

Week 4 Report 02.08.25

Snow came to Olympia this week, with a dusting over the weekend and slush and ice welcoming lawmakers, lobbyists, and groups of school children and advocates on Monday as they once again descended on the capitol campus. Big hearings in environmental committees on legislation related to ocean-going vessels meant that WPPA, ports, and their partners were very active in providing testimony and meeting with legislators individually to respond to their proposals. And

budget uncertainty continues to define the initial conversations about funding priorities.

Additionally, we were treated to a near-constant soundtrack of car horns throughout the morning and afternoon on Wednesday. Hundreds of folks turned out to wave signs and rally in opposition to the proposed policies of the Trump administration and its allies. A contrast to a rally earlier in session on the capitol steps in support of the new administration. Regardless where you stand on a particular issue, there is something to be said for folks coming to their state capitol, to the people's house, to make their voices heard as a collective group. These sorts of demonstrations vary in size, organization, and political ideology but they are an almost daily occurrence in Olympia and can have a grounding effect on the hundreds of people who work in and around the legislature every day. It also helps remind us that there are millions of people in the state who may only visit the capitol building once in their lives, if at all.

With all of that reflection aside, an important deadline in the legislative process is now fast approaching. "Policy committee cutoff" on February 21<sup>st</sup>, is the last day for bills to be passed out of their assigned policy committees. As a result, legislators and lobbyists are working diligently to secure spots on executive session calendars and ensure their priority bills continue moving forward. The energy in Olympia is palpable, with everyone acutely aware that some bills may have to wait until next year to advance.

# **AT A GLANCE**

Length: 105 days; Regular session began on January 13, 2025

For up-to-date legislative information, visit: <a href="leg.wa.gov">leg.wa.gov</a>

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# **SESSION CUTOFF DATES**

- Feb. 21, 2025: House of Origin Policy Cutoff
- Feb. 28, 2025: House of Origin Fiscal Cutoff
- March 12, 2025: House of Origin Floor Cutoff
- March 24, 2025: Opposite House Policy Cutoff
- March 31, 2025: Opposite House Fiscal Cutoff
- April 9, 2025: Opposite House Floor Cutoff
- April 27, 2025: Last Day of Session

For more information about cutoff dates, visit: <u>leg.wa.gov</u>

The legislative process is always fast paced, but the weeks leading up to the first cutoff deadline are particularly demanding. Many bills will not make it past this stage, as committees must prioritize which proposals to advance. This winnowing process helps determine which issues will dominate discussions in the weeks and months ahead. WPPA staff devoted time this week to ensuring that port-related priorities receive the attention they deserve and continue moving through the process, with every day more important if our bills haven't been scheduled for hearings and executive sessions to this point.

Of note this week, we saw the introduction of our priority supply chain competitiveness bill, which would enhance the efficiency and resilience of Washington's freight and logistics infrastructure. Ensuring the state remains a leader in global trade is a key priority, and we are advocating for this policy to strengthen our supply chain and port operations. And on the governance side, legislation to allow certain port districts to extend their commissioner terms from four to six years was passed out of the Local Government Committee with no votes in opposition (SB 5370, outlined later in the report).

Another important role of your Association is letting members know where we have concerns: as noted above, this week our staff testified in opposition to a bill that would ban the use of all types of exhaust gas cleaning systems, also known as scrubbers, and a bill that would effectively mandate the use of shore power by ocean-going vessels at berth. While we support efforts to improve environmental sustainability, we emphasized the need for practical and economically viable solutions that do not inadvertently disadvantage Washington's ports in the competitive global market. More on these and other bills later in the report.

WPPA remains actively engaged, working to support policies that benefit Washington's ports and the broader maritime industry. We will continue to keep you informed on legislative developments and opportunities to engage as the session progresses.

### Action Alert - Sign in on the following bill

NOTE: WPPA staff are working hard on the legislative proposals highlighted in this section, and we would love your support! If you're comfortable signing in "pro" or "con" to show your port's position, we would be grateful! If you're interested in signing in, but unsure of the process, please reach out to WPPA staff. We will use this area of the report to briefly spotlight bills that would benefit from your engagement.

Sign in PRO – Support: <u>HB 1860</u>, Supply Chain Competitiveness Infrastructure Program – public hearing February 14<sup>th</sup> in the House Technology, Economic Development, & Veterans Committee

# WPPA Weekly Bill Tracking Update

#### **Aviation**

Alternative Aviation Fuels:

SB 5601, sponsored by Sen. Liias (D-21st LD, Edmonds), would create a competitive grant program at the Department of Commerce to support the research, development, demonstration, engineering designs, production facilities, and blending and use of alternative jet fuels infrastructure. Rail spurs, barging infrastructure, and fuel loading racks are among the qualifying projects. The bill received a public hearing in the Senate Environment, Energy & Technology Committee on February 5th. WPPA testified in support of this bill citing the need to build necessary infrastructure to support the continued development of alternative aviation fuels.

