INTRODUCTION

The legislature reached its first major milestone of the session today, the cutoff for all policy bills to pass out of committee and be read into the record on the floor. Those bills not crossing this threshold are finished for the session, except bills with fiscal implications, which will face a similar cutoff this coming Tuesday. These deadlines significantly narrow the number of bills remaining in the process and allow for enhanced focus on those bills remaining.

This is also a moment in the session at which we acquire a better understanding of what significant policy areas failed to produce meaningful legislation and are likely to produce active work engagements through the interim. Currently, the Growth Management Act, transportation funding, and carbon taxation appear to be among the likely candidates for this category.

On the matter of transportation funding, one of the more notable and well-attended hearings this week featured public comment on a transportation funding proposal put forth by Senate Transportation Chair Steve Hobbs. The WPPA will continue to communicate on this as negotiations begin in earnest.

GOVERNANCE & ELECTIONS

SPECIAL PURPOSE DISTRICTS – ODD YEAR ELECTIONS. HB 2529 and SB 6503 would require all special purpose districts to move elections to the even year, to eliminate odd-year elections in this state. For WPPA, the major concern is that with so many elections appearing on one single ballot, port commissioner races would become lost or invisible in a sea of ballot items. These bills did not pass their policy committees before the first cut-off, and therefore, are considered dead for this year.

PROTECTION OF CULTURAL SITES. SB 6519 and HB 2850 would create new review guidelines for any groundbreaking activity utilizing state funds. This new review process intends to identify potential impacts to archaeological, historical, and cultural sites prior to the start of any new groundbreaking project. These bills did not pass their policy committees before the first cut-off and are considered dead for this year. Due to the complications surrounding this issue, a more in-depth discussion will resume in the interim.

COMMISSIONER COMPENSATION. SB 6046 would move the date of commissioner compensation changes from July to January, allowing special purpose districts to plan for future compensation adjustments in their annual budgets rather than the middle of the budget year. This bill has been given a Do Pass recommendation and is now eligible for passage from the full Senate. WPPA signed in support.

ENVIRONMENT

MARINE VESSEL REVISIONS. WPPA supports HB 2769/SB 6528. If passed, laws affecting derelict vessels would change to:

1) remove a $200,000 cap on spending on the voluntary vessel turn-in programs;
2) reduce the size of vessels covered by the existing time of sale requirements from 65 feet to 35 feet
3) allow the Department of Natural Resources issue tickets for violations;
4) create a grant program to support local law enforcement efforts to reduce the number of derelict vessels.
The bill has been referred to the Appropriations Committee in the House and Ways and Means in the Senate.

**NET ECOLOGICAL GAIN FOR DEVELOPMENT PROJECTS.** The intent of HB 2550 is to require development projects to implement mitigation that results in a “net ecological gain.” The bill was amended in committee to address concerns expressed by WPPA and other local governments. As amended, the bill directs the Office of Financial Management (OFM) to submit a report to the Legislature by December 1, 2020, assessing how to incorporate a standard of net ecological gain into the Growth Management Act, Shoreline Management Act, Construction Projects in State Waters/Hydraulic Projects Approvals, and the Model Toxics Control Act, or other laws and rules where the existing standard is less protective of ecological integrity than the standard of net ecological gain.

We expect the bill will be converted to a budget proviso in the House. WPPA would prefer more direction for the OFM study but can support a study process. We continue to work with the bill sponsor and other stakeholders to improve the direction given to OFM.

**CAP AND TRADE.** SB 5981 would enact a “cap and trade” program to reduce greenhouse gas emissions in Washington. The details of the bill are less important (for the moment) than the apparent collaboration between the Chairs of the Transportation and the Energy, Environment, and Technology Committees.

Revenue from CO2 credit auctions is being considered in the context of a transportation funding package. WPPA is seeking guidance from our members about how to position the association to be effective in transportation and climate discussions in the 2021 Session and beyond. The bill will not pass the legislature this year.

**ADDITION OF CLIMATE CHANGE GOALS TO GMA.** HB 2427/SB 6453 add a climate change goal to the planning goals of the GMA. If enacted, GMA planning jurisdictions must ensure that comprehensive plans, development regulations, and regional policies, plans, and strategies under countywide planning policies and regional transportation planning organizations:

1) adapt to and mitigate the effects of a changing climate;
2) support state GHG emission reduction requirements and state vehicle miles traveled goals;
3) build resilient infrastructure;
4) nurture environmental, economic, and human health.
HB 2427 passed the Environment and Energy Committee and has been referred to the Rules Committee.

