



## 2023 Legislative Session Weekly Report

### CleanTech Alliance

### January 28, 2023

#### Week Three

This week Democrats focused on legislation related to reproductive rights in honor of the 50th anniversary of the Roe v. Wade decision. On Tuesday they heard eight bills related to reproductive health across six committees. The various proposals touched all different sectors. This topic was also the focus for democratic leadership during their [legislative democratic leaders media availability](#) on Monday.

This week was full of committee hearings and executive sessions and the first handful of bills were brought to the floor for a chamber wide vote. One piece of legislation that is moving through the process is related to childcare, HB 1199, sponsored by Tana Senn (D-41). The legislation seeks to increase the availability of childcare by prohibiting an HOA from prohibiting, unreasonably restricting, or limiting the use of a unit as a licensed family home child care or as a licensed child day care center. The bill passed the House 96-0 this week and will move to the Senate for further consideration.

The Commercial Aviation Coordinating Commission was formed pursuant to legislation passed in the 2019 legislative session to identify the preferred site for a next commercial service airport. The final recommendation to the legislature is due by June of 2023 however the preliminary recommendations have identified three locations, two in Pierce County and one in Thurston County. On Wednesday, January 25th there was a rally held at the state capitol to oppose the new locations for an international airport. This will continue to be a contentious issue as the date for the final recommendation approaches.

On Tuesday the Senate Labor and Commerce Committee heard the newest proposal related to ergonomics, SB 5217, sponsored by Senator Dhingra (D-45). In 2000 the department of Labor and Industries adopted specific workplace ergonomics regulations that were highly controversial. The regulations were repealed in 2003 after the voters passed Initiative 841 which also prohibited L&I from adopting similar regulations. SB 5217 seeks to restore L&I's ability to regulate ergonomics. Last year there was a similar, more expansive, proposal on this topic that narrowly passed the House after several hours on the floor, but ultimately died in the Senate.

Also of note this week the Washington Supreme Court heard oral arguments in the capital gains case. As you know, in 2021 the legislature passed capital gains tax applicable to individuals at a rate of 7% on net gains in excess of \$250,000 in a calendar year, with the proceeds going to the education legacy trust account and the common school construction account. The tax was later challenged on the basis that it violates the state constitution. If the tax is found to be unconstitutional that budget writers will have a hole to fill and will need to look elsewhere to fund some of their education and childcare priorities.

Finally, a proposal from the tax structure workgroup had a public hearing this week (SB 5842). The newly proposed approach, called the margin tax, takes Washington State's current Business & Occupation (B&O) tax structure and converts it into a gross receipts tax similar to the Texas franchise tax. The current B&O tax structure

is based on gross income, where most businesses do not receive a deduction. Under the new proposed structure, businesses would be taxed on their margin, calculated as gross income minus one of four deductions (chosen annually) - cost of goods sold, compensation paid, a fixed percentage of gross receipts (30%), or a flat amount (\$1 million).

Next week will continue with committee hearings and executive sessions.

We hope to have the thermal RECs bill introduced this week.

Legislation to incentivize the production of sustainable aviation fuel ([SB 5447](#)) will be heard in the Senate Environment, Energy & Technology Committee on [Wednesday, February 1st](#). Scheduled for hearing in the same committee is [SB 5562](#) concerning a clean energy future, which has been brought forth by Puget Sound Energy. The House version of the sustainable aviation fuel package ([HB 1505](#)) has been referred to the House Environment & Energy Committee, and we expect a hearing on that soon.

In the House Capital Budget Committee on [Thursday, February 2nd](#), a hearing is scheduled for both [HB 1282](#) (Buy Clean) and [HB 1342](#) (Build Clean). In addition, we expect to see the WRAP Act ([HB 1131](#)) pass out of the House Environment & Energy Committee this coming week.

#### **[SB 5165](#) - *Concerning electric power system transmission planning***

This bill, sponsored by Senator Joe Nguyen, was heard in the Senate Environment, Energy & Technology Committee on [Wednesday, January 18th](#), but has yet to be scheduled for executive session.