Adding Airport Capital Project to use Real Estate Excise Tax:

<u>HB 1650</u>, sponsored by Rep. Dent (R-13<sup>th</sup> LD, Moses Lake), would add airport capital projects as an allowable use of city and county real estate excise tax. The bill limits the use toto airports with fewer than ten thousand annual enplanements. The bill is scheduled for a public hearing in the House Finance Committee on February 13<sup>th</sup>. WPPA is monitoring the bill as we communicate with our port members about their position on this possible new funding source for portsponsored airports. The bill is at the request of Pierce County.

### **Broadband**

Broadband Infrastructure Repair & Replacement:

HB 1441/SB 5188, sponsored by Rep. Ryu (D-32<sup>nd</sup> LD, Shoreline) and Sen. Wellman (D-41<sup>st</sup> LD, Mercer Island), would allow the public works board to fund repair projects for broadband infrastructure by either grants or loans. The bills have minor differences in language, but both would accomplish similar goals. WPPA testified in support of SB 5188 at the public hearing in the Senate Environment, Energy & Technology Committee on February 5<sup>th</sup>. HB 1441 has been referred to the House Capital Budget Committee and has not yet been scheduled for a public hearing.

### Digital Equity:

HB 1503, sponsored by Rep. Gregerson (D-33<sup>rd</sup> LD, SeaTac), would transition some of the duties of the Statewide Broadband Office to the Office of Equity. The goal of the proposal, according to proponents, is to support the implementation of the recommendations of the Digital Equity Plan which seeks to provide greater access to broadband to hard-to-reach and low-income communities. WPPA supports the full implementation of the Digital Equity Plan but testified with concerns about the changes the bill makes to the state's broadband speed goals. In certain circumstances, the speed goals have been reduced to align with federal funding. WPPA supports goals which are aspirational and recognizes the need for increasingly resilient internet services in the future. The bill is scheduled for an executive session in the House Technology, Economic Development, & Veterans Committee on February 12<sup>th</sup>. WPPA is working with the bill sponsor on alternative language.

# **Economic Development**

**Increasing Local Access to Federal Funds:** 

HB 1057, sponsored by Rep. Barnard (R-8<sup>th</sup> LD, Pasco), requires the Department of Commerce to provide additional assistance to local economic development organizations in applying for federal funds. The bill was amended and no longer expands eligibility in the department's grant writing assistance program. Expansion of the fundhub.wa.gov grants portal remains in the bill as does additional support for local governments applying for federal funds. The bill passed out of the House Technology, Economic Development, & Veterans Committee and is scheduled for a public hearing in the House Appropriations Committee on February 10<sup>th</sup>. WPPA continues to support this bill.

Reauthorizing the Interagency, Multijurisdictional System Improvement Team:

SB 5034/HB 1064, sponsored by Sen. Boehnke (R-8<sup>th</sup> LD, Kennewick) and Rep. Abbarno (R-20<sup>th</sup> LD, Centralia), would permanently codify the Interagency, Multijurisdictional System Improvement Team, also known as SYNC, to facilitate greater coordination among state infrastructure programs. The Senate version was passed out of the Senate by a unanimous 49-0 margin. The House version is scheduled for an executive session in the House Capital Budget Committee on February 6<sup>th</sup>. WPPA continues to support this effort to improve the way ports apply for and receive infrastructure funding from the state.

**Utility Connection Charges for Industrial Symbiosis:** 

HB 1302, sponsored by Rep. Cortes (D-38<sup>th</sup> LD, Everett), seeks to give municipal utilities the ability to waive connection fees for organizations undertaking industrial symbiosis development projects, and would also define "industrial symbiosis" in statute. In our committee testimony in support of the bill, WPPA emphasized the interest that ports are developing in this area, and we will continue to support this legislation as it advances. After passing out of the House Environment and Energy Committee on January 30<sup>th</sup>, the bill now sits at the House Rules Committee, where it will need a "rules pull" from a member of that committee to be added to the Floor Calendar. WPPA will continue to work with the bill sponsor and our partners at the Center for Sustainable Infrastructure to advocate for this bill moving to the Floor Calendar for an eventual vote.

Support for Associate Development Organizations:

HB 1406/SB 5677, sponsored by Rep. Barnard (R-8<sup>th</sup> LD, Pasco) and Sen. Cortes (D-18<sup>th</sup> LD, Battle Ground), increases allocations and modifies reporting requirements for associate development organizations (ADOs). This is a legislative priority for WPPA and our economic development partners at the Washington Economic Development Association (WEDA). The House bill was passed out of the House Technology, Economic Development, & Veterans Committee on February 5<sup>th</sup>. The Senate bill is scheduled for a hearing on February 13<sup>th</sup> in the Senate Business, Financial Services & Trade Committee. WPPA will sign in to support this bill.

# Statewide Economic Development Plan:

HB 1595, sponsored by Rep. Ryu (D-32<sup>nd</sup> LD, Shoreline), would require the Department of Commerce to develop a statewide economic plan every five years. It would convene an advisory committee to provide guidance to Commerce on the economic development plan, hold public meetings, and recommend implementation and potential legislation. Ports are one of the entities named as having a seat on that advisory committee. HB 1595 had a public hearing on February 4<sup>th</sup> and the House Technology, Economic Development, and Veterans Committee, and is scheduled for an executive session on February 12<sup>th</sup>. WPPA supports the bill and will continue to engage as the bill advances.

