



2023 Legislative Session Weekly Report

CleanTech Alliance

March 19, 2023

Week Ten

As week 10 comes to a close, we now have less than 40 days remaining in the legislative session. This week legislators returned to their respective committees in order to hear bills from the opposite chamber. Bills must now move forward in the opposite chamber, progressing through policy and fiscal committees. The opposite house fiscal cutoff is April 4th, and then both chambers will return to the floor to debate bills before the opposite floor cutoff on April 12th.

Following the house of origin cutoff last week, both Democrats and Republicans gave their perspectives on how things went. Senators Billig and Randall were joined by Representatives Jinkins and Fitzgibbon for the [Democratic Leadership Media Availability](#). Senate Democrats voiced that they were proud of the agreement that came together with the Blake decision and vehicular pursuits. During the [Republican Leadership Media Availability](#) on Tuesday, Senators Braun and Rivers were joined by Representatives Wilcox and Stokesbary. Republican leadership voiced appreciation for the passage of the Blake decision, vehicular pursuits, middle housing, ADU legislation, and educational bills that work on learning loss.

There are many labor and workforce bills that are making their way through the legislature still. On Monday, the Senate Labor and Commerce Committee heard [HB 1050](#) (Riccelli, D-3) which expands apprenticeship utilization requirements to state agencies, school districts, and 4-year projects that cost \$1 million or more. . Also on Monday, the Senate Early Learning and K-12 Committee heard bipartisan [HB 1525](#) (Fosse, D-38) which expands Working Connections Child Care eligibility to include the first 12 months of an applicant's enrollment in a state registered apprenticeship program. Supporters say those pursuing apprenticeships should have the same access to child care that students in vocational programs have. Apprenticeships have been a major area of interest for both parties in recent years as the legislature focuses on filling the worker shortage across various sectors. On Tuesday the House Labor and Workplace Standards Committee heard [SB 5217](#) (Dhingra, D-45), which restores the state's ability to regulate certain industries and risk classes to prevent musculoskeletal injuries and disorders. On Friday the Committee passed the bill.

Environmental issues also continue to be a priority for the majority party with several bills heard this week. On Monday, the House Committee on Environment & Energy heard governor-request [SB 5165](#) (Nguyen, D-34) which changes Washington's electric transmission planning timelines and requires planners to consider renewable energy projects. The bill passed the Senate floor 36-13. [HB 1181](#) (Duerr, D-1) was heard in the Senate Committee on Local Government, Land Use & Tribal Affairs Committee on Tuesday. Among other elements, this governor-request bill will require climate change planning under the Growth Management Act. This bill received a lengthy debate and 14 proposed amendments over on the House floor with one Democrat joining Republicans in opposition, passing 57-41. The Senate Environment Energy and Technology Committee heard another piece of governor-request legislation this week [HB 1216](#) (Fitzgibbon, D-34) which aims create more efficient siting of clean energy projects, protect the environment, communities, and tribes, as well as benefit communities that host clean

energy projects, and facilitate the transition to clean energy. The bill passed the House 75-20. [HB 1589](#) (Doglio, D-22) was heard for a public hearing in front of the Senate Committee on Environment, Energy & Technology on Friday. This bill works to decarbonize the electric utility grid by incentivizing a certain utility to move away from natural gas by June 30th of this year. Thirty-nine individuals testified on the legislation.

A couple of bills relating to public safety that worked their way through committees this week. [SB 5740](#) (J. Wilson, R-19), regarding catalytic converter theft, had a public hearing this week. [HB 1638](#) (Fey, D-27) which addresses state trooper recruitment had a public hearing on Monday. As of 2022, out of the 683 state patrol positions patrolling the roads, there were 187 vacancies. This bill helps create a monetary incentive program to help hire and retain peace officers.

