

# Week 5 Report 02.15.25

This week was packed with activity both in Olympia and beyond, as WPPA staff attended key events and engaged with legislators, stakeholders, and members to support our members and celebrate some of their recent successes.

WPPA staff were able to escape from Olympia to participate in several important local events. In Aberdeen, staff attended the Port of Grays Harbor Annual Business Breakfast, where the port's

leadership provided an update on their on-going projects and gave port tenants an opportunity to highlight their work. The event was a great opportunity to connect with local leaders and witness firsthand the community's appreciation of their port district. A sincere thank you to the team at the Port of Grays Harbor for hosting a great event.

Additionally, WPPA staff were welcomed at the Port of Manchester's monthly commission meeting in Kitsap County. This provided us a chance to hear about local priorities and challenges, furthering our understanding of issues facing smaller ports and their local communities. The meeting took place at the Manchester Library, which is a unique partnership between the Port, Kitsap Regional Library system, and the Friends of the Manchester Library, the non-profit that owns and operates the facility.

It was also great to see port members at the capitol advocating alongside key partner organizations. Members working with the Economic Alliance of Snohomish County visited Olympia for that group's lobby day, advancing policies that enhance economic development and strengthen infrastructure in Snohomish County. Meanwhile, the Port of Seattle held its SEA Stakeholder Advisory Round Table (StART) legislative day, bringing a strong delegation to Olympia to discuss issues relating to Seattle-Tacoma International Airport. StART representatives engaged in productive discussions on issues including transportation funding, environmental sustainability, and noise mitigation.

# **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>

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

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# **SESSION CUTOFF DATES**

- Feb. 21, 2025: House of Origin Policy
- 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: <a href="leg.wa.gov">leg.wa.gov</a>

This week also featured one of the most anticipated events of the session—Dairy Day, sponsored by the Washington State Dairy Federation. Lawmakers, staff, and advocates alike enjoyed the popular tradition of fresh ice cream and dairy products while learning about the critical role of Washington's dairy industry in the state's agricultural economy. And while they didn't serve ice cream, we also saw campus flooded with the public utility districts from around the state, as ubiquitous green scarves around campus heralded the arrival of WPUDA's annual advocacy event.

Over in the Ports Building, steps off campus, WPPA also took time this week to host our Third Annual "Tenant Appreciation Day" event – giving us the chance to show gratitude for the advocacy professionals who share our building and serve many roles: friends, tenants, partners-in-building-frustration, and valued resources with considerable knowledge and experience in the legislature that makes us better at what we do. Tuesday's event included donuts and coffee in the morning followed by a reception with food and drinks in the evening, and we remain grateful to our Ports Building cohabitants.

Next week marks an important milestone in the legislative process, "Policy committee cutoff" on February 21<sup>st</sup>. This is the last day for bills to be passed out of their assigned policy committees. WPPA will be closely monitoring key legislation and continuing our advocacy to ensure that our priority bills are not lost in the deadline shuffle.

Stay tuned for more updates as we move into the next critical phase of the session!

# WPPA Weekly Bill Tracking Update

#### **Aviation**

SEA Environmental Justice and Community Engagement:

SB 5652/HB 1948, sponsored by Sen. Orwall (D-33<sup>rd</sup> LD, Des Moines) and Rep. Santos (D-37<sup>th</sup> LD, Seattle) would require the Port of Seattle to develop new and additional environmental justice implementation plans, engage with overburdened communities, and assess the environmental and health impacts of any "port action" costing more than \$8 million. The bill mandates collaboration with public health experts and community members to mitigate adverse effects of air and noise pollution, and creates new authority for those academic and public health agencies to influence projects. The Senate version is scheduled for a public hearing in the Senate Environment, Energy & Technology Committee on February 18<sup>th</sup> while the House version has not yet been scheduled for a public hearing. WPPA has concerns about what the bill could mean for SEA's ability to accommodate demand for commercial aviation service and will testify to those concerns at the Senate hearing.