# **Commercial Fishing Revenue:**

HB 1806, sponsored by Rep. Tharinger (D-24<sup>th</sup> LD, Port Townsend), would redirect fifty percent of the enhanced food fish excise tax, also known as the "landing tax", from the state's general fund to the city in which the fish is landed. The intent is to provide resources to the communities that host the commercial fishing industry and provide additional support to where it is needed, but the bill does not require cities to spend the revenue collected on infrastructure related to commercial fishing. WPPA is neutral on this legislation as we engage with the bill sponsors and our port members to learn more about how this bill might benefit the commercial fishing industry. The bill has been referred to the House Finance Committee and has not yet been scheduled for a public hearing.

# Non-resident Vessel Permit Length Requirements:

SB 5281, sponsored by Sen. Chapman (D-24<sup>th</sup> LD, Port Angeles), would increase the allowable non-resident vessel length from 200 feet in length to 300 feet in length. This legislation aims to encourage more boats to extend stays in Washington's waters. This bill supports services including deep maintenance and retrofitting in Washington's boatyards and provisioning of goods onboard the vessels. WPPA testified in support alongside our industry partners at the public hearing on this bill. The bill was passed out of the Senate Transportation Committee on February 6<sup>th</sup>.

# Energy

### Energy Facility Site Evaluation:

HB 1237/SB 5246, sponsored by Rep. Fitzgibbon (D-34<sup>th</sup> LD, West Seattle) and Sen. Shewmake (D-42<sup>nd</sup> LD, Bellingham), seeks to help improve the process for application decisions of clean energy facilities by the Energy Facility Site Evaluation Council (EFSEC). The bill adds more certainty to what EFSEC can recommend to the Governor. The House version was scheduled for an executive session in the House Environment & Energy Committee on February 4<sup>th</sup>, but no action was taken. The Senate version has not yet been scheduled for an executive session in the Senate Environment, Energy & Technology Committee. We continue to advocate for improving the siting and permitting process and believe there is much more to be done.

# **Electric Transmission System Improvements:**

SB 5466/HB 1673 sponsored by Sen. Shewmake (D-42<sup>nd</sup> LD, Bellingham) and Rep. Ramel (D-40<sup>th</sup> LD, Bellingham), establishes an Electric Transmission Office at the Department of Commerce. The office would be a statewide resource for local governments permitted to exercise the right of eminent domain. The bill also includes a SEPA categorical exemption for upgrading and rebuilding transmission lines. The Senate version received a public hearing in the Senate Environment, Energy & Technology Committee on January 31<sup>st</sup>. The House version received a public hearing in the House Energy and Environment Committee on February 3<sup>rd</sup>. Neither bill has been scheduled for an executive session.

# Thermal Energy:

HB 1514, sponsored by Rep. Ramel (D-40<sup>th</sup> LD, Bellingham), would promote the development of thermal energy networks (TENs) by bringing the industry under the regulatory control of the Washington Utilities and Transportation Commission (UTC). It would also require electrical utilities to put thermal energy into their planning process and direct the Department of Commerce to provide grant funding for the design, planning, and permitting of thermal energy networks. A substitute bill was passed out of the House Environment & Energy Committee on February 6<sup>th</sup>. The substitute makes minor changes including an opt-in option and adds a definition for thermal energy. WPPA supports this bill which encourages the deployment of low carbon energy options in Washington.

### Fusion Energy Facilities:

HB 1018/SB 5241, sponsored by Rep. Shavers (D-10<sup>th</sup> LD, Clinton) and Sen. Liias (D-21<sup>st</sup> LD, Edmonds), would add fusion energy facilities to the list of projects eligible for certification by Energy Facility Site Evaluation Council (EFSEC). HB 1018 passed the House 95-1 on February 6<sup>th</sup>. The Senate version was passed out of the Senate Environment, Energy & Technology Committee on February 7<sup>th</sup>. WPPA is neutral on bill but eager to see more options made available to address energy supply challenges in the state.

# Embodied Carbon Emissions of Building and Building Materials

HB 1458, sponsored by Rep. Duerr (D-1<sup>st</sup> LD, Bothell) requires the State Building Code Council to establish rules targeting emissions reductions, applicable to new constructions, additions, and renovations of 50,000 square feet or more. Projects must demonstrate and verify embodied carbon emissions of at least 90% of covered products meet established reduction goals. Certain construction must achieve a 30% reduction in embodied carbon emissions. The bill received a public hearing in the House Local Government Committee on February 5<sup>th</sup>. Supporters of the bill argue this is a whole building approach that will help reduce carbon with many resources available. Those opposed raised concerns over the financial burden and rigor of the requirements. Because this bill places new requirements on large buildings and may impact construction projects, we will continue to monitor the bill. However, WPPA has not yet received significant feedback from members expressing concerns.

