

# WASHINGTON CLEAN TECH ALLIANCE

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Weekly Report

Sunday, March 9, 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 rapidly heading towards the end of session, scheduled for Thursday March 13th. The House and Senate have both signaled that they will finish on time and adjourn Sine Die on Thursday. Both Chambers have passed Supplemental Budgets and final negotiations are under way. Friday also marked the final Chamber cutoff with all bills, that are not budget related, needing to be passed out of the opposite chamber or they are considered dead for this session. Next week will be spent reconciling any differences between the House and Senate on both budget and policy bills that are in dispute between the Chambers.

The only issues still in play are the RD tax credit legislation. At this point it appears that the Senate will pass a 9-month extension and create a study to assess the impact of this tax preference and make recommendations for next session. This is obviously not ideal but it does allow the issue to stay alive and continue the discussion in to next session.

Another issue that has come forward is SB 6440, concerning compressed natural gas and liquefied natural gas used for transportation purposes. This Legislation could impact how LNG and CNG are taxed for transportation purposes. This will probably tee up the discussion for next session as well.

## BILL TRACKING SUMMARY

### MEDIUM PRIORITY BILLS

	<u>Sponsor</u>	<u>Position</u>	<u>Status</u>
<a href="#">E2S1301</a> Creating clean energy jobs in Washington state through renewable energy incentives. (AS OF HOUSE 2ND READING 3/09/13)	Morris	Monitor	H, 3rd Reading
<a href="#">S2059</a> Concerning the voluntary purchase of eligible renewable resources by customers of electric utilities. (DIGEST OF PROPOSED 1ST SUBSTITUTE)	Morris	Monitor	H, Rules R
<a href="#">S2176</a> Concerning leased energy systems. (DIGEST OF PROPOSED 1ST SUBSTITUTE)	Morris	Monitor	H, 2nd Reading
<a href="#">S2183</a> 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
<a href="#">2671</a> Clarifying the application of tax exemptions for vehicles powered by clean alternative fuels.	Magendanz	Monitor	H, Finance
<a href="#">2685</a> Extending tax preferences for high-technology research and development.	Pettigrew	Monitor	H, Finance
<a href="#">2708</a> Concerning a qualified alternative energy resource.	Tarleton	Monitor	S, Passed 3rd
<a href="#">S2753</a> 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
<a href="#">6021</a> Concerning a qualified alternative energy resource.	Ericksen	Monitor	S, Rules X
<a href="#">6258</a> Using conservation achieved by a qualifying utility in excess of its	Ericksen	Monitor	S, Rules X

	biennial acquisition target under the energy independence act.			
<a href="#">S6267</a>	Concerning high-technology research and development tax incentives. (DIGEST OF PROPOSED 1ST SUBSTITUTE)	Hill	Monitor	S, Rules 2
<a href="#">S6430</a>	Extending tax preferences for high-technology research and development. (DIGEST OF PROPOSED 1ST SUBSTITUTE)	Lias	Monitor	S, 2nd Reading
<a href="#">ES6440</a>	Imposing transportation taxes and fees on compressed natural gas and liquefied natural gas used for transportation purposes. (DIGEST OF PROPOSED 1ST SUBSTITUTE)	King	Monitor	H, Finance
<a href="#">E2S6518</a>	Transferring technology-based economic development programs from innovate Washington to the department of commerce. (DIGEST OF PROPOSED 1ST SUBSTITUTE)	Chase	Monitor	H, Approps
<a href="#">6541</a>	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>

**S 2183****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>

**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>

**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>

**2708****QUALIF'D ALT ENERGY RESOURCE****TARLETON**

Representatives Tarleton, Short, DeBolt, Fey, Freeman, Hudgins, Lytton, Smith, Morrell, Ortiz-Self, Springer, Pollet, and Muri

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.

**Full Text URL:** <http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House Bills/2708.pdf>

**S 2753****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 H, Finance

**Full Text URL:** <http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/House Bills/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)

**S6267** 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)

**S6430** 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)

**ES6440** 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.e.pdf](http://www.leg.wa.gov/pub/billinfo/2013-14/Pdf/Bills/Senate%20Bills/6440-s.e.pdf)

**E2S6518** INNOVATE WASHINGTON **CHASE**  
Senate Committee on Trade & Economic Development (originally sponsored by Senator Requested by

Chase)

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