

2023 Legislative Session Weekly Report CleanTech Alliance February 11, 2023

Week Five

The first several weeks of the session have been devoted to introducing and holding hearings on bills, now heading into week 6 we are moving into the next phase of session as we approach the first major cutoff. Next Friday, February 17th is the policy cut off, where all bills that are not necessary to implement the budget must be out of their house of origin policy committee in order to stay alive this session. One week later, February 24th, is the fiscal cut off where all bills must be out of their respective fiscal committees. Then the legislature will head to the floor where both the House and the Senate will debate and vote on bills. All bills must be voted out of their House of Origin (House or Senate) by March 8th. As a reminder all bills that are deemed necessary to implement the budget, this includes all revenue proposals, are not subject to these cut offs.

On Tuesday House and Senate Democratic leadership gathered to discuss their priorities for the week which included, housing, workforce issues, behavioral health, public safety, childcare, and budget discussions. To view the Democratic leadership video, <u>click here</u>. House and Senate Republican leadership also gathered to discuss the week's priorities. The top concern for Republicans this week was the vehicular pursuit legislation (<u>SB 5352/HB</u> <u>1363</u>), which is currently being held in committee. Other issues discussed included housing and nurse staffing legislation. To view the video, <u>click here</u>.

This week the legislature continued to focus on priority issues including addressing the Blake decision. After the Washington State Supreme Court struck down the state's felony drug-possession law (the *Blake Decision*) during the 2021 legislative session, lawmakers passed a quick fix to classify possession as a misdemeanor but refer people to treatment before charging them. That law sunsets in July so the legislature must address the issue this session. On Monday, the Senate Law & Justice Committee heard a suite of four proposals aimed at addressing drug possession and substance use disorder, including SB 5624 (Dhingra, D-45) which would decriminalize possession and <u>SB 5035</u> (Padden, R-4) which would make possession a Class C Felony. Ultimately, the Thursday executive session moved one bill, <u>SB 5536</u> (Robinson, D-38) which increases the penalty for knowing possession of a controlled substance to a gross misdemeanor and creates a pretrial diversion program for individuals charged with possession of prohibited substances. For more information on what is happening this legislative session in Washington state on this issue, including an interview with Senator June Robinson and Representative Dan Griffey on the Blake issue, <u>watch this</u> deep dive video.

Workforce issues in the healthcare industry continue to be a topic of discussion. On Friday, the Senate Health & Long Term Care Committee heard <u>SB 5499</u>, sponsored by Senator Mullet. The bill aims to allow the state to join the multi-state nursing compact, which is designed to attract out-of-state nurses to work and practice in Washington. Currently, 37 states are part of the compact, and Washington ranks 5th in the nation for nurse pay, making it an attractive option for incentivizing and attracting nurses. There was a lot of debate on this bill this week, which can be heard <u>here</u>. Another healthcare issue taking center stage is the nurse staffing legislation <u>SB 5236</u>, which seeks to establish nurse-to-patient ratios. Supporters of the legislation argue that nurses are overworked and tired, while

2023 Legislative Session Weekly Report February 11, 2023 Page 1 of 7 opposition voices concerns that there are not enough nurses to meet the mandates outlined in the bill, as well as the potential financial impact on hospitals from fines and costs associated with the bill. This week the bill passed out of the Senate Labor and Commerce Committee and was referred to the Senate Ways and Means Committee for further consideration.

On Thursday, the Senate Transportation Committee heard a bill aimed at fixing the chronic staffing issues at the Washington State Ferries. Insufficient staff contribute to the vast majority of the unprecedented number of cancellations on the system's routes in recent years. The bill, <u>SB 5550</u> (Liias, D-21) requires the WSF to to develop programs and policies for employees to gain maritime credentials and pilotage while on the job, evaluate management practices and staffing models, and adopt a DEI implementation strategy and employee surveys to perform an in-depth cultural assessment and remediation plan. The bill is expected to cost \$20 million per biennium.

Next week the legislature will focus on voting bills out of their policy committees as we approach the Friday cutoff. In the upcoming weeks budget debates will begin to unfold. Following the March revenue forecast each chamber will release their respective Operating, Capital, and Transportation budget proposals. After the House and Senate release their proposals, negotiations will begin to take place and at that point we will start to see a more clear picture of the budget.

We continue to work to get the final language for introduction of the Thermal RECs bill, and are working with Representative Hackney to get that introduced before the first cutoff.