# **Increasing Transmission Capacity:**

<u>HB 1819</u>, sponsored by Rep. Barnard (R-8th LD, Pasco), is a bipartisan effort to require electric utilities in Washington to develop integrated resource plans (IRPs) that assess demand forecasts, conservation measures, resource options, and transmission needs. It mandates a 20-year transmission capacity forecast, encourages optimizing existing infrastructure, and promotes integrating renewable energy through advanced technologies. It includes a SEPA categorical exemption for upgrading or rebuilding transmission lines with advanced conductors. The bill is scheduled for a public hearing in the House Environment & Energy Committee on February 11<sup>th</sup>. WPPA supports this bill which could help address the energy transmission challenges in the state.

### Local Energy Resilience:

SB 5445, sponsored by Sen. Boehnke (R-8th LD, Kennewick), seeks to promote utility investments in local energy resilience projects. The bill allows utilities to make significant investments in energy resilience by establishing an alternate compliance pathway for Renewable Energy Credits (REC) under the Energy Independence Act (EIA) for certain local energy resilience projects. The bill received a public hearing in the Senate Environment, Energy & Technology on February 4<sup>th</sup>. WPPA is neutral on this bill while we evaluate its impact on ports and local energy projects and if it may improve the energy challenges we are facing.

### **Environment And Natural Resources**

Emissions From Ocean-Going Vessels [Scrubbers]:

HB 1652/SB 5519, sponsored by Rep. Lekanoff (D-40<sup>th</sup> LD, Bow) and Sen. Lovelett (D-40<sup>th</sup> LD, Anacortes), seeks to reduce emissions from ocean-going vessels by mandating the use of low-sulfur fuel within three miles of Washington shorelines. The bill removes the use of all types of exhaust gas cleaning systems (EGCS)/scrubbers as a compliance method to achieve 0.1% sulfur limit for vessels that come to port in Washington. The House version of the bill received a public hearing in the Environment & Energy Committee on February 4<sup>th</sup> and has not yet been scheduled for an executive session. The Senate version received a public hearing in the Environment, Energy & Technology Committee on February 7<sup>th</sup>. WPPA testified in opposition at both public hearings expressing the concerns and negative impact we have heard from our members and from shipping and labor partners. We will continue to engage in discussions with impacted ports and with bill sponsors. Please contact WPPA if you would like to be involved in discussions of this bill.

Adopting California Emissions Standards for Ocean-Going Vessels [Shore Power]:

HB 1689, sponsored by Rep. Reed (D-36<sup>th</sup> LD, Seattle), would adopt CA emissions standards that require any ocean-going vessel visiting a port, terminal, or berth to connect to shore power or implement an alternative emissions control strategy by Jan. 1, 2028. Shore power is the more feasible option but comes with many challenges to implement on that timeline. The bill received a public hearing in the House Environment & Energy Committee on February 4<sup>th</sup>. It was initially scheduled for an executive session on February 13<sup>th</sup> but has been removed from the agenda for that meeting. WPPA testified in opposition to this bill due to the financial burden and negative impact on many of our marine terminals. We questioned the feasibility of getting shore power

accessible and available amid incredible energy challenges. The Joint Transportation Committee is currently in the beginning stages of a study, directed by the legislature, to look at implementing California's ocean-going vessel at-berth regulations. The final report is not due until December 2025. We continue to strongly recommend waiting until this study is completed prior to any further consideration of this proposal.

### Salmon Recovery Projects:

HB 1208/SB 5155, sponsored by Rep. Tharinger (D-24<sup>th</sup> LD, Port Townsend) and Sen. Salomon (D-32<sup>nd</sup> LD, Shoreline), would require environmental restoration projects to meet a certain set of criteria in order to receive streamlined statewide permit pathway review. The Senate version passed out of the Senate Local Government Committee and has now been referred to the Senate Ways & Means Committee. The House version was passed out of the House Agricultural & Natural Resources Committee on February 4<sup>th</sup> and has now been referred to the House Appropriations Committee. WPPA is monitoring this bill as some ports may be eligible through partnerships in specific instances. We support efforts to efficiently manage salmon recovery and habitat projects.

# **Bottom Culture Shellfish Farming:**

SB 5322/HB 1309, sponsored by Sen. Chapman (D-24<sup>th</sup> LD, Port Angeles) and Rep. McEntire (R-19<sup>th</sup> LD, Cathlamet), would direct the Washington State Department of Agriculture to establish an integrated pest management research program to address the impacts of burrowing shrimp on bottom culture shellfish farming. This builds on work done by Willapa-Grays Harbor Oyster Growers Association and the Department of Ecology to study and monitor the impacts of burrowing shrimp on oyster and clam harvesting in the region. The bill received a public hearing on January 31<sup>st</sup> and was passed out of the House Agriculture & Natural Resources Committee on February 7<sup>th</sup>. WPPA is supporting this legislation in an effort to support our ports that work closely with the local shellfish industry.