#### 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 and was passed out of the committee on February 14th with modest changes including a delayed timeline for when tax incentives would take effect. The bill has not yet been scheduled for a public hearing in Senate Ways & Means. WPPA testified in support of this bill citing the need to build necessary infrastructure to support the continued development of alternative aviation fuels.

#### **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>. SB 5118 was passed out of the committee on February 14<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 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. WPPA worked with the bill sponsor on an amendment retaining the existing speed goals and establishing a process to update speed goals in 2027 and the bill is scheduled for executive session on February 18<sup>th</sup>.

#### **Economic Development**

**Increasing Local Access to Federal Funds:** 

<u>HB 1057</u>, 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 received a public hearing in the House Appropriations Committee on February 10<sup>th</sup>. WPPA continues to support this bill.

**Utility Connection Charges for Industrial Symbiosis:** 

<u>HB 1302</u>, 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. The bill has been pulled from the House Rules Committee and is on the House floor calendar, where it could be scheduled for a vote at any time.

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 is scheduled for a public hearing in the House Appropriations Committee on February 20<sup>th</sup>. The Senate bill received a public hearing on February 13<sup>th</sup> in the Senate Business, Financial Services & Trade Committee. WPPA signed in pro at the hearings on this bill while Port of Columbia's Executive Director Jennie Dickinson testified in support of this bill. Seven ports including Port of Columbia act as their county's ADO.

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 was passed out of the House Technology, Economic Development, and Veterans Committee on February 14<sup>th</sup> with modest changes<sup>-</sup> WPPA supports the bill and will continue to engage as the bill advances.

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. This week, the bill was pulled from the Senate Rules Committee to the Senate floor calendar, where it could be scheduled for a vote at any time.

#### Energy

**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 is scheduled for an executive session in the Senate Environment, Energy & Technology Committee on February 18<sup>th</sup>. The House version is scheduled for an executive session in the House Energy and Environment Committee on February 18<sup>th</sup>. WPPA remains neutral on this bill.

Clean Energy Development Office:

HB 1328/SB 5359, sponsored by Rep. Doglio (D-22<sup>nd</sup> LD, Olympia) and Sen. Shewmake (D-42<sup>nd</sup> LD, Bellingham), comes forward at the request of the Department of Commerce. This bill would create the Clean Energy Development Office within Commerce and tasks the office with providing resources to local governments to aid in the goal of accelerating the development of

clean energy projects and increasing transmission capacity. The Senate version is scheduled for an executive session in the Senate Environment, Energy & Technology Committee on February 18<sup>th</sup>. There has been no action on the House version since its public hearing on January 27<sup>th</sup> in the House Environment & Energy Committee. WPPA supports this bill and efforts to address energy challenges in Washington.

## **Increasing Transmission Capacity:**

<u>HB 1819</u>, sponsored by Rep. Barnard (R-8<sup>th</sup> 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 existing transmission lines with advanced conductors. The bill is scheduled for an executive session in the House Environment & Energy Committee on February 18<sup>th</sup>. WPPA supports this bill which could help address the energy transmission challenges and provide a better understanding of future energy capacity in the state.

# **County Public Utility Tax:**

HB 1702, sponsored by Rep. Wylie (D-49<sup>th</sup> 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. Many organizations and individuals have already expressed their opposition to this bill. WPPA has concerns with this bill and its application and impact on port districts who provide these utility services, oftentimes some of our smallest port districts. The bill is scheduled for a public hearing in the House Finance Committee on February 21<sup>st</sup>. WPPA will testify in opposition to this bill.

# 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). 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. The substitute bill makes minor changes including an opt-in option and adds a definition for thermal energy. The bill is scheduled for a public hearing in the House Appropriations Committee on February 22<sup>nd</sup>. WPPA supports this bill which encourages the deployment of low carbon energy options in Washington.

#### **Environment And Natural Resources**

#### **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 Attorney General's office testified in strong support of the bill at the public hearing. The bill has been pulled from the Senate Rules Committee and is on the Senate floor calendar, where it could be

scheduled for a vote at any time. WPPA is engaged with other entities who have concerns about the bills implications and strategizing on how to best proceed.