<u>HB 1584</u> - Planning for advanced nuclear reactor technology in Washington

This legislation, sponsored for Representative Barnard, works to include the consideration of developing advanced nuclear reactor technology as a cleaner energy source as a guiding principle for the development of the State Energy Strategy. The bill was heard in the House Environment & Energy Committee on <u>Tuesday, February 7th</u>. It is scheduled for executive session on <u>Thursday, February 16th</u>.

<u>HB 1505</u>/ <u>SB 5447</u> -Promoting the alternative jet fuel industry in Washington.

This legislation, sponsored by Representative Slatter in the House and Senator Billig in the Senate, is the legislation that works to incentivize the production of sustainable aviation fuel. The House vehicle of this legislation has a public hearing on <u>February 7th</u>. The Senate vehicle of this legislation's public hearing in front of the Senate Committee on Environment, Energy & Technology was on <u>February 1st</u>. During executive session on <u>February 7th</u>, a <u>substitute bill</u> was voted out of committee unanimously. The bill was referred to Ways & Means for further consideration.

<u>HB 1216/SB 5380</u> - Concerning clean energy siting

This Governor request legislation would create an Interagency Clean Energy Siting Coordinating Council to be cochaired by the Department of Ecology and the Department of Commerce. The purpose of the council would be to expedite the permitting for clean energy projects. The bill would also establish a definition for clean energy projects "of statewide significance" and require SEPA review to be completed within two years. A <u>substitute house bill</u> of this legislation was voted out of committee with a do pass recommendation on <u>February 9th</u>. A <u>substitute bill</u> for the Senate version was voted out of committee with a do pass recommendation on party lines during executive session taken on <u>February 10th</u>. A large amount of work continues to be done by stakeholders regarding this legislation and we expect evolution as it continues to move through the session.

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<u>HB 1756</u> - Supporting clean energy through tax changes that increase revenue to local governments, schools, and impacted communities

This legislation, sponsored by Representative Ramel, provides a property tax exemption from the state property tax levy for personal property used for the generation of renewable energy, imposes a production excise tax on the nameplate capacity of qualified renewable energy generating systems, and creates the renewable energy local benefit account. The bill had a public hearing in front of the <u>House Committee on Finance on February 7th</u>. Executive session has yet to be scheduled.

<u>HB 1192</u> / <u>SB 5165</u> - Concerning electric power system transmission planning

These companion bills, sponsored by Representative Duerr and Senator Nguyen, had recent movement. The Senate version was heard by the Senate Committee on Environment, Energy & Technology on <u>Thursday</u>, <u>January 18th</u> and the House version was heard in the House Committee on Environment & Energy Committee on <u>Thursday</u>, <u>January 19th</u>. <u>Substitute legislation</u> of the senate vehicle of this legislation voted out of committee with a do pass recommendation on <u>February 7th</u>. It has been referred to Ways & Means where it awaits further consideration. The house vehicle of this legislation is scheduled for executive session on <u>February 13th at 1:30 PM</u>.

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 <u>Thursday, January 12</u>, the House Committee on Environment & Energy held a public hearing on this legislation. Executive session on this bill has yet to be scheduled.

<u>HB 1170/SB 5093</u> - 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. This bill had a public hearing in front of the House Committee on Appropriations on February 6th and then executive action was taken on February 9th. The Senate vehicle of this legislation, sponsored by Senator Rolfes, had a public hearing in the Senate Committee on Environment, Energy & Technology on January 20th and a substitute version of the Senate with a due pass recommendation on January 27th. The bill is scheduled for a public hearing in front of Ways & Means on February 13th at 4:00 PM.

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

Environment & Energy (House) - HHR C and Virtual JLOB - 2/13 @ 1:30pm

• HB 1589 - Exec Session - Supporting Washington's clean energy economy and transitioning to a clean, affordable, and reliable energy future.

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Appropriations (House) - HHR A and Virtual JLOB - 2/13 @ 4:00pm

• SHB 1433 - Public Hearing - Concerning energy labeling of residential buildings. (Remote Testimony Available).

Ways & Means (Senate) - SHR 4 and Virtual JACB - 2/13 @ 4:00pm

• SSB 5093 - Public Hearing - Improving climate resilience through updates to the state's integrated climate response strategy. (Remote Testimony Available).

Business, Financial Services, Gaming & Trade (Senate) - SHR 2 and Virtual J.A. Cherberg - 2/14 @ 8:00am

• SB 5091 - Exec Session - Creating and expanding tax incentives for the research, development, production, and sale of hydrogen fuel cells in Washington state.