ACCELERATION OF GHG GOALS. HB 2311/SB 6272 increase the pace at which greenhouse gas emission goals are achieved and states that by 2050, the state as a whole must achieve net-zero greenhouse gas emissions. State agencies are required to maximize carbon-sequestration in their activities to achieve the greenhouse reduction goals established in law.

WPPA testified on the bill to highlight the flexibility a “net-zero” statewide policy could provide to allow incremental, project-related increases to be offset by reductions elsewhere. HB 2311 will be heard in House Appropriations on February 3rd. WPPA is neutral on the bill.

AVIATION

AVIATION LEGISLATION. WPPA continues to advocate for two bills that would address funding for airports. If these bills are important to you, please contact your legislator and ask for these bills to be heard in their respective chambers.

SB 5011 would make the Community Aviation Revitalization Board permanent. This bill remains on second reading on the Senate floor awaiting a vote. The board has awarded much of its existing $5 million in funding secured during the 2019 legislative session. This supports our understanding of the demand for this funding and the need to make the program permanent.

WPPA’s other aviation priority for this session is HB 1457 which would reallocate 1% of the aviation fuel tax to be spent on airport infrastructure with larger and more awards through the Airport Grants Program. The bill remains in the House Rules Committee with an amendment we have worked with stakeholders on that address concerns they had with the bill. These bills must be moved out of their chamber of origin by the February 19th cutoff.

PUBLIC WORKS

PUBLIC WORKS CONTRACTING. An amendment to HB 2744, removing many of the mandates in the origin bill, was adopted in Committee. The bill now seeks to understand how public owners make decisions around the carbon intensity of building materials. There are reporting requirements for state agencies constructing large buildings and roadways to induce transformation by materials manufacturers. Ports are currently removed from the bill but as leaders in this space we will continue to look for ways to advance this issue in the future.

Other bills public works-themed bills WPPA has had concerns with, including SB 5456, SB 5457, and HB 2469, have either had friendly amendments added or appear not to be advancing out of committee.

LABOR

PROHIBITING SHIPPING AUTOMATION. WPPA testified on companion bills HB 2828/SB 6535 this week. The bills would prohibit port districts that handle shipping containers from making investments in automated marine container handling equipment at ports in Washington. HB 2828 was voted out of committee this morning. SB 6535 was heard in the Senate Transportation Committee but will not advance.
WPPA has concerns about these bills not only because they limit our authority to make necessary business decisions but they also limit port’s ability to make investments to remain competitive in a global market that is already incredibly competitive.

**TRANSPORTATION**

**FORWARD WASHINGTON.** During a Work Session this week, WPPA testified in support of Senator Hobbs’ new revenue transportation package introduced last year, entitled “Forward Washington.” While the Senator acknowledges the $15 billion, 15-year proposal is unlikely to move this year, he wants to continue to hear from constituents about the need for increased funding for transportation along with understanding if the priorities outlined adequately address the state’s needs. WPPA is interested in learning more about the revenue options laid out in the proposal, particularly how this package would dovetail with Senator Carlyle’s “Cap & Invest” carbon proposal (SB 5981).

**SUPPLEMENTAL TRANSPORTATION BUDGET.** Discussions around the Supplemental Transportation Budget have been advancing with what appears to be bipartisan support in the Senate Transportation Committee on a proposal that addresses the $450 million budget hole left in the wake of the passage of I-976. The proposal relies on redistributing underspend on projects behind schedule and a one-time $50 million transfer from the general fund along with several account transfer to balance the budget. The Committee would like to see early agreement to a proposal so as to let those projects paused by the Governor prior to session be released to move forward. We are a few weeks away from release of the legislative budgets. It is too soon to tell how this proposal is being received by the House Transportation Committee.

**HARBOR MAINTENANCE TAX.** The Joint Memorial (SJM 8016) urging Congress to address the imbalance in funds distribution of the Harbor Maintenance Tax remains in the Senate Rules Committee. For information, there is unanimous support among deep-water ports in the U.S. on a plan to spend the trust fund backlog and establish a framework to provide greater equity in the distribution of the trust fund. WPPA will advocate for this joint memorial to be heard on the Senate floor.