**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 was amended to significantly narrow the bill and address some of the main concerns raised in testimony. We remain concerned that without any clarity the proposal may still impose unnecessary costs, delays, and additional processes on every project in Washington. The bill is scheduled for a public hearing in the House Appropriations Committee on February 19<sup>th</sup>. The Senate companion, meanwhile, has been scheduled for a public hearing in the Senate Environment, Energy & Technology Committee on February 21<sup>st</sup>. If the Senate version is not amended to match the House version, WPPA will testify with similar concerns.

**Industrial Stormwater General Permit Presumed Compliance:** 

HB 1937/SB 5712, sponsored by Rep. Fey (D-27<sup>th</sup> LD, Tacoma) and Sen. Boehnke (R-8<sup>th</sup> LD, Kennewick), would establish what we have been calling a "safe harbor" provision of presumption of compliance for entities covered under the state's industrial stormwater general permit. This includes the development of provisions that may protect regulated entities from enforcement if they are going through the process and taking corrective actions to address exceedances in stormwater runoff benchmarks. It addresses safety concerns that may protect a regulated entity by stipulating stormwater sampling at transportation facilities is not required while they wait for Ecology to determine that such sampling can be conducted without endangering health and safety. WPPA supported the NWSA, the Ports of Seattle and Tacoma to get this bill introduced. In the bill's current form, we will testify in support at the public hearings in the House Environment & Energy Committee on February 17<sup>th</sup> and the Senate Environment, Energy & Technology Committee on February 18<sup>th</sup>. However, the Department of Ecology raised last minute significant concerns with the language in the bill. We are working toward an agreeable resolution in anticipation of the hearings next week.

# Aquatic Land Leases:

HB 1758/SB 5656, sponsored by Rep. Parshley (D-22<sup>nd</sup> LD, Olympia) and Sen. Krishnadasan (D-26<sup>th</sup> LD, Gig Harbor), would redefine the inflation analysis used for adjusting aquatic land lease rates. This was brought forward by the Northwest Marine Trade Association. 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 (BLS). The PPI measures the average change in selling prices from the production side. The CPI-U measures the average change in prices and impact on consumers. This change aims to remove volatility in lease rates and provide budgetary predictability for those with leases. The PPI tends to fluctuate more from year to year sometimes with massive spikes, but the two measures remain revenue neutral over a 30-year period. Some ports reached out with questions about the use of the Seattle-Tacoma-Bellevue index, but this is the most representative and

complete inflation assessment currently in use by the BLS for our state. There are no other statewide inflation assessments available other than the two considered. HB 1758 received a public hearing in the House Agriculture & Natural Resources Committee on February 12<sup>th</sup> and was passed out of the committee on February 14<sup>th</sup> with an amendment that provided a technical fix to align the Senate and House versions of the bill. SB 5656 received a public hearing in the Senate Agriculture & Natural Resources Committee on February 10<sup>th</sup> and was passed out of the committee on February 13<sup>th</sup>. WPPA supports this bill.

## Water System Rates:

HB 1906, sponsored by Rep. Tharinger (D-24<sup>th</sup> LD, Port Townsend) places more requirements around water utilities and the Utilities and Transportation Commission (UTC) that would increase transparency, which we support. However, the bill would also require water utilities to submit water system plans every three years to the Health Department that includes all capital improvement projects necessary for the next 10 years. WPPA testified with concerns about small port districts that operate water systems having the capacity to comply with these new requirements at the public hearing on the bill on February 13<sup>th</sup> in the House Environment & Energy Committee. We are working with other stakeholders and the bill author on an amendment that would allow for considerations, exemptions, or additional resources for utilities of a certain size.

