



## 2023 Legislative Session Weekly Report CleanTech Alliance April 15, 2023

### Week Fourteen

As week 14 comes to a close, we are left with only one week of the 2023 105-day legislative session. Wednesday was the Opposite House Floor Cutoff, meaning that it was the last day for the House and Senate to vote on bills that came over from the other chamber. As a reminder, bills that are considered necessary to implement the budget, including all revenue proposals, are exempt from cutoffs. Bills that were passed by the opposite chamber without any amendments head directly to the Governor's desk to be signed into law. However, if changes were made by the other body, then they need to go through a process called concurrence. This process began on Thursday when the House and Senate started reconciling changes made to bills in the opposite chamber. As a reminder, all bills that do not pass this session will automatically be reintroduced next session, the second half of the biennium. To see a full list of bills that have already passed the legislature and have been signed by the Governor, click [here](#).

To start the week off, many high-priority issues were heavily debated on the House and Senate floors. Vehicular pursuits legislation ([SB 5352](#)) was debated on the House floor on Monday. It passed off the floor 57-40 and heads back to the Senate for concurrence. In the Senate, middle housing legislation ([HB 1110](#)) was debated. This bill works to address Washington's state housing shortage by increasing middle housing in areas usually populated by single-family homes. . The bill passed the Senate 35-14 and moves back to the House for concurrence.

Legislation addressing the Blake decision, [SB 5536](#), took the House well into the early hours of the morning as they debated the issue. 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. . There were several amendments offered on the floor and ultimately eight of those were adopted. In the end, the bill passed the House 54-41 and will now move back to the Senate for concurrence.

A less controversial issue moved through the final steps of the legislative process this week. [HB 1477](#), the Washington working families' tax credit, works to extend the tax credits to married couples who file separately. The bill received bipartisan support and passed the Senate 46-3. It now moves to the Governor's desk to be signed into law.

Late in the week, committees met on bills that are considered Necessary to Implement the Budget (NTIB) and remain alive despite cutoffs. On Thursday, the House Transportation Committee held a public hearing on a bill that would authorize the use of tolls for the I-5 bridge that connects Oregon and Washington to help fund the bridge replacement project ([SB 5765](#)). The bill would start collecting tolls in 2026 for those who use the bridge. On Friday, executive action was taken, and the bill was voted out of committee.) On Friday, the House Finance Committee took executive action on [HB 1628](#), the Affordable Homes Act.. This bill looks to increase affordable housing by increasing state and local Retail Excise Tax (REET) on houses over \$5 million. The bill passed out of committee with a vote of 8-5.

Next week the legislature will continue to reconcile differences on bills passed by the opposite chamber and work on legislation that is necessary to implement the budget. In the final days of session House and Senate Budget writers will release the final 2023-25 Operating, Capital and Transportation budgets which must be passed by the full legislature before Sine Die which is scheduled for Sunday, April 23rd.

We are waiting for final cap budget negotiations to see what the final Clean Energy Fund resource will be. We continue to work on trying to get the best available resource for the Clean Energy Fund as well as the sector grants in the capital and operating budgets. We continue to work on pushing forward the House version of the Clean Energy Fund although in the Senate there are both capital budget and general funding for Clean Energy Fund projects. We will see how budgetary negotiations go. There is funding in the House Operating Budget for economic development grants; we will be working to get these into the final budget.

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

The bill passed out of the Senate, and was heard in the House Environment & Energy Committee on [Monday, March 13th at 1:30pm](#). The bill passed out of committee on [Tuesday, March 21st](#). It had a hearing in the House Finance Committee on [Tuesday, March 28th](#), and passed out of committee in its [amended form](#) unanimously on [Friday, March 31st](#). The bill then passed off the House floor on Friday, April 14th unanimously, and moves back to the Senate for a concurrence vote.

#### **[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. On Saturday, April 8th, the Senate pulled this legislation to the floor and [ESSHB 1216](#) was voted off the floor by a vote of 30-18. The House concurred on the Senate amendments (78-18) and the bill now heads to the Governor’s desk for final signing.

#### **[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 on March 2nd. The bill then moved to the House, where it was pulled to the floor after passing out of the Environment & Energy Committee on March 21st. It passed out with a vote of 70-28, and the Senate then concurred on the House amendments (36-10). It went to the Senate for a concurrence vote on Friday where it passed with a vote of 36-10. The bill now heads to the Governor’s desk for final signing.

#### **[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. Executive action was taken in Senate Ways & Means on [April 3rd](#) where it was voted out of committee. On Saturday, April 8th, the bill was pulled for debate and passed off the floor with a vote of 34-14. The House concurred on the Senate amendments (87-10), and the bill now heads to the Governor’s desk for final signing.

