

Week 9 Report 03.15.25

If the ninth week of the 2025 session had a theme, it would probably be sleep deprivation. At least for members of the House, who debated and voted on bills into the early morning hours right up until Wednesday's House of Origin cutoff. The capitol campus was relatively quiet on

Thursday and almost completely empty on Friday, as members returned to their districts to rest and, in many cases, to hold in-person town halls with their constituents.

The Wednesday deadline is the biggest of the year, with any bill that has yet to pass the chamber in which it was introduced considered unlikely to advance. That means the 3rd floor of the Legislative Building is thick with lobbyists and stakeholders, pulling members off the floor to plead for last-minute consideration of their issues. While many of WPPA's priority bills had already advanced – or in some cases, already died – we were still happy to see priority issues like the supply chain competitiveness program (SB 5649) make it through with just hours to spare!

And even as floor debates raged and the deadline approached, WPPA staff were still able to engage in some work outside the state capital. Our Executive Director visited the Port of Hoodsport for their monthly meeting, connecting with their commissioners and even watching a new one be sworn in – welcome Commissioner Walter "Bill" Heil! Additionally, our Government Relations Manager attended the Washington Coalition for Open Government's Sunshine Awards Breakfast, an annual event that celebrates those who demonstrate a commitment to public transparency and open government. Given that our Association's work includes more than just issue advocacy, we appreciate the opportunity to get out of Olympia to tend to other priorities.

AT A GLANCE

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

For up-to-date legislative information, visit: leg.wa.gov

To listen to a legislative hearing, visit: tww.org

For current & previous copies of our report, visit our website at: washingtonports.org

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: leg.wa.gov

To round out the week, on Friday we hosted our annual mid-session WPPA Legislative Committee meeting, which provided an opportunity to review our legislative <u>priorities</u>, how they've fared during this session, and what to expect from the policymaking process between now and April 27th. This midway touchpoint is always valuable for gathering member feedback and strategizing on ongoing advocacy priorities. We were also able to share the latest intel on the budget and revenue proposals that are being floated, in order to take the temperature of members about how tax proposals may impact ports, tenants, and local communities.

This coming week, public hearings will once again dominate the legislative schedule, as bills that have made it past cutoff will now be heard in the opposite chamber. We encourage members to stay engaged and help us maintain forward momentum on shared priorities.

Please see our full legislative report below for the latest status on key bills.

Action Alert - Sign in on the following bills

NOTE: WPPA staff are working hard on the legislative proposals highlighted in this section, and we would love your support! We will use this area of the report to briefly spotlight bills that would benefit from your engagement. 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.

Sign in PRO – Support: <u>SB 5677</u>, Support for Associate Development Organizations –public hearing in the House Technology, Economic Development & Veterans Committee on March 18th

Sign in PRO – Support: <u>SB 5649</u>, Support for Supply Chain Competitiveness Infrastructure Program –public hearing in the House Technology, Economic Development & Veterans Committee on March 19th

WPPA Weekly Bill Tracking Update

NOTE: Our report focuses on priority bills that WPPA is engaged with, and that are actively under consideration. Bills you don't see included in the report may still be under consideration but may not have any current action scheduled. Always feel free to ask WPPA staff for clarification if you're unsure where an issue stands.

Aviation

No bills included in this report

Broadband

Broadband Infrastructure Repair & Replacement:

SB 5188, sponsored by Sen. Wellman (D-41st LD, Mercer Island), would allow the Public Works Board to fund repair projects for broadband infrastructure by either grants or loans. WPPA testified in support of the bill at the public hearing in the Senate Ways & Means Committee. The bill passed the Senate 46-2 on March 12th. The bill has not yet been scheduled for a hearing in the House Capital Budget Committee.

Broadband Equity Access and Deployment Matching Funds:

<u>HB 2016</u>, sponsored by Rep. Tharinger (D-24th LD, Port Townsend), provides \$280 million in funding intended to be the local match portion for the rollout of the Broadband Equity Access and Deployment (BEAD) Program funded by the federal Infrastructure Investment & Jobs Act. The bill was heard in the House Capital Budget Committee on February 26th and was voted out on February 28th. WPPA signed in pro on the bill during the committee hearing, and it now sits at the House Rules Committee. This bill is considered "necessary to implement the budget (NTIB)" and therefore survives beyond the most recent cutoff.

Economic Development

Utility Connection Charges for Industrial Symbiosis:

HB 1302, sponsored by Rep. Cortes (D-38th 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. WPPA is supporting this legislation because of its connection to our members' interest in the promise of industrial symbiosis. HB 1302 passed the House by a vote of 93-1 and received a public hearing in the Senate Environment, Energy & Technology Committee on March 14th.