Health insurance plans in Washington may cover additional items if two bills heard this week in the Senate Committee on Health & Long Term Care week pass. On Tuesday, the committee heard [HB 1222](#) (Orwall, D-33) which requires non-grandfathered large group health plans to provide coverage for hearing instruments, modifies requirements for hearing instrument coverage for plans offered to public employees, and requires the insurance commissioner to include hearing instruments in any updated essential health benefits benchmark plan, upon authorization from the Legislature to update the plan. This bill was a bit of an anomaly in House Appropriations where the committee heard testimony from impacted children, went to caucus immediately, and gave it a bipartisan vote the same day, which is exceedingly rare. On the House floor, the bill received broad bipartisan support, passing 89-8. And on Thursday, the committee heard [HB 1151](#) (Stonier, D-49) which would require large group health plans, including health plans offered to public employees, to cover the diagnosis of infertility, treatment for infertility, and standard fertility preservation services. This bill passed the House 65-30, with Republican lawmakers expressing concern about the rising cost of premiums

On Thursday, the House headed to the floor to take action on several tax related bills. These bills are considered necessary to implement the budget (NTIB) and hence, they are not subject to cutoffs.. One of the bills that passed unanimously was [HB 1018](#) (Tharinger, D-24), which aims to change the expiration date for the sales and use tax exemption of hog fuel to comply with the 2045 deadline for fossil fuel-free electrical generation in Washington state. This bill also intends to protect jobs with health care and retirement benefits in economically distressed communities. [HB 1573](#) (Rule, D-42) drew some opposition for proposing the extension of B&O tax preferences for dairy, fruit and vegetable, and seafood processors from 2025 to 2035. The bill eventually passed with a vote of 77-19.

On Friday, the Senate Housing Committee held hearings on two high profile pieces of legislation related to housing. First on the agenda was [HB 1474](#) (Taylor, D-30) which creates the Covenant Homeownership Account to assist individuals that were affected by racially restrictive covenants with first-time home purchasing costs. The bill passed the House 53-43. Second on the agenda was [HB 1110](#) (Bateman, D-20) which is legislation that addresses the "missing middle" by requiring cities to change local zoning laws to allow for more dense housing. Rep. Bateman (D-20) and republican co-sponsor Rep. Barkis (R-2) presented the bill together to the Senate Housing Committee, demonstrating that there is bipartisan support for the legislation. Over 40 individuals testified on the bill.

Next week, the House and Senate will continue to hear and pass bills that have passed out of the opposite chamber. The focus will also shift to budget conversations as the state revenue forecast is expected to come out on Monday, and the Washington State Economic and Revenue Forecast Council update will begin at 2:00 PM. [Tune in here](#) to get the latest update. We expect that the Senate will release their Capital, Operating and Transportation next week and the House will release theirs soon after. At that time budget negotiations will begin.

We expect the Senate Capital Budget to come out next week. That will be the first opportunity to see where the Clean Energy Fund is at for this cycle. We will be working to protect and preserve as many resources as possible.

[SB 5759](#) - Establishing the development of renewable energy for Washington revolving loan program and account

This legislation, brought forth by Senators MacEwen and Nguyen, works to carve out a spot to add funding to renewable energy like Electric Vehicles, a buildout of nuclear reactor technology, and other things. [Click here](#) to read bill language. The bill has been referred to the Senate Environment & Energy Committee after being introduced this week. A public hearing has yet to be scheduled.

[HB 1589](#) - Supporting Washington's clean energy economy and transitioning to a clean, affordable, and reliable energy future

This companion legislation, sponsored by Representative Doglio and Senator Nguyen, is an incentive to reduce climate impacts by switching from fossil fuel-based heating equipment to high-efficiency nonemitting equipment. This bill intends to adopt requirements for large combination utilities to conduct integrated system planning to develop specific actions supporting gas system decarbonization and electrification. This bill prohibits gas companies serving more than 500,000 retail natural gas customers in Washington from extending gas service after June 30, 2023 along with a myriad of other directives for utilities. The bill had a public hearing in front of the House Environment, Energy & Technology committee on [March 17th](#). There were 39 people signed in to testify on this legislation and over 800 signed in to have their position noted for the public record. Senator Nguyen, who sponsored the companion legislation, voiced during the committee hearing that he recognizes that the bill is still a work in progress. Executive session has not yet been scheduled.