#### **Environmental Crimes:**

<u>SB 5360</u>, sponsored by Sen. Trudeau (D-27<sup>th</sup> LD, Tacoma), creates new definitions for certain environmental violations and crimes, increasing penalties for crimes up to a class b felony for certain offences. WPPA continues to have concerns about this bill and registered as opposed at the public hearing in the Senate Environment, Energy & Technology Committee. The bill was passed out of committee on February 7<sup>th</sup> after a request to send the bill to the Law & Justice Committee for review was denied. <u>Amendments</u> were adopted which clarify the term "entity" in the bill, and exempts activities related to prescribed forest burns.

#### New Environmental Justice SEPA Element:

HB 1303/SB 5380, sponsored by Rep. Mena (D-29<sup>th</sup> LD, Tacoma) and Sen. Lovelett (D-40<sup>th</sup> LD, Anacortes), would integrate environmental justice (EJ) considerations into certain projects at the Department of Ecology by adding it as an element of the environment. The bill would require an EJ impact statement on projects defined as a "potentially impactful project" as a part of the SEPA environmental checklist process. The fiscal impact of the bill as noted is more than \$20 million. At the public hearing in the House Environment & Energy Committee, we raised concerns about overly prescriptive additional requirements that would slow down or create additional hurdles to

the already-challenging permitting process. The House version of the bill is scheduled for an executive session on February 11<sup>th</sup>. The bill sponsor has introduced a draft <u>amendment</u> that significantly narrows the bill and addresses some of our concerns. However, without any clarity the proposal may still impose unnecessary costs, delays, and additional processes on every project in Washington.

### **Aquatic Land Leases:**

HB 1758, sponsored by Rep. Parshley (D-22<sup>nd</sup> LD, Olympia), would redefine the inflation rate used for adjusting aquatic land lease rates. It would replace the current "all commodity producer price index (PPI)" with the "Seattle-Tacoma-Bellevue consumer price index, all urban consumers (CPI-U)," as compiled by the U.S. Bureau of Labor Statistics. This change aims to align lease adjustments more closely with regional economic conditions. The CPI-U generally rises more slowly than the PPI so this change would potentially result in lower lease rates over time. The bill is scheduled for a public hearing in the House Agriculture & Natural Resources Committee on February 12<sup>th</sup> and an executive session on February 14<sup>th</sup>. WPPA is still evaluating the bill and potential impacts on ports that have aquatic land leases – or a Port Management Lease.

Exempting Fuels Used for Agricultural Purposes from the Climate Commitment Act:

HB 1912, sponsored by Rep. Dent (R-13<sup>th</sup> LD, Moses Lake), would require the Department of Ecology to adopt rules and establish a remittance program for fuels that are used for agricultural purposes. The bill stems from a 2023 lawsuit brought by the Washington Farm Bureau and the Washington Trucking Association designed to clarify that agricultural fuel was never intended to be subject to the Climate Commitment Act (CCA). The lawsuit was dismissed in 2024. WPPA supported exemptions for energy intense and trade exposed industries, like agriculture, when CCA passed in 2021. WPPA is monitoring this bill and is coordinating with partners on a position. The bill is scheduled for a public hearing in the House Environment & Energy Committee on February 13<sup>th</sup>.

#### Governance

### **County Treasurer Costs:**

<u>HB 1042</u>, sponsored by Rep. Wylie (D-49<sup>th</sup> LD, Vancouver), would allow county treasurers to levy a fee of up to 2% of total collections on all special purpose taxing districts that utilize the treasurer's office for their financial services. The bill is scheduled for a public hearing in the House Finance Committee on February 13<sup>th</sup>. WPPA and other special purpose district organizations are concerned about the potential budget impacts of this fee. WPPA will testify in opposition to this bill.

**Public Records Transparency Committee:** 

<u>HB 1055</u>, sponsored by Rep. Abbarno (R-20<sup>th</sup> LD, Centralia), would establish a Joint Legislative Committee on Transparency (JLCT) to coordinate with the Joint Legislative Audit and Review Committee (JLARC), the Office of the Attorney General, and the Public Records Exemptions Accountability Committee (Sunshine Committee) to conduct a study on the efficacy of establishing an independent state agency to assist individuals with accessing public records. No local government representation is included on the newly formed JLCT. WPPA and other local

government organizations have concerns that this bill would not help address the capacity and financial constraints that are hampering the ability of local governments to manage their records and respond to increasing numbers of requests. The bill received a public hearing on January 15<sup>th</sup> and was passed out the House State Government & Tribal Relations Committee on February 7<sup>th</sup>.

# Oath of Office for Local Elected Officials:

HB 1573, sponsored by Rep. Rep. Parshley (D-22nd LD, Olympia), would provide additional flexibility for local elected officials, including port commissioners, to take their oath of office following their election. It would allow the newly-elected officials to take their oath as soon as the election was certified instead of the current requirement of ten days prior to the beginning of their term or at the last meeting of the governing body prior to the them assuming office. The current statute creates timing and logistical challenges as port commissions and other local governments attempt to complete their end of year business around the holidays. The bill was passed out of the House State Government & Tribal Relations Committee on February 4<sup>th</sup>. WPPA supports this bill.

