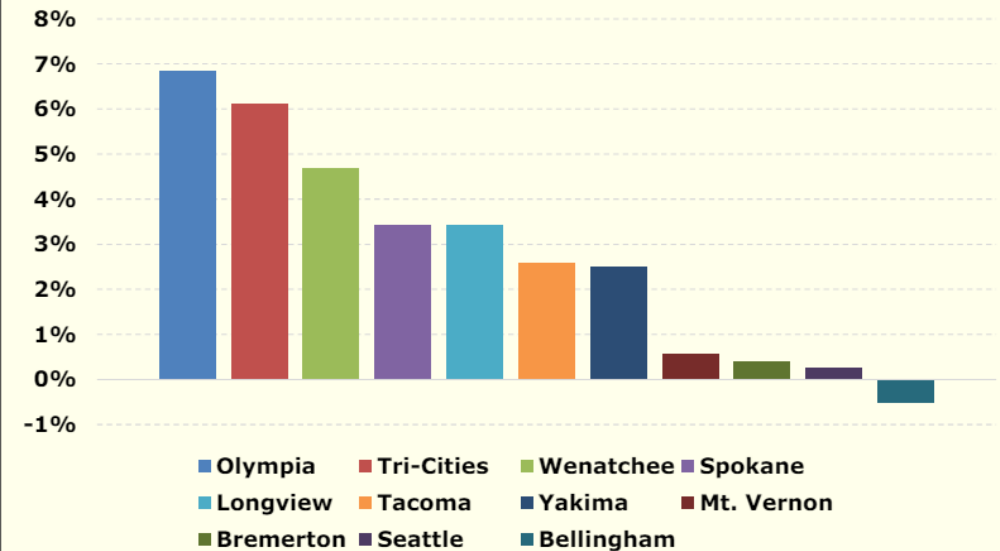
US vs. WA Jobs Outlook comparable

Job Growth varies across WA



Post-pandemic employment changes vary across metro areas

Employment Change: April 2024 compared to
January 2020 (SA)



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Source: WA Employment Security Dept.

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Wage growth has been very high but continues to slow

High-skill:

Managers,
Professionals,
Technicians

Middle-skill:

Office &
Administration,
Operators,
Production, Sales

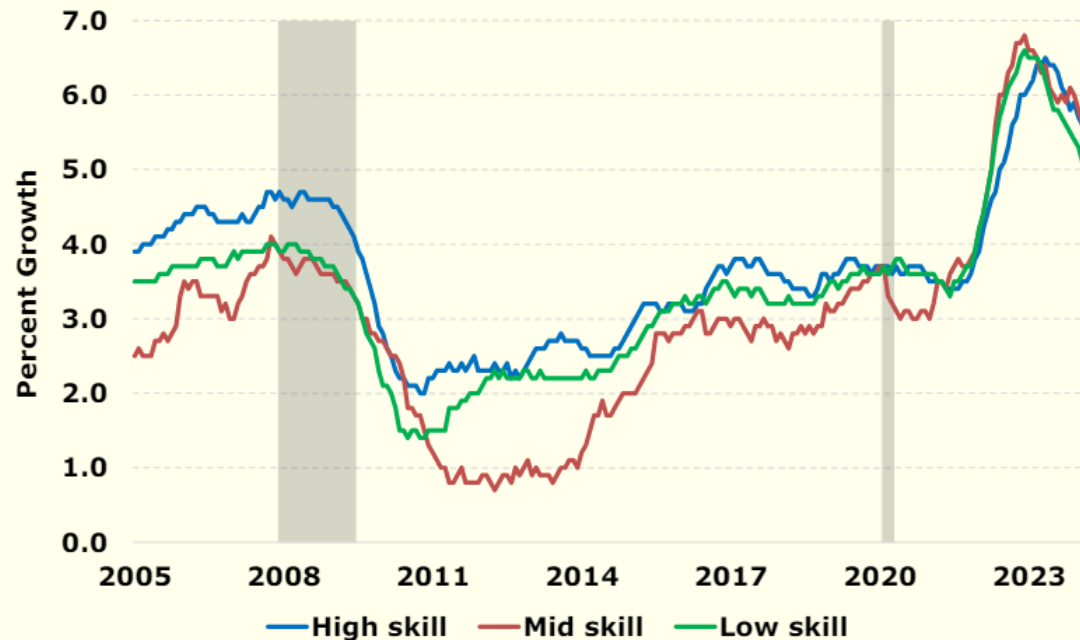
Low-skill:

Food
Preparation &
Serving,
Cleaning,
individual Care
Services,
Protective
Services

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U.S. median wage growth, 12 mo. moving average



Source: Federal Reserve Bank of Atlanta, data through March 2024

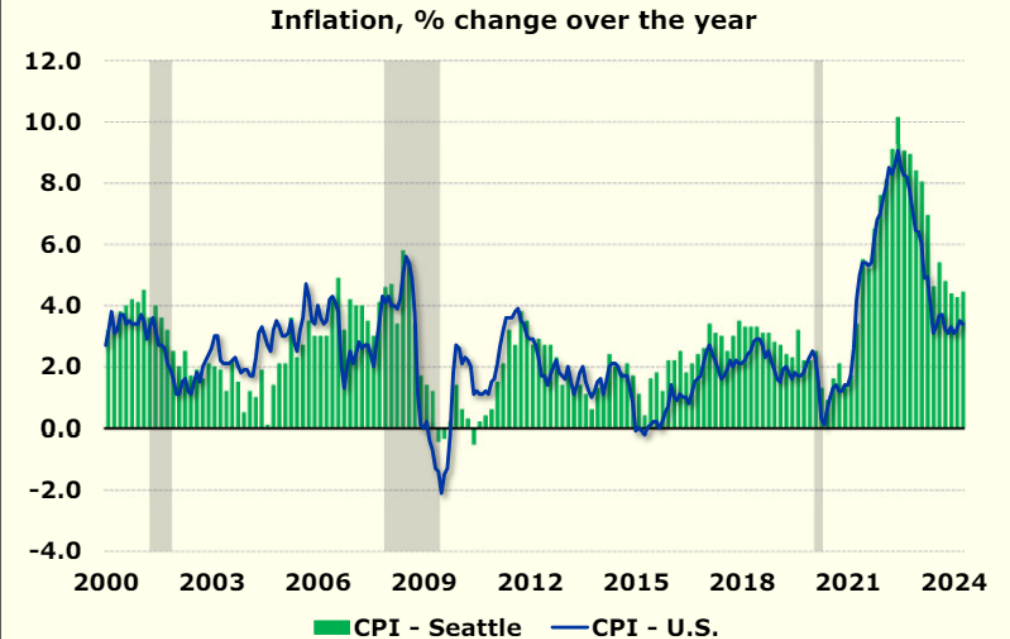
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Wage Growth Slowing

Inflation has slowed but the hangover continues



Inflation has slowed significantly but remains above the target rate



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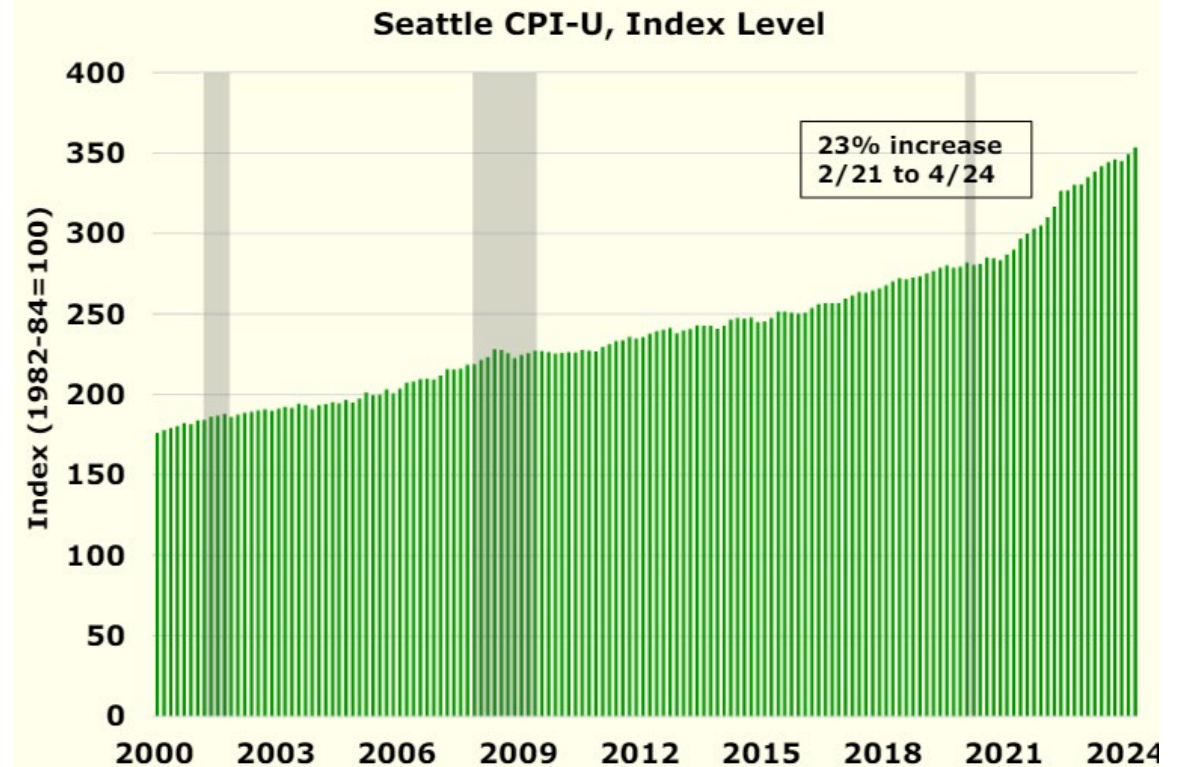
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Source: U.S. Bureau of Labor Statistics, data through April 2024