[HB 1584](#) - Planning for advanced nuclear reactor technology in Washington

This legislation, sponsored by 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. On February 28th, the bill was pulled from Rules and onto the House Floor for deliberation. [ESHB 1584](#) was voted off the floor (91-6). This bill had a public hearing scheduled on [Friday, March 10th](#). Executive session has yet to be scheduled.

[SB 5447](#) - Promoting the alternative jet fuel industry in Washington

This legislation, sponsored by Senator Billig, requires DOE to allow one or more pathways for SAF no later than 12/31/2023, creates a B&O tax rate of 0.275% of the manufacturing and wholesaling of alternative jet fuels, and establishes a B&O and public utilities tax credit for certain sales and purchases of alternative jet fuel. The bill passed out of the Senate with a vote of 46-2. The bill had a public hearing in the House Environment & Energy Committee on [Monday, March 13th](#). Executive session is scheduled for this bill on [March 21st at 4:00 PM](#).

[HB 1216](#) - Concerning clean energy siting

This Governor request legislation would create an Interagency Clean Energy Siting Coordinating Council to be co-chaired 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 public hearing in front of the Senate Environment, Energy & Technology Committee was held on [March 15th](#). The bill has not yet been scheduled for executive session.

[HB 1756](#) - 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. This bill was pulled to the House floor for debate on Thursday, March 16th. The bill was passed off the floor with a vote of 81-12. It now moves to the Senate for further consideration.

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

Office of the Governor request legislation, sponsored by Senator Nguyen, was voted off the senate floor with a vote of 36-13. The bill has been referred to the Senate Committee on Environment and Energy. It had a public hearing on [Monday, March 13th](#). The bill is scheduled for executive session on [March 21st at 4:00 PM](#).

[HB 1170](#) - 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 bill was voted off the House floor on February 27th with a vote of 82-14. The bill had a public hearing in front of the Senate Committee on Environment, Energy & Technology on [Friday, March 10th](#). Executive session is scheduled on [March 21st at 1:30 PM](#).

Continue to Monitor for Movement:

[SB 5091](#) - Creating and expanding tax incentives for the research, development, production, and sale of hydrogen fuel cells in Washington state

This legislation, sponsored by Senator King, would authorize state business and occupation (B&O) tax incentives for businesses engaged in activities related to hydrogen fuel cell research, development, production, and sale. The bill did not get a public hearing in its fiscal committee and looks unlikely to move forward this legislative session. Unless deemed necessary to implement the budget, this bill is dead this session.

As a reminder, we will be working on expanding awareness of the thermal RECs issue and concept during the interim ([HB 1836](#)).

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 - 3/20 @ 1:30pm

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

Environment, Energy & Technology (Senate) - SHR 1 and Virtual J.A. Cherberg - 3/21 @ 1:30pm

- E2SHB 1170 - Exec Session - Improving climate resilience through updates to the state's integrated climate response strategy.
- ESHB 1282 - Exec Session - Requiring environmental and labor reporting for public building construction and renovation material.

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Environment & Energy (House) - HHR C and Virtual JLOB - 3/21 @ 4:00pm

- SSB 5165 - Exec Session - Concerning electric power system transmission planning.
- ESSB 5447 - Exec Session - Promoting the alternative jet fuel industry in Washington.

Environment, Energy & Technology (Senate) - SHR 1 and Virtual J.A. Cherberg - 3/22 @ 8:00am

- 2SHB 1390 - Public Hearing - Concerning district energy systems. (Remote Testimony Available).
- 2SHB 1391 - Public Hearing - Concerning energy in buildings. (Remote Testimony Available).
- 2SHB 1433 - Public Hearing - Concerning energy labeling of residential buildings. (Remote Testimony Available).

Ways & Means (Senate) - SHR 4 and Virtual JACB - 3/22 @ 5:00pm

- SB 5201 - Exec Session - Concerning state general obligation bonds and related accounts.

