

WASHINGTON CLEAN TECH ALLIANCE

PREPARED BY: BOSWELL CONSULTING

Weekly Report

Saturday, March 1, 2014

Reading Bills

Key:
S = An "S" before a House or Senate bill indicates a Substitute Bill. This means the bill was amended from the original version
2S = A two will always be followed by an "S." This marker indicates a Second Substitute Senate or House Bill. This means a bill was amended by a second committee, usually a fiscal committee.
E = An "E" indicates an engrossed bill. This means the bill was amended on the floor of the chamber before it was passed out of the house of origin.

The Legislature is moving in to the final phase of session with opposite House committee cut off Friday. Non-budget bills must have passed out of the opposite chamber policy committee or they are dead for this session. In other words House bills must pass out of Senate policy committee and vice versa. Both the House and Senate presented versions of the General Fund and Transportation budgets. They will pass these versions out of their respective chambers and then final negotiations between the two chambers will proceed, hopefully concluding with a final budget deal by March 13. The Legislature will spend most of next week on the Floor passing opposite chamber bills and negotiating final concurrence language on any disputed legislation.

Momentum around solar issues associated with the incentive program and system leasing (HB 1301/ HB 2176) appear to have stalled and it does not look like any further Legislative activity will occur on this issue.

The High Tech RD tax incentives remain alive however the Senate proposed narrowing the program to just companies with less than \$50 million in revenue. This has caused enormous controversy and could cause the entire program to die this session.

BILL TRACKING SUMMARY

MEDIUM PRIORITY BILLS

	<u>Sponsor</u>	<u>Position</u>	<u>Status</u>
E2S1301 Creating clean energy jobs in Washington state through renewable energy incentives. (AS OF HOUSE 2ND READING 3/09/13)	Morris	Monitor	H, 3rd Reading
S2059 Concerning the voluntary purchase of eligible renewable resources by customers of electric utilities. (DIGEST OF PROPOSED 1ST SUBSTITUTE)	Morris	Monitor	H, Rules R
S2176 Concerning leased energy systems. (DIGEST OF PROPOSED 1ST SUBSTITUTE)	Morris	Monitor	H, 2nd Reading
S2183 Maintaining a robust, clean, and job rich energy policy in the state of Washington that builds upon the goals created by the energy independence act. (DIGEST OF PROPOSED 1ST SUBSTITUTE)	Morris	Monitor	S, Energy, Environ
2671 Clarifying the application of tax exemptions for vehicles powered by clean alternative fuels.	Magendanz	Monitor	H, Finance
2685 Extending tax preferences for high-technology research and development.	Pettigrew	Monitor	H, Finance
S2753 Imposing motor vehicle fuel taxes on compressed natural gas and liquefied natural gas used for transportation purposes. (DIGEST OF PROPOSED 1ST SUBSTITUTE)	Clibborn	Monitor	H, Finance
6021 Concerning a qualified alternative energy resource.	Ericksen	Monitor	S, Rules 2
6258 Using conservation achieved by a qualifying utility in excess of its biennial acquisition target under the energy independence act.	Ericksen	Monitor	S, Rules 2
S6267 Concerning high-technology research and development tax	Hill	Monitor	S, Rules 2

	incentives. (DIGEST OF PROPOSED 1ST SUBSTITUTE)			
S6430	Extending tax preferences for high-technology research and development. (DIGEST OF PROPOSED 1ST SUBSTITUTE)	Liias	Monitor	S, 2nd Reading
S6440	Imposing transportation taxes and fees on compressed natural gas and liquefied natural gas used for transportation purposes. (DIGEST OF PROPOSED 1ST SUBSTITUTE)	King	Monitor	S, 2nd Reading
2S6518	Transferring technology-based economic development programs from innovate Washington to the department of commerce. (DIGEST OF PROPOSED 1ST SUBSTITUTE)	Chase	Monitor	S, 2nd Reading
6541	Encouraging reliable distributed renewable energy.	Ericksen	Monitor	S, Energy, Enviro

BILL TRACKING DETAILS

E2S1301

CLEAN ENERGY JOBS

MORRIS

House Committee on Finance (originally sponsored by Representatives Morris, Ryu, McCoy, Hudgins, Morrell, and Pollet)

Declares an intent to: (1) Attract a vibrant clean technology sector to the state; and (2) Improve the use of tax incentives, created in the act, by state residents and businesses, streamline program administration, and incubate the development of clean energy technology by modifying the existing renewable energy investment cost recovery incentive program.