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

HB 1912/SB 5630, sponsored by Rep. Dent (R-13<sup>th</sup> LD, Moses Lake) Sen. Dozier (R-11<sup>th</sup> LD, Waitsburg), 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) which was dismissed in 2024. WPPA supported exemptions for energy intense and trade exposed industries, like agriculture and maritime, when CCA passed in 2021, and we registered our support for this bill at the public hearing consistent with that prior position. HB 1912 received a public hearing in the House Environment & Energy Committee on February 13<sup>th</sup> and is scheduled for an executive session on February 20<sup>th</sup>. SB 5630 is scheduled for a public hearing in the Senate Environment, Energy & Technology Committee on February 19<sup>th</sup>, where we will continue to express support.

#### **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 Senate version is scheduled for an executive session in the Senate Agriculture & Natural Resources Committee on February 20<sup>th</sup>. The House version is scheduled for a public hearing in the House Appropriations Committee on February 19<sup>th.</sup> WPPA is supporting this legislation given that we have many port members that work closely with the local shellfish industry.

#### 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 percent of total collections on all special purpose taxing districts that utilize the treasurer's office for their financial services. The bill received 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. The fee would hit tax revenues for small port districts particularly hard. WPPA testified in opposition to 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. The bill was passed out of the House State Government & Tribal Relations Committee on February 11<sup>th</sup>. It was amended to include a "safe harbor" period preventing litigation after preclearance has been granted. WPPA remains neutral on this bill.

<u>HB 1750</u>, 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 was passed out of the House State Government & Tribal Relations Committee on February 11<sup>th</sup>. It was amended to ensure that a four year "safe harbor" period exists after changes are made in compliance with a court order. WPPA remains neutral on this bill.

## 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 (AI). 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 18<sup>th</sup>. The Senate version is scheduled for a public hearing in the Senate Labor & Commerce Committee on February 17<sup>th</sup> and an executive session on February 21<sup>st</sup>. At the House hearing, WPPA testified with concerns about how widespread AI is in modern tools and the potential for the bargaining requirement to significantly slow innovation and efficiency at our ports. We will share similar testimony with the Senate committee on February 17<sup>th</sup>.

# Technology Use by Employers:

<u>HB 1672</u>, 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 as we have not heard any specific concerns about impacts to port operations. It is scheduled for an executive session in the House Labor & Workplace Committee on February 19<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 continue to be the subject of vigorous advocacy from both business organizations and labor unions. The bill received public hearings in the House Labor & Workplace Standards Committee and the Senate Labor & Commerce Committee on February 11<sup>th</sup>. WPPA will continue to monitor this proposal as it advances.

# **Land Use**

No bills included in this report

#### Marina

**Marine Mammal Protection Act:** 

HJM 4004, sponsored by Rep. Chase (R-4<sup>th</sup> 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 is scheduled for a public hearing and executive session in the House Agricultural & Natural Resources Committee on February 21<sup>st</sup>. WPPA supports this joint memorial and will sign in pro.

## **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 was passed out of the House Labor & Workplace Standards Committee on February 14<sup>th</sup> with an amendment that WPPA worked to include in the bill. 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 was passed out of the House Capital Budget Committee on February 13<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 and be difficult to implement. 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 received a public hearing in the House Capital Budget Committee on February 13<sup>th</sup>. WPPA testified in with administrative and implementation concerns and is working with the bill sponsor to amend the exemption language.

## Registered Apprenticeship Program Approval:

HB 1777, 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 received 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 increasing the total number of apprentices. WPPA testified 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. 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 scheduled for an executive session on February 21<sup>st</sup>. WPPA is working with other public owners on amendment language that would minimize the administrative burden and keep the cost implications of implementing this legislation within the existing bid and award decision process.

#### **Recreation & Tourism**

**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 has been pulled from the Senate Rules Committee and is on the Senate floor calendar, where it could be scheduled for a vote at any time. 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 was twice scheduled to advance through executive session but twice was removed from the calendar. There are several amendments proposed, and the deferred action suggests the committee is still working to determine whether the underlying proposal still has a path forward.

# 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 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 was passed out of the House Finance Committee on February 6<sup>th</sup>, and has been referred to the House Rules Committee, where it will need a "rules pull" from a member of that committee to be added to the floor calendar.