Environment & Energy (House) - HHR C and Virtual JLOB - 3/23 @ 8:00am

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

Ways & Means (Senate) - SHR 4 and Virtual JACB - 3/23 @ 4:00pm

- E2SHB 1181 - Public Hearing - Improving the state's response to climate change by updating the state's planning framework. (Remote Testimony Available).

Ways & Means (Senate) - SHR 4 and Virtual JACB - 3/24 @ 2:00pm

- SB 5187 - Public Hearing - Making 2023-2025 fiscal biennium operating appropriations. (Hearing is on the Proposed Substitute which includes the 2023 supplemental budget.)

Bill Status

Bill #	Abbrev. Title	Title	Status	Sponsor
HB 1076	Salmon voluntary stewardship	Encouraging salmon recovery through voluntary stewardship.	H Env & Energy	Klicker
SHB 1094 (SSB 5125)	Future fund program	Creating the Washington future fund program.	H Approps	Stonier
HB 1125 (SB 5162)	Transportation budget	Making transportation appropriations for the 2023-2025 fiscal biennium.	H Transportation	Fey
HB 1126 (SB 5164)	Transportation budget, supp.	Making supplemental transportation appropriations for the 2021-2023 fiscal biennium.	H Transportation	Fey
2SHB 1131 (SSB 5154)	Solid waste management	Improving Washington's solid waste management outcomes.	H Rules C	Berry
HB 1140 (SB 5187)	Operating budget	Making 2023-2025 fiscal biennium operating appropriations.	H Approps	Ormsby

HB 1141 (SB 5188)	Operating budget, supp.	Making 2021-2023 fiscal biennium second supplemental operating appropriations.	H Approps	Ormsby
HB 1147 (SB 5200)	Capital budget	Concerning the capital budget.	H Cap Budget	Tharinger
HB 1148 (SB 5201)	State gen. obligation bonds	Concerning state general obligation bonds and related accounts.	H Cap Budget	Tharinger
E2SHB 1170 (SSB 5093)	Climate response strategy	Improving climate resilience through updates to the state's integrated climate response strategy.	S Environment, E	Street
ESHB 1173	Light pollution	Reducing light pollution associated with certain energy infrastructure.	S Environment, E	Connors
E2SHB 1181 (SSB 5203)	Climate change/planning	Improving the state's response to climate change by updating the state's planning framework.	S Ways & Means	Duerr
E2SHB 1216 (SSB 5380)	Clean energy siting	Concerning clean energy siting.	S Environment, En	Fitzgibbon
ESHB 1282 (SSB 5322)	Public building materials	Requiring environmental and labor reporting for public building construction and renovation material.	S Environment, E	Duerr
2SHB 1390	District energy systems	Concerning district energy systems.	S Environment, E	Ramel
2SHB 1391	Energy in buildings	Concerning energy in buildings.	S Environment, E	Ramel
HB 1416	Consumer-owned utilities	Applying the affected market customer provisions of the Washington clean energy transformation act to nonresidential customers of consumer-owned utilities.	S Environment, En	Doglio
SHB 1427	On-premises energy gen.	Concerning on-premises energy generation.	H Rules C	Mena
2SHB 1433	Energy labeling/residential	Concerning energy labeling of residential buildings.	S Environment, En	Duerr
HB 1505 (ESSB 5447)	Alternative jet fuel	Promoting the alternative jet fuel industry in Washington.	H Env & Energy	Slatter
HB 1509	Community solar	Concerning fair access to community solar.	H Env & Energy	Hackney
HB 1574	Methane/agriculture	Supporting Washington agriculture by capturing methane and reducing greenhouse gas emissions.	H Ag&Nr	Rule
ESHB 1584	Nuclear reactor technology	Planning for advanced nuclear reactor technology in Washington.	S Environment, E	Barnard
ESHB 1589 (SSB 5562)	Clean energy	Supporting Washington's clean energy economy and transitioning to a clean, affordable, and reliable energy future.	S Environment, En	Doglio
HB 1619	Renewable energy resources	Incentivizing development and acquisition of renewable energy resources.	H Env & Energy	Fey