Full Text URL: <http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House Bills/1301-s2.e.pdf>

S2059

ELIGIBLE RENEWABLE RESOURCES

MORRIS

House Committee on Technology & Economic Development (originally sponsored by Representative Morris)

Requires an investor-owned utility, at the request of a nonresidential electric customer, to create a tariff that includes a standard contract to allow the customer and other interested nonresidential customers to purchase voluntarily renewable resources in one megawatt-hour units.

Requires the governing board of a consumer-owned utility, upon request of an electric customer of a consumer-owned utility, to create a tariff schedule or contract that allows the customer to purchase voluntarily renewable resources in one megawatt-hour units.

Requires a customer requesting to purchase voluntarily renewable resources to make a deposit with the utility to cover the cost of work hours at the electric utility to develop the tariff.

Full Text URL: <http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House Bills/2059-s.pdf>

S2176

LEASED ENERGY SYSTEMS

MORRIS

House Committee on Technology & Economic Development (originally sponsored by Representative Morris)

Authorizes an electric utility to offer a leased energy program that must offer to customers across all rate classes the opportunity to lease from the electric utility a renewable energy system that will be installed on the customer's property.

Requires the department of ecology to conduct an assessment of the environmental consequences, throughout the product lifecycle, associated with leased energy systems and energy storage systems installed in this state containing hazardous materials, rare earth minerals, and other commercially valuable materials.

Requires the utilities and transportation commission to publish a list of financing models being offered by investor-owned utilities or third-party vendors registered as competitive electrical companies.

Requires investor-owned utilities and third-party vendors offering leased energy systems, upon request of the utilities and transportation commission, to provide information on the financial terms of leased energy systems currently under contract.

Full Text URL: <http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House Bills/2176-s.pdf>

S2183

STATE ENERGY POLICY

MORRIS

House Committee on Technology & Economic Development (originally sponsored by Representatives Morris, Ormsby, Fey, and Hudgins)

Requires the joint committee on energy supply and energy conservation to make recommendations to the energy committees of the legislature on ways to improve the effectiveness and implementation of the existing law and policies that would further the renewable energy and energy efficiency goals for utilities after 2020.

Requires the Washington State University energy program to conduct a resource assessment on the amount of new energy resources that could be made available with a high-efficiency cogeneration policy or a thermal heating efficiency policy to assist the joint committee deliberations in developing new energy performance standards after 2020.

Full Text URL: [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House Bills/2183-s.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House%20Bills/2183-s.pdf)

2671

ALTERNATIVE FUEL VEHICLES

MAGENDANZ

Representatives Magendanz, Carlyle, Manweller, Fey, Warnick, Sawyer, Morris, Gregerson, Hansen, Condotta, Muri, Tharinger, Morrell, Wylie, Haler, Fitzgibbon, S. Hunt, Tarleton, Freeman, Ortiz-Self, and Moscoso

Clarifies the application of sales and use tax exemptions for vehicles powered by clean alternative fuels.

Companion Bill: 6496 Alternative fuel vehicles S, Energy, Environ

Full Text URL: [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House Bills/2671.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House%20Bills/2671.pdf)

2685

HIGH-TECH R&D TAX PREFS

PETTIGREW

Representatives Pettigrew, Manweller, Springer, Morris, Goodman, Smith, Habib, Wilcox, Clibborn, Tarleton, Magendanz, Zeiger, Gregerson, Young, and Freeman

Delays the expiration of tax preferences for high-technology research and development.

Companion Bill: 6430 High-tech R&D tax prefs S, 2nd Reading

Full Text URL: [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House Bills/2685.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House%20Bills/2685.pdf)

S2753

NATURAL GAS/FUEL TAXES

CLIBBORN

House Committee on Transportation (originally sponsored by Representatives Clibborn and Roberts)

Imposes taxes on compressed natural gas and liquefied natural gas used for transportation purposes.