Non-resident Vessel Permit Length Requirements:

SB 5281, sponsored by Sen. Chapman (D-24th LD, Port Angeles), would increase the allowable non-resident vessel length from 200 feet to 300 feet. 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. Having passed the Senate, the bill received a public hearing in the House Transportation Committee on March 13th. WPPA testified in support alongside our industry partners.

Support for Associate Development Organizations:

HB 1406/SB 5677, sponsored by Rep. Barnard (R-8th LD, Pasco) and Sen. Cortes (D-18th 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). HB 1406 failed to receive a floor vote prior to the cutoff deadline and will no longer advance this session. SB 5677 passed 46-3 on March 4th. It is scheduled for a public hearing in the House Technology, Economic Development & Veterans Committee on March 18th and a subsequent executive session on March 21st.

Energy

Thermal Energy:

SHB 1514, sponsored by Rep. Ramel (D-40th 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). The bill was passed out of committee with some changes in a second substitute amendment. It passed the House 86-9 on March 10th. WPPA supports this bill which encourages the deployment of low carbon energy options in Washington and a critical energy option for the Port of Bellingham on their

waterfront. It has been referred to the Senate Environment, Energy & Technology Committee but it has not yet been scheduled for a public hearing.

Increasing Transmission Capacity:

SHB 1819, sponsored by Rep. Barnard (R-8th LD, Pasco), is a bipartisan effort to require investor-owned and consumer-owned electric utilities with more than 25,000 customers to develop integrated resource plans (IRPs). The bill also provides a SEPA categorical exemption for upgrading and rebuilding certain electric powerlines and requires the UTC to consider the adoption of other policies to encourage increased deployment of electric transmission infrastructure. SHB 1819 passed the House unanimously on March 12th. WPPA continues to support this bill which could help address energy capacity challenges.

Electric Transmission System Improvements

SB 5466, sponsored by Sen. Shewmake (D-42nd LD, Bellingham), would establish an Electric Transmission Authority at the Department of Commerce tasked with supporting the expansion of and upgrades to the transmission system. The bill also includes a SEPA categorical exemption for upgrading and rebuilding transmission lines. It passed the Senate 29-20 on March 10th. The bill was referred to the House Committee on Environment and Energy and is scheduled for a public hearing on March 17th. Amongst the dwindling energy related bills that made it past the cutoff deadline, WPPA remains supportive of this bill and will continue to advocate for additional resources for addressing the state's energy supply challenges.

Environment And Natural Resources

New Environmental Justice SEPA Element:

HB 1303, sponsored by Rep. Mena (D-29th LD, Tacoma), would integrate environmental justice (EJ) as an element of the environment and a part of the SEPA checklist. The bill was amended significantly to simply require Ecology to undertake rulemaking to implement the environmental justice component and develop mitigation guidance. WPPA still had concerns with the broad nature of the bill. The bill was referred to the House Rules Committee, but did not receive a House floor vote prior to the March 12th cutoff. The bill is now unlikely to advance as it did not make it out of its house of origin.

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

<u>HB 1912</u>, sponsored by Rep. Dent (R-13th LD, Moses Lake), is relating to the exemption for fuels used for agricultural purposes under the climate commitment act. WPPA supported exemptions for energy intense and trade exposed industries, like agriculture and maritime, when CCA passed in 2021. A second <u>substitute</u> to HB 1912 passed the House 93-4 on March 12th. After substantial changes the bill now requires Ecology to report on agriculture fuel exemptions and extends the compliance period for fuels used to transport agricultural products on public highways by two years. The bill has been referred to the House Environment & Energy Committee and is scheduled for a public hearing on March 19th. WPPA will sign in pro on this bill.

Bottom Culture Shellfish Farming:

<u>HB 1309</u>, sponsored by Rep. McEntire (R-19th 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. WPPA supports this legislation given our member ports who work to support their local shellfish industries. On March 10^{th} , the bill passed the House 94-1, and it's now scheduled for a public hearing in the Senate Agriculture & Natural Resources Committee on March 17^{th} .

Environmental Crimes:

SB 5360, sponsored by Sen. Trudeau (D-27th LD, Tacoma), creates new definitions for environmental crimes such as violations of the state Water Pollution Control Act, Clean Air Act, Hazardous Waste Management Act, and others. The bill increases penalties for crimes up to certain first- and second-degree felony violations. WPPA has significant concerns about this bill, which passed the Senate 29-20 on March 4th after six republican-supported amendments were rejected. A few floor amendments were adopted, including one that addressed some of the most significant concerns raised by WPPA and other stakeholders. WPPA continues to engage with other entities who have concerns about the implications of the bill and we are strategizing on how to best proceed as the bill moves forward. The bill received a public hearing in the House Environment & Energy Committee on March 13th and a striking amendment was added by Rep. Mena (D-29th LD, Tacoma), late the night before the hearing. Due to the last minute nature of the amendment, we are still trying to determine impacts to our port members. Although at the start of the public hearing we were told it would be on the substitute amendment, WPPA testified once again to share our concerns about the bill.