HB 1659	Carbon market prices	Preventing carbon market price manipulation.	H Env & Energy	Dye
SHB 1729	Hydrogen fuel products	Creating and expanding tax incentives for the research, development, deployment, production, and sale of hydrogen fuel products in Washington state.	H Passed 3rd	Abbarno
SHB 1768	Green businesses/utility tax	Exempting certain sales of electricity to qualifying green businesses from the public utilities tax.	H Passed 3rd	Shavers
SB 5037	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
SB 5043	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
SSB 5057	Energy standards/commercial	Creating a work group to evaluate the costs of the state energy performance standard for covered commercial buildings.	S Rules X	Mullet
SSB 5091	Hydrogen fuel products	Creating and expanding tax incentives for the research, development, production, and sale of hydrogen fuel products in Washington state.	S Ways & Means	King
SSB 5093 (E2SHB 1170)	Climate response strategy	Improving climate resilience through updates to the state's integrated climate response strategy.	S Rules X	Rolfes
SSB 5094	Water system plans/climate	Adding a climate resilience element to water system plans.	H Env & Energy	Rolfes
SSB 5125 (SHB 1094)	Future fund program	Creating the Washington future fund program.	S Ways & Means	Trudeau
SB 5129	Nuclear reactor technology	Planning for advanced nuclear reactor technology in Washington.	S Rules X	MacEwen
SSB 5133	Responsible bidder criteria	Modifying the responsible bidder criteria for public works projects.	S Ways & Means	Keiser
SB 5146	Hydropower	Removing regulatory restrictions on hydropower.	S Environment, E	Short
SSB 5154 (2SHB 1131)	Solid waste management	Improving Washington's solid waste management outcomes.	S Ways & Means	Rolfes
SB 5162 (HB 1125)	Transportation budget	Making transportation appropriations for the 2023-2025 fiscal biennium.	S Transportation	Liias
SB 5164 (HB 1126)	Transportation budget, supp.	Making supplemental transportation appropriations for the 2021-2023 fiscal biennium.	S Transportation	Liias
SSB 5165 (SHB 1192)	Electric transm. planning	Concerning electric power system transmission planning.	H Env & Energy	Nguyen
SB 5167	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

SB 5168	Energy independence act	Modernizing the energy independence act to avoid regulatory duplication and overlap with other laws.	S Environment, E	Boehnke
SB 5187 (HB 1140)	Operating budget	Making 2023-2025 fiscal biennium operating appropriations.	S Ways & Means	Rolfes
SB 5188 (HB 1141)	Operating budget, supp.	Making 2021-2023 fiscal biennium second supplemental operating appropriations.	S Ways & Means	Rolfes
SB 5201 (HB 1148)	State gen. obligation bonds	Concerning state general obligation bonds and related accounts.	S Ways & Means	Mullet
SB 5312	Clean energy/residential	Creating a residential property assessed clean energy and resiliency program.	S Loc Gov, Land	Lovelett
SSB 5322 (ESHB 1282)	Public building materials	Requiring environmental and labor reporting for public building construction and renovation material.	S Ways & Means	Wellman
SB 5325	Clean fuel/public transport.	Enhancing access to clean fuel for agencies providing public transportation.	S Environment, E	Shewmake
SB 5345	School buildings/energy	Exempting certain public school buildings from the state energy performance standard.	S Environment, E	Schoesler
SSB 5380 (E2SHB 1216)	Clean energy siting	Concerning clean energy siting.	S Ways & Means	Nguyen
ESSB 5447 (HB 1505)	Alternative jet fuel	Promoting the alternative jet fuel industry in Washington.	H Env & Energy	Billig
SSB 5562 (ESHB 1589)	Clean energy	Supporting Washington's clean energy economy and transitioning to a clean, affordable, and reliable energy future.	S Ways & Means	Nguyen
SB 5620	EV charging/line extensions	Concerning line extension tariffs for electric vehicle charging infrastructure.	S Transportation	Liias
SB 5659	Gas companies/renewable res.	Incentivizing gas companies to develop and acquire renewable energy resources.	S Environment, E	Boehnke