Companion Bill: 6440 Natural gas/fuel taxes S, 2nd Reading

Full Text URL: [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House Bills/2753-s.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House%20Bills/2753-s.pdf)

6021

QUALIF'D ALT ENERGY RESOURCE

ERICKSEN

Senator Ericksen

Revises the definition of "qualified alternative energy resource," for purposes of RCW 19.29A.090, to include the electricity or thermal energy produced from generation facilities that are fueled by biomass energy based on liquid organic fuels from wood, forest, or field residues.

Companion Bill: 2223 Qualif'd alt energy resource H, Tech & Econ D

Full Text URL: [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/6021.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/6021.pdf)

6258

CONSERVATION BY UTILITY

ERICKSEN

Senators Ericksen, Chase, Sheldon, Brown, and Honeyford

Revises the energy independence act to allow conservation achieved by a qualifying utility in excess of its biennial target to be applied as a direct credit toward any of the next three subsequent biennial targets, such that no more than fifty percent of any biennial target

may be met with excess conservation savings.

Full Text URL: [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/6258.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/6258.pdf)

S 6 2 6 7

HIGH-TECH R&D TAX INCENTIVES

HILL

Senate Committee on Ways & Means (originally sponsored by Senators Hill and Benton)

Requested by
Office of Financial Management

Delays the expiration date of the business and occupation tax credit for research and development spending and the sales and use tax deferral for eligible investment projects with regard to high-technology businesses.
Creates the high-technology research and development investment working group to develop recommendations for the legislature that integrates high-technology research and development activities with investments in higher education.

Full Text URL: [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/6267-s.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/6267-s.pdf)

S 6 4 3 0

HIGH-TECH R&D TAX PREFS

LIAS

Senate Committee on Ways & Means (originally sponsored by Senators Lias, Fain, Hobbs, Litzow, Eide, Dammeier, McAuliffe, Baumgartner, Cleveland, Angel, and Ericksen)

Delays the expiration of tax preferences for high-technology research and development.

Companion Bill: 2685 High-tech R&D tax prefs H, Finance

Full Text URL: [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/6430-s.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/6430-s.pdf)

S 6 4 4 0

NATURAL GAS/FUEL TAXES

KING

Senate Committee on Transportation (originally sponsored by Senators King, Eide, and Kline)

Imposes transportation taxes and fees on natural gas, the sale of compressed natural gas, or liquefied natural gas, used as transportation fuel by a motor vehicle.
Clarifies for future use the appropriate taxation of natural gas, when used as a transportation fuel, in a manner similar to gasoline and diesel.
Requires the department of licensing to convene a work group that includes, at a minimum, representatives from the department of transportation, the trucking industry, manufacturers of compressed natural gas and liquefied natural gas, and other stakeholders as deemed necessary to: (1) Evaluate the annual license fee in lieu of fuel tax under RCW 82.38.075 to determine a fee that more closely represents the average consumption of vehicles by weight; and
(2) Develop a transition plan to move vehicles powered by liquefied natural gas, compressed natural gas, and propane from the annual license fee in lieu of fuel tax to the fuel tax under RCW 82.38.030.

Companion Bill: 2753 Natural gas/fuel taxes H, Finance

Full Text URL: [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/6440-s.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/6440-s.pdf)

2 S 6 5 1 8

INNOVATE WASHINGTON

CHASE

Senate Committee on Trade & Economic Development (originally sponsored by Senator Chase)

Requested by
Washington State Department of
Commerce

Dissolves the operations of innovate Washington and transfers the innovate Washington facilities to Washington State University.
Transfers certain personal property located in Spokane to Washington State University.
Requires innovate Washington to work with the department of enterprise services to: (1) Have all real property assigned to Washington State University;
(2) Have the master lease for the Spokane technology center building in Spokane assigned to Washington State University; and
(3) Have all data relating to the operations of innovate Washington transferred to the department of commerce.

Full Text URL: [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/6518-s2.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/6518-s2.pdf)

6541

DISTRIBUTED RENEWABLE ENERGY

ERICKSEN

Senators Ericksen, McCoy, and Billig

Encourages reliable distributed renewable energy.

Full Text URL: [http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate Bills/6541.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/6541.pdf)