#### **[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. We kept this bill in the “monitor” section due to potential movement. This bill is tied to the budget and is considered NTIB so it is not subject to policy cutoffs. It was first heard in Senate Ways & Means Committee on [March 9th](#) and executive action was taken on [April 4th](#) where it was passed out of committee unanimously. On Friday, April 14th, the Office of Financial Management published an updated fiscal note to the bill which can be viewed [here](#). We will continue to monitor this bill through the remainder of session.

## 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

## Bill Status

| Bill #                                   | Abbrev. Title                | Title   | Status           | Sponsor    |
|--|------------------------------|---|------------------|------------|
| <a href="#">HB 1076</a>                  | Salmon voluntary stewardship | Encouraging salmon recovery through voluntary stewardship.  | H Env & Energy   | Klicker    |
| <a href="#">SHB 1094</a><br>(SSB 5125)   | Future fund program          | Creating the Washington future fund program.  | H Approps        | Stonier    |
| <a href="#">EHB 1125</a><br>(SSB 5162)   | Transportation budget        | Making transportation appropriations for the 2023-2025 fiscal biennium.   | H Passed 3rd     | Fey        |
| <a href="#">HB 1126</a><br>(SB 5164)     | Transportation budget, supp. | Making supplemental transportation appropriations for the 2021-2023 fiscal biennium.  | H Transportation | Fey        |
| <a href="#">2SHB 1131</a><br>(SSB 5154)  | Solid waste management       | Improving Washington's solid waste management outcomes.   | H Rules C        | Berry      |
| <a href="#">SHB 1140</a><br>(ESSB 5187)  | Operating budget             | Making 2023-2025 fiscal biennium operating appropriations and 2021-2023 fiscal biennium second supplemental operating appropriations. | H Rules R        | Ormsby     |
| <a href="#">HB 1141</a><br>(SB 5188)     | Operating budget, supp.      | Making 2021-2023 fiscal biennium second supplemental operating appropriations.  | H Approps        | Ormsby     |
| <a href="#">SHB 1147</a><br>(ESSB 5200)  | Capital budget               | Concerning the capital budget.  | H Rules R        | Tharinger  |
| <a href="#">SHB 1148</a><br>(SSB 5201)   | State gen. obligation bonds  | Concerning state general obligation bonds and related accounts.   | H Rules R        | Tharinger  |
| <a href="#">E2SHB 1170</a><br>(SSB 5093) | Climate response strategy    | Improving climate resilience through updates to the state's integrated climate response strategy.                                     | H Spkr Signed    | Street     |
| <a href="#">ESHB 1173</a>                | Light pollution              | Reducing light pollution associated with certain energy infrastructure.   | H Passed FP      | Connors    |
| <a href="#">E2SHB 1181</a><br>(SSB 5203) | Climate change/planning      | Improving the state's response to climate change by updating the state's planning framework.  | H Spkr Signed    | Duerr      |
| <a href="#">E2SHB 1216</a><br>(SSB 5380) | Clean energy siting          | Concerning clean energy siting.   | H Passed FP      | Fitzgibbon |
| <a href="#">ESHB 1282</a><br>(SSB 5322)  | Public building materials    | Requiring environmental and labor reporting for public building construction and renovation material.                                 | S Ways & Means   | Duerr      |
| <a href="#">2SHB 1390</a>                | District energy systems      | Concerning district energy systems.   | H Passed FP      | Ramel      |