Aquatic Land Leases:

SB 5656/HB 1758, sponsored Sen. Krishnadasan (D-26th LD, Gig Harbor) and Rep. Parshley (D-22nd LD, Olympia), would redefine the inflation analysis used for adjusting aquatic land lease rates. This was brought forward by the Northwest Marine Trade Association and would replace the currently used producer price index (PPI) with the all urban consumers (CPI-U), as compiled by the U.S. Bureau of Labor Statistics (BLS). SB 5656 passed the Senate unanimously on March 4th. It has now been referred to the House Agriculture & Natural Resources Committee. This week, HB 1758 passed House 92-1. It is now scheduled for a public hearing in the Senate Agriculture & Natural Resources Committee on March 17th. WPPA continues to support the bill at the recommendation of the Marina Committee and will sign in pro.

Governance

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 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. Having previously passed the House, the bill is now scheduled for a public hearing in the Senate State Government, Tribal Affairs & Election Committee on March 21st. WPPA will sign in pro.

Labor

Artificial Intelligence Bargaining:

HB 1622 sponsored by Rep. Parshley (D-22nd 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 (AI). WPPA sent a communication to members of the House Appropriations Committee and Senate Ways and Means Committee with our concerns about the potential for the AI bargaining requirement to significantly slow innovation and efficiency at our ports. The bill passed the House 58-38 on March 8th. We continue to work with member ports and other local government organizations to minimize the impact to local jurisdictions' ability make decisions to adopt technology to benefit their operations.

Public Sector Bargaining & Grievance Procedures:

SB 5503, sponsored by Sen. Valdez (D-46th LD, Seattle), would introduce additional procedural requirements for public sector employers in responding to union formation petitions from employees and grants the Public Employment Relations Commission (PERC) expanded authority to enforce compliance measures. Additionally, the bill changes grievance settlement procedures, which could result in increased legal costs and administrative complexity for public entities including ports and other local governments. WPPA will testify with these concerns at the public hearing in the Senate Labor & Workplace Standards Committee on March 21st.

Land Use

No bills included in this report

Marina

Marine Mammal Protection Act:

<u>HJM 4004</u>, sponsored by Rep. Chase (R-4th LD, Liberty Lake), would petition the U.S. Congress to amend the Marine Mammal Protection Act to grant states and tribes increased flexibility in managing pinniped (seals, sea-lions) populations, including the use of lethal removal. The intent is to protect endangered salmon stocks across all marine shorelines and Puget Sound. Several of our port members have raised concerns about pinnipeds causing property damage at their marina facilities and docks – and at the limited options for dealing with them. The joint memorial did not receive a floor vote prior the cutoff deadline and is now considered unlikely to advance.

Public Works

Responsible Bidding for Public Works:

<u>HB 1549</u>, sponsored by Rep. Fosse (D-38th LD, Everett), would place additional requirements on contractors that bid on public works projects to produce an apprenticeship utilization plan. The bill received a public hearing in the House Appropriations Committee on February 27th and was passed out of the committee on February 28th. The bill now includes amendments that WPPA requested. WPPA engaged in multiple rounds of discussions with other stakeholders to ensure that sufficient training on apprenticeship utilization is made available to contractors and

subcontractors and will continue to work with stakeholders to ensure this occurs. The bill passed the House unanimously on March 10th.

Prevailing Wage Paid When Work is Performed:

SB 5061, sponsored by Sen. Conway (D-29th 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. WPPA testified in support of the underlying policy during the public hearing. We 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 worked with public owners on amendment language that would result in the legislation only impacting public works contracts that exceed one year in length and removed small works contracts completely. The bill passed the Senate 35-13 on March 12th. WPPA has received feedback from the Municipal Research Services Center clarifying the need to pursue additional exemptions in this bill. WPPA will work to exclude additional public works procurement methods from the impact of this legislation.

Recreation & Tourism

Public Facilities District Taxing Authority:

HB 1109, sponsored by Rep. Ryu (D-32nd LD, Shoreline), extend the duration of the taxing authority of public facilities districts from forty-five to sixty years. Public facilities districts (PFDs) work to create venues that attract visitors to their region and create economic growth. The bill passed the House 95-1 on March 11th. WPPA worked with the PFD Association and port members to advocate for a "rules pull" and floor vote on this bill. It's now scheduled for a public hearing at the Senate Committee on Ways and Means, where WPPA will continue to register our support.