# **Voting Rights Act:**

HB 1710, sponsored by Rep. Mena (D-29<sup>th</sup> LD, Tacoma), aims to enhance compliance with the Washington Voting Rights Act of 2018 by designating certain political subdivisions, including port districts, as "covered jurisdictions" based on specific criteria such as past violations or demographic disparities. These covered jurisdictions are required to seek preclearance from the Office of the Secretary of State before implementing any "covered practices," which include changes to election methods, district boundaries, or policies affecting voter assistance. WPPA is monitoring this legislation and remains neutral while we review for the potential impacts on port district elections and redistricting. Other local government groups have raised concerns about the potential for increased litigation around changes to elections procedures and encouraged the committee to look at a possible "safe harbor" period after preclearance has been granted. The bill received a public hearing in the House State Government & Tribal Relations Committee on February 5<sup>th</sup> and is scheduled for an executive session on February 11<sup>th</sup>.

HB 1750, sponsored by Rep. Hill (D-3<sup>rd</sup> LD, Spokane), would adjust the guidelines for addressing voter suppression and vote dilution claims under the Washington Voting Rights Act. The proposal could result in local governments, including port districts, being required to modify election processes to ensure compliance. The bill mandates specific criteria for identifying and remedying instances where electoral practices may disadvantage protected classes, potentially leading to legal challenges or required changes in voting systems. As a result, port districts and other local jurisdictions may need to adjust district boundaries, election methods, or outreach efforts to avoid litigation and ensure equitable representation. Local government groups again raised concern about the removal of a "safe harbor" provision to prevent litigation after changes to elections processes are made in compliance with a court order. WPPA is monitoring this legislation and remains neutral while we review for the potential impacts of port district elections and redistricting. The bill received a public hearing in the House State Government & Tribal Relations Committee on February 5<sup>th</sup> and is scheduled for an executive session on February 11<sup>th</sup>.

#### Port Commissioner Elections:

SB 5370, sponsored by Sen. Harris (R-17<sup>th</sup> LD, Camas) and cosponsored by Sen. Chapman (D-24<sup>th</sup> LD, Port Angeles) and Sen. Lovelett (D-40<sup>th</sup> LD, Anacortes), would amend <u>Title 53 RCW</u> to allow voters to extend port commissioner terms from four to six years in certain circumstances. This legislation was introduced at WPPA's request, and responds to concerns raised by ports with three-member commissions serving four-year terms. The bill received a public hearing in the Senate Local Government Committee on February 3<sup>rd</sup> and was passed out of committee with an amendment to ensure that the six-year terms are staggered on February 6<sup>th</sup>. WPPA provided testimony in support along with the Ports of Lopez and Camas-Washougal.

#### Labor

# Artificial Intelligence Bargaining:

HB 1622/SB 5422, sponsored by Rep. Parshley (D-22<sup>nd</sup> LD, Olympia) and Sen. Bateman (D-22<sup>nd</sup> LD, Olympia) would require public-sector employers, including ports, to bargain with their union represented employees over the decision to adopt or modify the use of artificial intelligence (Al). Currently, decisions about adopting new technology—including Al—are considered a management right, with bargaining focused on how those decisions impact employees' wages, hours, and working conditions. This bill would change that standard by requiring negotiations over the decision to use Al itself. The House version received a hearing in the House Labor & Workplace Standards Committee on February 5<sup>th</sup> and is scheduled for an executive session on February 14<sup>th</sup>. WPPA testified with concerns about how widespread Al is in modern tools, and the potential for the bargaining requirement to significantly slow innovation and efficiency at our ports. The Senate version is scheduled for a public hearing in the Senate Labor & Commerce Committee on February 11<sup>th</sup>.

### Technology Use by Employers:

HB 1672, sponsored by Rep. Kloba (D-1<sup>st</sup> LD, Kirkland), would add regulations to employers' use of technology in the workplace by prohibiting practices such as requiring employees to install monitoring applications on personal devices and using facial recognition technology. The bill also mandates that employers provide advance notice to employees regarding any electronic monitoring such as keystroke logging or other productivity tracking programs and obtain consent before collecting biometric data. All employers in the state would be required to comply with the provisions of the bill. WPPA is neutral on the bill while we evaluate the specific impacts on port operations. It is scheduled for a public hearing in the House Labor & Workplace Committee on February 11<sup>th</sup>.

Increasing the Minimum Wage & Mandating Paid Leave:

HB 1764/SB 5578, sponsored by Rep. Mena (D-29<sup>th</sup> LD, Tacoma) and Sen. Saldaña (D-37<sup>th</sup> LD, Seattle), calls for significant changes to Washington's labor standards, notably increasing the state minimum wage to \$25 per hour by January 1, 2031, mandating three weeks of paid vacation leave, and adding five days of bereavement leave. These changes would apply to all employers, including port districts. Employers found in violation of the bill's provisions may face stop work orders and civil penalties. Additionally, the bill grants the Department of Labor & Industries expanded authority to investigate complaints, conduct workplace inspections, and

enforce the new regulations. This bill will be subject to vigorous advocacy from both business organizations and labor unions. WPPA remains neutral while we evaluate the specific impacts on port operations. The bill is scheduled for public hearings in the House Labor & Workplace Standards Committee and the Senate Labor & Commerce Committee on February  $11^{th}$ .