#### **[HB 1192](#) / [SB 5165](#) - *Concerning electric power system transmission planning***

Both vehicles of this legislation, sponsored by Representative Duerr and Senator Nguyen, were up for public hearing last week. The Senate version was heard by the Senate Committee on Environment, Energy & Technology on [Thursday, January 18th](#) and the House version was heard in the House Committee on Environment & Energy Committee on [Thursday, January 19th](#). Currently, neither vehicle is scheduled for executive session.

#### **[HB 1216](#) / [SB 5380](#) - *Concerning clean energy siting***

The legislation, sponsored by Representative Fitzgibbon, had a public hearing in the House Environment & Energy Committee heard [HB 1216](#) on [Thursday, January 19th](#). It has yet to be scheduled for executive session. The Senate vehicle of this legislation had a public hearing in the [Senate Committee on Environment, Energy & Technology at 1:30 PM on January 24th](#). Neither vehicle of this legislation have been scheduled for executive session.

#### **[HB 1076](#) - *Encouraging salmon recovery through voluntary stewardship.***

This legislation, sponsored by Representative Klicker, authorizes counties and cities to include an optional salmon recovery plan under the GMA. On [Thursday, January 12](#), the House Committee on Environment & Energy held a public hearing on this legislation. Executive session on this bill has yet to be scheduled.

#### **[HB 1170](#) / [SB 5093](#) - *Improving climate resilience through updates to the state's integrated climate response strategy.***

This agency requested legislation, sponsored by Representative Street, requires DOE to update the Integrated Climate Change Response Strategy by July 2024 and every 4 years after. The House vehicle of this legislation had executive action taken on [January 26th](#) and a substitute version of the legislation passed out of the House with a do pass recommendation. The Senate vehicle of this legislation, sponsored by Senator Rolfes, had a public hearing in the Senate Committee on Environment, Energy & Technology on [Friday, January 20th, at 8:00 AM](#) and a substitute version of the bill passed out of the Senate with a do pass recommendation on [January 27th](#).

### 2023 Session Cutoff Calendar

January 9, 2023 - First Day of Session

February 17, 2023 - Policy Committee Cutoff

February 24, 2023 - Fiscal Committee Cutoff

March 8, 2023 - House of Origin Cutoff

March 29, 2023 - Policy Committee Cutoff - Opposite House

April 4, 2023 - Fiscal Committee Cutoff - Opposite House

April 12, 2023 - Opposite House Cutoff

April 23, 2023 - Sine Die

## **Upcoming Events Report**

### **Agriculture, Water, Natural Resources & Parks (Senate) - SHR 3 and Virtual JACB - 1/30 @ 1:30pm**

- SB 5094 - Public Hearing - Adding a climate resilience element to water system plans. (Remote Testimony Available).

### **Environment & Energy (House) - HHR C and Virtual JLOB - 1/30 @ 1:30pm**

- HB 1416 - Public Hearing - Applying the affected market customer provisions of the Washington clean energy transformation act to nonresidential customers of consumer-owned utilities. (Remote Testimony Available).

### **Local Government, Land Use & Tribal Affairs (Senate) - SHR 3 and Virtual JACB - 1/31 @ 8:00am**

- SB 5312 - Public Hearing - Creating a residential property assessed clean energy and resiliency program. (Hearing is on the Proposed Substitute.) (Remote Testimony Available).

### **Environment, Energy & Technology (Senate) - SHR 1 and Virtual J.A. Cherberg - 1/31 @ 1:30pm**

- SB 5322 - Public Hearing - Requiring environmental and labor reporting for public building construction and renovation material. (Remote Testimony Available). (If measure is referred to committee.)

### **Environment, Energy & Technology (Senate) - SHR 1 and Virtual J.A. Cherberg - 2/1 @ 8:00am**

- SB 5447 - Public Hearing - Promoting the alternative jet fuel industry in Washington. (Remote Testimony Available).
- SB 5562 - Public Hearing - Supporting Washington's clean energy economy and transitioning to a clean, affordable, and reliable energy future. (Remote Testimony Available).

### **Environment & Energy (House) - HHR C and Virtual JLOB - 2/2 @ 8:00am**

- HB 1131 - Exec Session - Improving Washington's solid waste management outcomes.
- HB 1173 - Exec Session - Reducing light pollution associated with certain energy infrastructure.