Alcohol Service in Public Places:

HB 1515, sponsored by Rep. Reed (D-36th LD, Seattle), would allow local governments, including port districts, 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 World Cup 2026 fan zone sites - WPPA has been working with proponents to support this bill. The bill passed the House 83-13 on March 8th. It's been referred to the Senate Labor and Commerce Committee but has not yet been scheduled for a public hearing.

Tourism Marketing Authority:

SB 5492, sponsored by Sen. Riccelli (D-3rd LD, Spokane), modifies the makeup of the Washington Tourism Marketing Authority and requires the formation of an advisory group comprised of various tourism industry business sectors. WPPA supports this bill, as we have long engaged with tourism advocates to develop and improve the Tourism Marketing Authority. The bill passed the Senate unanimously on February 28th and it will now receive a public hearing in the House Technology, Economic Development & Veterans Committee on March 18th. It is also scheduled for an executive session on March 21st. WPPA will sign in pro on this bill.

Tax & Revenue

Targeted Urban Area Tax Preferences:

HB 1210, sponsored by Rep. Barnard (R-8th LD, Pasco, would provide clean energy transformation businesses with 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 passed the House 81-15 on March 11th and has been scheduled for a hearing in Senate Ways and Means Committee on March 18th. WPPA will sign in pro on this bill.

County Public Utility Tax:

<u>HB 1702</u>, sponsored by Rep. Wylie (D-49th LD, Vancouver), would allow counties to impose an excise tax of up to 3 percent on utility providers which includes electric power, gas, telephone, water, sewer, solid waste, cable service. Counties may allow an exemption for manufacturing, aircraft repair, industrial parks, industrial facilities, farm businesses, and data centers. WPPA has concerns about this bill and its application and impact on port districts who provide these utility services, oftentimes some of our smallest members. Additionally, we have concerns about the possible impact to many of our port tenants. WPPA <u>testified</u> in opposition to this bill at the public hearing in the House Finance Committee. The bill failed to receive a floor vote ahead of the March 12th cutoff and is now considered unlikely to advance.

Renewable Energy Personal Property Tax Exemption

HB 1960, sponsored by Rep. Ramel (D-40th LD, Bellingham), would establish a personal property tax exemption for renewable energy facilities (wind, solar, energy storage only) that generate at least 50 megawatts of power and replaces their personal property tax obligation with a new state and local renewable energy excise tax. Under the current version of the bill, via a second substitute amendment, local taxing districts receiving revenue from those facilities must permanently reduce their highest lawful levy by an amount directly corresponding to the revenue received from the new tax). WPPA testified with concerns about the bill's impact on port tax levy authorities at the public hearings. We also remain concerned about the allocation of revenue generated at the state level. The bill failed to advance out of the House prior to the March 12th cutoff deadline. However, because it is tax/revenue related, the bill may be considered NTIB and have a path forward.

Transportation

Supply Chain Competitiveness

SB 5649, sponsored by Sen. Liias (D-21st LD, Edmonds), 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 bill received a unanimous vote in the Senate on March 12th and has been scheduled for a public hearing in the House Technology, Economic Development and Veterans Committee on March 19th. WPPA will testify in support and is seeking other ports interested in providing testimony.

Electric Vehicle Charging Installation:

SB 5528, sponsored by Sen. Liias (D-21st 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 was amended to remove the training requirement for the installation of state-funded charging infrastructure. Having previously passed the Senate, the bill is now scheduled for a public hearing in the House Labor & Workplace Standards Committee on March 19th. WPPA will sign in pro.

Streamlining Transportation Project Permitting:

<u>HB 1902</u>, sponsored by Rep. Richards (D-26th LD, Gig Harbor), would direct the Washington State Department of Transportation, in consultation with the Department of Ecology, to convene a work group of state, local, and tribal representatives to develop recommendations to streamline the permitting of transportation projects. WPPA supports this effort and worked to ensure port districts were added to the bill. The bill passed the House 94-1 on March 10th.

Passenger-Only Ferries:

<u>HB 1923</u>, sponsored by Rep. Nance (D-23rd LD, Kitsap County), seeks to increase passenger-only ferry service by authorizing local governments, including port districts, to create passenger-only ferry service districts. The bill sponsor and proponents are bringing the bill forward to address current ferry service disruptions and ensure reliable transportation for dependent communities. WPPA testified in support at the public hearing, along with the Ports of South Whidbey, Everett, and Olympia. On March 7th, the bill passed the House by a vote of 87-8 and is now scheduled for a public hearing in the Senate Transportation Committee on March 17th. WPPA will testify in support.

Workforce

No bills included in this report

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