#### Land Use

No bills included in this report

### Marina

No bills included in this report

### **Public Works**

Responsible Bidding for Public Works:

HB 1549/SB 5476, sponsored by Rep. Fosse (D-38<sup>nd</sup> LD, Everett) and Sen. Hasegawa (D-11<sup>th</sup> LD, Tukwila), would place additional requirements on contractors that bid on public works projects to produce an apprenticeship utilization plan. The House version received a public hearing in the House Labor & Workplace Standards Committee on February 4<sup>th</sup> and is scheduled for an executive session on February 14<sup>th</sup>. WPPA testified with concerns about the bill inadvertently making projects more expensive by limiting the number of bidders on projects. The Senate version has not yet been scheduled for a public hearing in the Senate State Government, Tribal Affairs, and Elections Committee.

**Subcontractor Reporting for Public Works:** 

<u>HB 1633</u>, sponsored by Rep. Hill (D-3<sup>rd</sup> LD, Spokane), would require prime contractors to submit the list of their subcontractors one hour after the bid for a project has been awarded. This bill is designed to prevent deceptive practices that can increase project costs. The bill received a public hearing in the House Capital Budget Committee on February 6<sup>th</sup>. WPPA is neutral on this bill and monitoring it for its potential impact on public works projects. We will provide updates as we continue to engage with other stakeholders.

Public Works Lumber from Washington State:

HB 1726, sponsored by Rep. Waters (R-17<sup>th</sup> LD, Stevenson), aims to promote the procurement of lumber from Washington state mills for public works projects. The bill would require projects receiving over \$500,000 dollars in state funding to utilize lumber sourced from within the state. WPPA has concerns that this bill would increase the cost of public works projects. There is also uncertainty about the capacity of in-state mills to meet the demand for lumber for the projects that would be covered under this bill. The bill is scheduled for a public hearing in the House Capital Budget Committee on February 13<sup>th</sup>.

Registered Apprenticeship Program Approval:

<u>HB 1777</u>, sponsored by Rep. Schmidt (R-4<sup>th</sup> LD, Spokane Valley), updates the approval process for apprenticeship programs by streamlining the registration requirements and removing barriers

for program sponsors. The bill also provides more flexibility for apprenticeship program sponsors to design programs tailored to the needs of the workforce while maintaining high standards for safety and quality training. Its goal is to increase access to apprenticeship opportunities and support workforce development across various industries, particularly in skilled trades. The bill is scheduled for a public hearing in the House Postsecondary Education & Workforce Committee on February 11<sup>th</sup>. WPPA supports efforts to improve the registered apprenticeship program approval process, ultimately growing the total number of apprentices. WPPA will testify in support of this bill.

Prevailing Wage Paid When Work is Performed:

SB 5061, sponsored by Sen. Conway (D-29<sup>th</sup> LD, Tacoma), would require public works contracts to provide for the payment of prevailing wages at the time the work is performed instead of when the contract is executed. The bill received a public hearing in the Senate Labor & Commerce Committee on January 24<sup>th</sup> and was scheduled for executive session on February 7<sup>th</sup> but no action was taken. WPPA testified in support of the underlying policy during the public hearing and will continue to advocate that contractors appropriately manage labor costs through the bid and award process and not require public owners to approve change orders well after the contract has been executed. WPPA met with the bill sponsor to discuss the importance of minimizing change orders to those impact project scope only. The bill is again scheduled for executive session on February 14<sup>th</sup>.

### **Recreation & Tourism**

Public Facilities District Taxing Authority:

HB 1109, sponsored by Rep. Ryu (D-32<sup>nd</sup> LD, Shoreline), extends the duration of the taxing authority of public facilities districts from forty-five to sixty years. Public facilities districts work to create venues that attract visitors to their region and create economic growth. Ports are among the organizations that can partner with local governments to promote economic benefit to their communities by building these types of facilities. The facilities are paid for by the distribution of state sales tax money and the levy of parking and occupancy taxes. WPPA signed in pro at the public hearing in the House Finance Committee on January 28<sup>th</sup>. The bill was passed out of committee on February 6<sup>th</sup>.

### **Tourism Marketing Authority:**

HB 1437/SB 5492, sponsored by Rep. Walen (D-48<sup>th</sup> LD, Kirkland) and Sen. Riccelli (D-3<sup>rd</sup> LD, Spokane), modifies the makeup of the Washington Tourism Marketing Authority and requires the formation of an advisory group be comprised of various tourism industry business sectors. WPPA supports these bills, as we have long engaged with tourism advocates to develop and improve the Tourism Marketing Authority. The House version was passed out of the House Technology, Economic Development, & Veterans Committee on February 4<sup>th</sup> and has now been referred to the House Appropriations Committee. The Senate version was passed out of the Senate Business, Financial Services & Trade Committee on February 5<sup>th</sup> and has now been referred to the Senate Rules Committee. WPPA continues to support this bill.