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Price levels are high

Slowing inflation is good news, but the level of prices has increased significantly of late



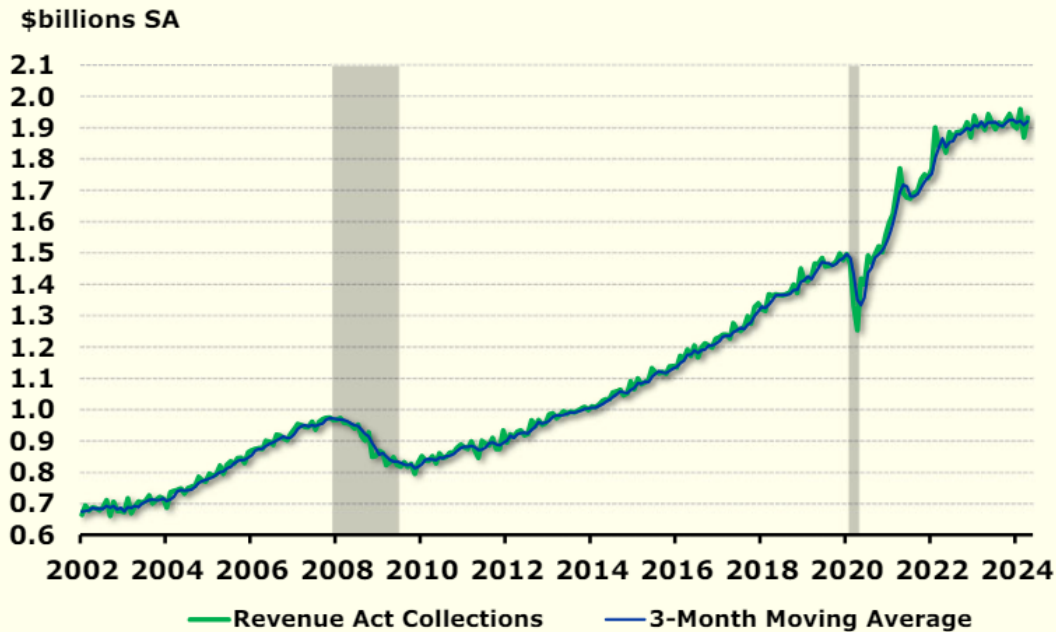
Source: U.S. Bureau of Labor Statistics, data through April 2024

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Revenue Act collections growth has slowed; for the four months since the last forecast revenues* are up 0.8% YOY

Revenue Act includes:
Sales tax
B&O tax
Use tax
Pub util tax
Penalties
Tobacco



* Adjusted for large one-time transactions, amnesty payments, reporting frequency change and deferred 2020 payments, current definition of Revenue Act
Source: DOR and ERFC; monthly data through April 2024 preliminary activity

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**Revenues
slowing but
still
outperforming**

How can WPPA help?

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