2023 Legislative Session Weekly Report

January 28, 2023

Page 3 of 6

- HB 1433 - Exec Session - Concerning energy labeling of residential buildings.

### **Agriculture, Water, Natural Resources & Parks (Senate) - SHR 3 and Virtual JACB - 2/2 @ 1:30pm**

- SB 5094 - Exec Session - Adding a climate resilience element to water system plans.

### **Capital Budget (House) - HHR B and Virtual JLOB - 2/2 @ 1:30pm**

- HB 1282 - Public Hearing - Requiring environmental and labor reporting for public building construction and renovation material. (Remote Testimony Available).

### **Environment, Energy & Technology (Senate) - SHR 1 and Virtual J.A. Cherberg - 2/3 @ 8:00am**

- SB 5154 - Exec Session - Improving Washington's solid waste management outcomes.

## **Bill Status**

<b>Bill #</b>	<b>Abbrev. Title</b>	<b>Title</b>	<b>Status</b>	<b>Sponsor</b>
<a href="#">HB 1076</a>	Salmon voluntary stewardship	Encouraging salmon recovery through voluntary stewardship.	H Env & Energy	Klicker
<a href="#">HB 1125</a> (SB 5162)	Transportation budget	Making transportation appropriations for the 2023-2025 fiscal biennium.	H Transportation	Fey
<a href="#">HB 1126</a> (SB 5164)	Transportation budget, supp.	Making supplemental transportation appropriations for the 2021-2023 fiscal biennium.	H Transportation	Fey
<a href="#">HB 1131</a> (SB 5154)	Solid waste management	Improving Washington's solid waste management outcomes.	H Env & Energy	Berry
<a href="#">HB 1140</a> (SB 5187)	Operating budget	Making 2023-2025 fiscal biennium operating appropriations.	H Approps	Ormsby
<a href="#">HB 1141</a> (SB 5188)	Operating budget, supp.	Making 2021-2023 fiscal biennium second supplemental operating appropriations.	H Approps	Ormsby
<a href="#">HB 1147</a> (SB 5200)	Capital budget	Concerning the capital budget.	H Cap Budget	Tharinger
<a href="#">HB 1148</a> (SB 5201)	State gen. obligation bonds	Concerning state general obligation bonds and related accounts.	H Cap Budget	Tharinger
<a href="#">SHB 1170</a> (SSB 5093)	Climate response strategy	Improving climate resilience through updates to the state's integrated climate response strategy.	H ENVIDPS	Street
<a href="#">HB 1173</a>	Light pollution	Reducing light pollution associated with certain energy infrastructure.	H Env & Energy	Connors
<a href="#">SHB 1181</a> (SB 5203)	Climate change/planning	Improving the state's response to climate change by updating the state's planning framework.	H Approps	Duerr
<a href="#">HB 1282</a> (SB 5322)	Public building materials	Requiring environmental and labor reporting for public building construction and renovation material.	H Cap Budget	Duerr
<a href="#">HB 1416</a>	Consumer-owned utilities	Applying the affected market customer provisions of the Washington clean energy	H Env & Energy	Doglio