Environment, Energy & Technology (Senate) - SHR 1 and Virtual J.A. Cherberg - 2/14 @ 1:30pm

- SB 5168 Public Hearing Modernizing the energy independence act to avoid regulatory duplication and overlap with other laws. (Remote Testimony Available).
- SB 5562 Exec Session Supporting Washington's clean energy economy and transitioning to a clean, affordable, and reliable energy future.
- SB 5659 Public Hearing Incentivizing gas companies to develop and acquire renewable energy resources. (Hearing is on the Proposed Substitute.) (Remote Testimony Available).

Appropriations (House) - HHR A and Virtual JLOB - 2/15 @ 4:00pm

• SHB 1131 - Public Hearing - Improving Washington's solid waste management outcomes. (Remote Testimony Available).

Environment & Energy (House) - HHR C and Virtual JLOB - 2/16 @ 8:00am

- HB 1509 Exec Session Concerning fair access to community solar.
- HB 1584 Exec Session Planning for advanced nuclear reactor technology in Washington.

Capital Budget (House) - HHR B and Virtual JLOB - 2/16 @ 1:30pm

• HB 1282 - Exec Session - Requiring environmental and labor reporting for public building construction and renovation material.

Environment, Energy & Technology (Senate) - SHR 1 and Virtual J.A. Cherberg - 2/17 @ 8:00am

• SB 5057 - Exec Session - Creating a work group to evaluate the costs of the state energy performance standard for covered commercial buildings.

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Bill Status

Bill #	Abbrev. Title	Title	Status	Sponsor
<u>HB 1076</u>	Salmon voluntary stewardship	Encouraging salmon recovery through voluntary stewardship.	H Env & Energy	Klicker
<u>SHB 1094</u> (SSB 5125)	Future fund program	Creating the Washington future fund program.	H Approps	Stonier
<u>HB 1125</u> (SB 5162)	Transportation budget	Making transportation appropriations for the 2023-2025 fiscal biennium.	H Transportation	Fey
<u>HB 1126</u> (SB 5164)	Transportation budget, supp.	Making supplemental transportation appropriations for the 2021-2023 fiscal biennium.	H Transportation	Fey
<u>SHB 1131</u> (SSB 5154)	Solid waste management	Improving Washington's solid waste management outcomes.	H Approps	Berry
<u>HB 1140</u> (SB 5187)	Operating budget	Making 2023-2025 fiscal biennium operating appropriations.	H Approps	Ormsby
<u>HB 1141</u> (SB 5188)	Operating budget, supp.	Making 2021-2023 fiscal biennium second supplemental operating appropriations.	H Approps	Ormsby
<u>HB 1147</u> (SB 5200)	Capital budget	Concerning the capital budget.	H Cap Budget	Tharinger
<u>HB 1148</u> (SB 5201)	State gen. obligation bonds	Concerning state general obligation bonds and related accounts.	H Cap Budget	Tharinger
<u>SHB 1170</u> (SSB 5093)	Climate response strategy	Improving climate resilience through updates to the state's integrated climate response strategy.	H Exec Action	Street
<u>SHB 1173</u>	Light pollution	Reducing light pollution associated with certain energy infrastructure.	H 2nd Reading	Connors
<u>SHB 1181</u> (SSB 5203)	Climate change/planning	Improving the state's response to climate change by updating the state's planning framework.	H Exec Action	Duerr
<u>SHB 1216</u> (SSB 5380)	Clean energy siting	Concerning clean energy siting.	H ENVIDPS	Fitzgibbon
<u>HB 1282</u> (SSB 5322)	Public building materials	Requiring environmental and labor reporting for public building construction and renovation material.	H Cap Budget	Duerr
<u>HB 1391</u>	Energy in buildings	Concerning energy in buildings.	H Exec Action	Ramel
<u>HB 1416</u>	Consumer-owned utilities	Applying the affected market customer provisions of the Washington clean energy transformation act to nonresidential customers of consumer-owned utilities.	H Passed 3rd	Doglio
<u>HB 1427</u>	On-premises energy gen.	Concerning on-premises energy generation.	H Exec Action	Mena
<u>SHB 1433</u>	Energy labeling/residential	Concerning energy labeling of residential buildings.	H Approps	Duerr
<u>HB 1505</u> (SSB 5447)	Alternative jet fuel	Promoting the alternative jet fuel industry in Washington.	H Env & Energy	Slatter
<u>HB 1509</u>	Community solar	Concerning fair access to community solar.	H Env & Energy	Hackney
<u>HB 1574</u>	Methane/agriculture	Supporting Washington agriculture by capturing methane and reducing greenhouse gas emissions.	H Ag&Nr	Rule