Sales Tax Authority for Cities with Warehouses:

SB 5518, sponsored by Sen. Kauffman (D-47<sup>th</sup> LD, Kent), would authorize the City of Kent to impose a local sales and use tax of up to 0.3%, credited against the state tax, to mitigate the fiscal impacts of sales tax sourcing laws. These laws dictate that sales tax revenue is allocated based on the buyer's location rather than the seller's. This has disproportionately affected cities with significant industrial or warehousing operations, as many large transactions now generate tax revenue for other jurisdictions rather than the cities where the businesses are physically located. The bill is scheduled for a public hearing in the Senate Ways & Means Committee on February 18<sup>th</sup>. WPPA is neutral on this bill but is monitoring it due to the large amount of goods that flow from our gateway ports to industrial facilities in south King County.

## **Transportation**

# 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 received a public hearing in the House Committee on Technology, Economic Development, & Veterans on February 14th and is scheduled for an executive session on February 19th. WPPA testified in support and was joined by the Ports of Benton, Seattle, Everett, Port Angeles, and NWSA. A public hearing has not yet been scheduled for the Senate version.

#### **Commercial Drivers License Standards:**

SB 5464, 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 was passed out of the Senate Transportation Committee on February 6<sup>th</sup>, and has been referred to the Senate Rules Committee, where it will need a "rules pull" from a member of that committee to be added to the floor calendar.

#### *Electric Vehicle Charging Installation:*

SB 5528, 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 is scheduled for an executive session in the Senate Labor & Commerce Committee on February 21<sup>st</sup>. The bill was amended to remove the training requirement for the installation of state-funded charging infrastructure.

# Train Length Restrictions:

<u>HB 1862</u>, sponsored by Rep. Santos (D-37<sup>th</sup> LD, Seattle), would limit the length of trains operating within the state to 8,500 feet, citing safety concerns associated with longer trains. The bill proposes fines starting at \$25,000 for the first offense and escalating for subsequent violations. WPPA is concerned that such restrictions could disrupt freight operations, leading to increased transportation costs and delays in the supply chain. A public hearing has not yet been scheduled in the House Transportation Committee.

# Road Usage Charge:

<u>HB 1921/SB 5726</u>, sponsored by Rep. Fey (D-27<sup>th</sup> LD, Tacoma) and Sen. Ramos (D-5<sup>th</sup> LD, Issaquah), would begin the implementation of a road usage charge (RUC) program. The bill outlines a voluntary RUC program from July 2027 to July 2031, followed by a mandatory phase-in between July 2029 and July 2035, targeting light-duty electric and hybrid-electric vehicles, as

well as light-duty internal combustion vehicles with a fuel economy rating of twenty miles per gallon or greater. The RUC is set at 2.6 cents per mile, with provisions to offset the amount due by the fuel tax paid and to waive existing electric and hybrid-electric vehicle fees. WPPA has participated in the RUC Steering Committee since 2016. WPPA supports these bills because they include important provisions including the timed phase in targeting hybrid and all-electric vehicles and it also requires nearly all revenue collected to be spent on the maintenance and preservation of the state's road network. This effort to create sustainable revenue for the transportation budget is a top priority for WPPA in the 2025 Legislative Session. WPPA testified in support of the House version during a public hearing in the House Transportation Committee on February 13<sup>th</sup>. The Senate version is scheduled for a public hearing in the Senate Transportation Committee on February 18<sup>th</sup>.

# Passenger-Only Ferries:

HB 1923, sponsored by Rep. Nance (D-23<sup>rd</sup> LD, Bainbridge Island), seeks to increase passenger-only ferry services across Puget Sound. The bill proposes the creation of passenger-only ferry service districts by various local entities, including counties, port districts, and public transportation benefit areas, to establish and manage these services. This initiative seeks to address current ferry service disruptions, ensure reliable transportation for dependent communities, and prepare for increased demand during events like the 2026 FIFA World Cup. The bill is scheduled for a public hearing in the House Transportation Committee on February 19<sup>th</sup>. WPPA is supportive of this effort to provide additional transportation options to move people and support economic opportunities. We will testify in support.

## Workforce

No bills included in this report

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