#### Alcohol Service in Public Places:

HB 1515, sponsored by Rep. Reed (D-36<sup>th</sup> LD, Seattle), would allow "cities, counties, and towns" to request approval from the Washington State Liquor and Cannabis Board (LCB) to provide expanded outdoor alcohol service for liquor licensees at large events. Because some port districts have sought similar allowances from the LCB in the past - and because two ports have been selected as FIFA 2026 fan zone sites – WPPA testified in support and worked with the bill sponsor, committee chair, and legislative supporters to potentially include port districts in the list of local governments named. The bill is scheduled for an executive session in the House Consumer Protection & Business Committee on February 11<sup>th</sup>, and we expect ports to be included in a substitute amendment considered at that session.

#### Tax & Revenue

Targeted Urban Area Tax Preferences:

HB 1210, sponsored by Rep. Barnard (R-8<sup>th</sup> LD, Pasco, would provide clean energy transformation businesses access to targeted urban area tax preferences (TUAs). TUAs are financial incentives offered to businesses operating in specific urban areas to encourage economic development, job creation, and investment in underdeveloped or economically distressed regions. WPPA supports this effort to incentivize the development of clean energy projects across the state. The bill received a public hearing on January 30<sup>th</sup> and was passed out of the House Finance Committee on February 6<sup>th</sup>.

Tax Increment Financing for Public Safety:

<u>HB 1786</u>, sponsored by Rep. Volz (R-6<sup>th</sup> LD, Spokane), would expand the allowable uses of revenue generated from tax increment financing (TIF) projects to include public safety facilities, such as police and fire stations, within the designated increment areas. This bill comes at the request of the city of Spokane Valley. WPPA opposes this legislation because these types of facilities are already allowed to be funded using TIF. It has been referred to the House Finance Committee and has not yet been scheduled for a public hearing.

### **Transportation**

Short Line Freight Rail Modernization:

HB 1058/SB 5063, sponsored by Rep. Barkis (R-2<sup>nd</sup> LD, Olympia) and Sen. Derek Stanford (D-1<sup>st</sup> LD, Bothell), would help modernize short line freight rail across the state. Under this bill, most port districts making investments in rail infrastructure will be eligible for a sales and use tax exemption on materials purchased as part of a rail infrastructure project. This bill was included in WPPA's 2025 Legislative Priorities. WPPA testified in support of the bill at public hearings in the House Finance Committee and Senate Ways & Means Committee. The House version was passed out of the House Finance Committee on February 4<sup>th</sup> and has been referred to the House Appropriations Committee. The Senate version has not yet been scheduled for an executive session in the Senate Ways & Means Committee.

# **Bridge Collisions:**

SB 5248, sponsored by Sen. Wilson, J. (R-19<sup>th</sup> LD, Longview), would create a work group tasked with studying the impact resistance of bridges and identifying ways to prevent collisions from large commercial vessels. This bill comes in response to the cargo ship collision that resulted in the collapse of the Francis Scott Key Bridge in Baltimore last year. WPPA supports the intent of this legislation to make sure bridge infrastructure has been properly maintained and updated with the most appropriate collision mitigation measures. The bill received a hearing in the Senate Transportation Committee on February 6<sup>th</sup>.

#### Commercial Drivers License Standards:

<u>SB 5464</u>, sponsored by Sen. King (R-14<sup>th</sup> LD, Yakima), would require the Department of Licensing to provide regular training to staff handling commercial driver's license applications. This training would focus on the necessary documentation for proof of citizenship, lawful residency, or nondomiciled status. The department is also required to keep this training updated to align with federal requirements and to best serve applicants and license holders. This is a priority of the Washington Trucking Association. WPPA supports this bill to ensure that there is an adequate supply of licensed commercial drivers to move freight across the state. The bill received a public hearing in the Senate Transportation Committee on February 3<sup>rd</sup> and was passed out of committee on February 6<sup>th</sup>. WPPA signed in pro at the public hearing.

# **Electric Vehicle Charging Installation:**

SB 5548, sponsored by Sen. Liias (D-21<sup>st</sup> LD, Edmonds), would require that contractors installing electric vehicle charging stations are certified and trained to do so. This is intended to ensure safety and consistency in the work performed. The bill received a public hearing in the Senate Labor & Commerce Committee on February 3<sup>rd</sup>. WPPA supports this bill as a way to ensure safe and effective electric vehicle infrastructure.

# Supply Chain Competitiveness

SB 5649/HB 1860, sponsored by Sen. Liias (D-21st LD, Edmonds) and Rep. Reed (D-36th LD, Seattle), creates the Supply Chain Competitiveness Infrastructure Program, a grant and loan program overseen by WSDOT. This is a legislative priority for WPPA. The program would provide funding for port and port-adjacent projects which result in removing supply chain barriers or bottlenecks for some of Washington's most important industries including agriculture, aerospace, manufacturing and clean energy. The House version is scheduled for a public hearing in the House Committee on Technology, Economic Development, & Veterans on February 14th. WPPA will testify in support and is coordinating testimony with other port members. A public hearing has not yet been scheduled for the Senate version.

# Workforce

No bills included in this report