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<u>HB 1584</u>	Nuclear reactor technology	Planning for advanced nuclear reactor technology in Washington.	H Env & Energy	Barnard
<u>HB 1589</u> (SB 5562)	Clean energy	Supporting Washington's clean energy economy and transitioning to a clean, affordable, and reliable energy future.	H Env & Energy	Doglio
<u>HB 1619</u>	Renewable energy resources	Incentivizing development and acquisition of renewable energy resources.	H Env & Energy	Fey
<u>HB 1659</u>	Carbon market prices	Preventing carbon market price manipulation.	H Env & Energy	Dye
<u>HB 1729</u>	Hydrogen fuel products	Creating and expanding tax incentives for the research, development, production, and sale of hydrogen fuel products in Washington state.	H Finance	Abbarno
<u>HB 1768</u>	Green businesses/utility tax	Exempting certain sales of electricity to qualifying green businesses from the public utilities tax.	H Finance	Shavers
<u>SB 5037</u>	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
<u>SB 5043</u>	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
<u>SB 5057</u>	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
<u>SB 5091</u>	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
<u>SSB 5093</u> (SHB 1170)	Climate response strategy	Improving climate resilience through updates to the state's integrated climate response strategy.	S Ways & Means	Rolfes
<u>SSB 5094</u>	Water system plans/climate	Adding a climate resilience element to water system plans.	S Ways & Means	Rolfes
<u>SSB 5125</u> (SHB 1094)	Future fund program	Creating the Washington future fund program.	S Ways & Means	Trudeau
<u>SB 5129</u>	Nuclear reactor technology	Planning for advanced nuclear reactor technology in Washington.	S 2nd Reading	MacEwen
<u>SSB 5133</u>	Responsible bidder criteria	Modifying the responsible bidder criteria for public works projects.	S Ways & Means	Keiser
<u>SB 5146</u>	Hydropower	Removing regulatory restrictions on hydropower.	S Environment, E	Short
<u>SSB 5154</u> (SHP 1121)	Solid waste	Improving Washington's solid waste	S Ways &	Rolfes
<u>(SHB 1131)</u> <u>SB 5162</u> (HB 1125)	management Transportation budget	management outcomes. Making transportation appropriations for the 2023-2025 fiscal biennium.	Means S Transportation	Liias
<u>SB 5164</u> (HB 1126)	Transportation budget, supp.	Making supplemental transportation appropriations for the 2021-2023 fiscal biennium.	S Transportation	Liias
<u>SSB 5165</u> (HB 1192)	Electric transm. planning	Concerning electric power system transmission planning.	S Ways & Means	Nguyen

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<u>SB 5167</u>	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
<u>SB 5168</u>	Energy independence act	Modernizing the energy independence act to avoid regulatory duplication and overlap with other laws.	S Environment, E	Boehnke
<u>SB 5187</u> (HB 1140)	Operating budget	Making 2023-2025 fiscal biennium operating appropriations.	S Ways & Means	Rolfes
<u>SB 5188</u> (HB 1141)	Operating budget, supp.	Making 2021-2023 fiscal biennium second supplemental operating appropriations.	S Ways & Means	Rolfes
<u>SB 5201</u> (HB 1148)	State gen. obligation bonds	Concerning state general obligation bonds and related accounts.	S Ways & Means	Mullet
<u>SB 5312</u>	Clean energy/residential	Creating a residential property assessed clean energy and resiliency program.	S Loc Gov, Land	Lovelett
<u>SSB 5322</u> (HB 1282)	Public building materials	Requiring environmental and labor reporting for public building construction and renovation material.	S RecComm	Wellman
<u>SB 5325</u>	Clean fuel/public transport.	Enhancing access to clean fuel for agencies providing public transportation.	S Environment, E	Shewmake
<u>SB 5345</u>	School buildings/energy	Exempting certain public school buildings from the state energy performance standard.	S Environment, E	Schoesler
<u>SSB 5380</u> (SHB 1216)	Clean energy siting	Concerning clean energy siting.	S RecComm	Nguyen
<u>SSB 5447</u> (HB 1505)	Alternative jet fuel	Promoting the alternative jet fuel industry in Washington.	S Ways & Means	Billig
<u>SB 5562</u> (HB 1589)	Clean energy	Supporting Washington's clean energy economy and transitioning to a clean, affordable, and reliable energy future.	S Environment, E	Nguyen
<u>SB 5620</u>	EV charging/line extensions	Concerning line extension tariffs for electric vehicle charging infrastructure.	S Transportation	Liias
<u>SB 5659</u>	Gas companies/renewable res.	Incentivizing gas companies to develop and acquire renewable energy resources.	S Environment, E	Boehnke

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