		transformation act to nonresidential customers of consumer-owned utilities.		
<a href="#">HB 1427</a>	On-premises energy gen.	Concerning on-premises energy generation.	H Env & Energy	Mena
<a href="#">HB 1433</a>	Energy labeling/residential	Concerning energy labeling of residential buildings.	H Env & Energy	Duerr
<a href="#">HB 1505</a> (SB 5447)	Alternative jet fuel	Promoting the alternative jet fuel industry in Washington.	H Env & Energy	Slatter
<a href="#">HB 1509</a>	Community solar	Concerning fair access to community solar.	H Env & Energy	Hackney
<a href="#">HB 1574</a>	Methane/agriculture	Supporting Washington agriculture by capturing methane and reducing greenhouse gas emissions.	H Ag&Nr	Rule
<a href="#">HB 1584</a>	Nuclear reactor technology	Planning for advanced nuclear reactor technology in Washington.	H Env & Energy	Barnard
<a href="#">HB 1589</a> (SB 5562)	Clean energy	Supporting Washington's clean energy economy and transitioning to a clean, affordable, and reliable energy future.	H Env & Energy	Doglio
<a href="#">HB 1619</a>	Renewable energy resources	Incentivizing development and acquisition of renewable energy resources.	H Env & Energy	Fey
<a href="#">SB 5037</a>	Natural gas/energy code	Ensuring that the Washington state energy code may not prohibit the use of natural gas in buildings.	S Environment, E	Wilson
<a href="#">SB 5043</a>	Power plant long-term policy	Recognizing that power plants that comply with the state greenhouse gas emissions performance standard are consistent with Washington's long-term policy for electricity.	S Environment, E	Short
<a href="#">SB 5057</a>	Energy standards/commercial	Creating a work group to evaluate the costs of the state energy performance standard for covered commercial buildings.	S Environment, E	Mullet
<a href="#">SB 5091</a>	Hydrogen fuel cells	Creating and expanding tax incentives for the research, development, production, and sale of hydrogen fuel cells in Washington state.	S Business, Fin	King
<a href="#">SSB 5093</a> (SHB 1170)	Climate response strategy	Improving climate resilience through updates to the state's integrated climate response strategy.	S RecComm	Rolfes
<a href="#">SB 5094</a>	Water system plans/climate	Adding a climate resilience element to water system plans.	S Ag/Water/Natur	Rolfes
<a href="#">SB 5129</a>	Nuclear reactor technology	Planning for advanced nuclear reactor technology in Washington.	S ENETDP	MacEwen
<a href="#">SB 5133</a>	Responsible bidder criteria	Modifying the responsible bidder criteria for public works projects.	S State Govt & E	Keiser
<a href="#">SB 5146</a>	Hydropower	Removing regulatory restrictions on hydropower.	S Environment, E	Short
<a href="#">SB 5154</a> (HB 1131)	Solid waste management	Improving Washington's solid waste management outcomes.	S Environment, E	Rolfes
<a href="#">SB 5162</a> (HB 1125)	Transportation budget	Making transportation appropriations for the 2023-2025 fiscal biennium.	S Transportation	Liias
<a href="#">SB 5164</a> (HB 1126)	Transportation budget, supp.	Making supplemental transportation appropriations for the 2021-2023 fiscal biennium.	S Transportation	Liias
<a href="#">SB 5165</a> (HB 1192)	Electric transm. planning	Concerning electric power system transmission planning.	S Environment, E	Nguyen

<a href="#">SB 5167</a>	EFSEC/alt. energy processing	Eliminating expedited processing of alternative energy resource facilities fueled by solar or wind energy on certain designated lands before the energy facility site evaluation council.	S Environment, E	Boehnke
<a href="#">SB 5168</a>	Energy independence act	Modernizing the energy independence act to avoid regulatory duplication and overlap with other laws.	S Environment, E	Boehnke
<a href="#">SB 5187</a> (HB 1140)	Operating budget	Making 2023-2025 fiscal biennium operating appropriations.	S Ways & Means	Rolfes
<a href="#">SB 5188</a> (HB 1141)	Operating budget, supp.	Making 2021-2023 fiscal biennium second supplemental operating appropriations.	S Ways & Means	Rolfes
<a href="#">SB 5201</a> (HB 1148)	State gen. obligation bonds	Concerning state general obligation bonds and related accounts.	S Ways & Means	Mullet
<a href="#">SB 5312</a>	Clean energy/residential	Creating a residential property assessed clean energy and resiliency program.	S Loc Gov, Land	Lovelett
<a href="#">SB 5322</a> (HB 1282)	Public building materials	Requiring environmental and labor reporting for public building construction and renovation material.	S RecComm	Wellman
<a href="#">SB 5325</a>	Clean fuel/public transport.	Enhancing access to clean fuel for agencies providing public transportation.	S Environment, E	Shewmake
<a href="#">SB 5345</a>	School buildings/energy	Exempting certain public school buildings from the state energy performance standard.	S Environment, E	Schoesler
<a href="#">SB 5447</a> (HB 1505)	Alternative jet fuel	Promoting the alternative jet fuel industry in Washington.	S Environment, E	Billig
<a href="#">SB 5562</a> (HB 1589)	Clean energy	Supporting Washington's clean energy economy and transitioning to a clean, affordable, and reliable energy future.	S Environment, E	Nguyen