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|--|------------------------------|---|-------------------------|---------|
| <a href="#">2SHB 1391</a>                | Energy in buildings          | Concerning energy in buildings.   | S<br>Environment,<br>E  | Ramel   |
| <a href="#">HB 1416</a>                  | Consumer-owned utilities     | Applying the affected market customer provisions of the Washington clean energy transformation act to nonresidential customers of consumer-owned utilities.               | H Spkr Signed           | Doglio  |
| <a href="#">SHB 1427</a>                 | On-premises energy gen.      | Concerning on-premises energy generation.   | H Rules C               | Mena    |
| <a href="#">2SHB 1433</a>                | Energy labeling/residential  | Concerning energy labeling of residential buildings.  | S<br>Environment,<br>En | Duerr   |
| <a href="#">HB 1505</a><br>(ESSB 5447)   | Alternative jet fuel         | Promoting the alternative jet fuel industry in Washington.  | H Env &<br>Energy       | Slatter |
| <a href="#">HB 1509</a>                  | Community solar              | Concerning fair access to community solar.  | H Env &<br>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="#">ESHB 1584</a>                | Nuclear reactor technology   | Planning for advanced nuclear reactor technology in Washington.   | S Rules 2               | Barnard |
| <a href="#">ESHB 1589</a><br>(SSB 5562)  | Clean energy                 | Supporting Washington's clean energy economy and transitioning to a clean, affordable, and reliable energy future.  | S 2nd Reading           | Doglio  |
| <a href="#">HB 1619</a>                  | Renewable energy resources   | Incentivizing development and acquisition of renewable energy resources.  | H Env &<br>Energy       | Fey     |
| <a href="#">HB 1659</a>                  | Carbon market prices         | Preventing carbon market price manipulation.  | H Env &<br>Energy       | Dye     |
| <a href="#">SHB 1729</a>                 | Hydrogen fuel products       | Creating and expanding tax incentives for the research, development, deployment, production, and sale of hydrogen fuel products in Washington state.                      | S<br>Environment,<br>En | Abbarno |
| <a href="#">SHB 1768</a>                 | Green businesses/utility tax | Exempting certain sales of electricity to qualifying green businesses from the public utilities tax.  | S<br>Environment,<br>En | Shavers |
| <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<br>Environment,<br>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<br>Environment,<br>E  | Short   |
| <a href="#">SSB 5057</a>                 | 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  |
| <a href="#">2SSB 5091</a>                | Hydrogen fuel products       | Creating and expanding tax incentives for the research, development, production, and sale of hydrogen fuel products in Washington state.                                  | S Rules 2               | King    |
| <a href="#">SSB 5093</a><br>(E2SHB 1170) | Climate response strategy    | Improving climate resilience through updates to the state's integrated climate response strategy.   | S Rules X               | Rolfes  |

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|--|------------------------------|---|------------------|-----------|
| <a href="#">SSB 5094</a>                 | Water system plans/climate   | Adding a climate resilience element to water system plans.  | H Approps        | Rolfes    |
| <a href="#">SSB 5125</a><br>(SHB 1094)   | Future fund program          | Creating the Washington future fund program.  | S Ways & Means   | Trudeau   |
| <a href="#">SB 5129</a>                  | Nuclear reactor technology   | Planning for advanced nuclear reactor technology in Washington.   | S Rules X        | MacEwen   |
| <a href="#">SSB 5133</a>                 | Responsible bidder criteria  | Modifying the responsible bidder criteria for public works projects.  | S Ways & Means   | Keiser    |
| <a href="#">SB 5146</a>                  | Hydropower                   | Removing regulatory restrictions on hydropower.   | S Environment, E | Short     |
| <a href="#">SSB 5154</a><br>(2SHB 1131)  | Solid waste management       | Improving Washington's solid waste management outcomes.   | S Ways & Means   | Rolfes    |
| <a href="#">SSB 5162</a><br>(EHB 1125)   | Transportation budget        | Making transportation appropriations for the 2021-2023 and 2023-2025 fiscal biennia.  | S Rules 2        | Liias     |
| <a href="#">SB 5164</a><br>(HB 1126)     | Transportation budget, supp. | Making supplemental transportation appropriations for the 2021-2023 fiscal biennium.  | S Transportation | Liias     |
| <a href="#">SSB 5165</a><br>(SHB 1192)   | Electric transm. planning    | Concerning electric power system transmission planning.   | S Passed FP      | 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="#">ESSB 5187</a><br>(SHB 1140)  | Operating budget             | Making 2023-2025 fiscal biennium operating appropriations and 2021-2023 fiscal biennium second supplemental operating appropriations.   | S Conf appt      | Rolfes    |
| <a href="#">SB 5188</a><br>(HB 1141)     | Operating budget, supp.      | Making 2021-2023 fiscal biennium second supplemental operating appropriations.  | S Ways & Means   | Rolfes    |
| <a href="#">SSB 5201</a><br>(SHB 1148)   | State gen. obligation bonds  | Concerning state general obligation bonds and related accounts.   | S 2nd Reading    | 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="#">SSB 5322</a><br>(ESHB 1282)  | Public building materials    | Requiring environmental and labor reporting for public building construction and renovation material.   | S Ways & Means   | 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="#">SSB 5380</a><br>(E2SHB 1216) | Clean energy siting          | Concerning clean energy siting.   | S Ways & Means   | Nguyen    |

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|---|------------------------------|--|------------------|---------|
| <a href="#">ESSB 5447</a><br>(HB 1505)  | Alternative jet fuel         | Promoting the alternative jet fuel industry in Washington.   | H Passed 3rd     | Billig  |
| <a href="#">SSB 5562</a><br>(ESHB 1589) | Clean energy                 | Supporting Washington's clean energy economy and transitioning to a clean, affordable, and reliable energy future. | S Ways & Means   | Nguyen  |
| <a href="#">SB 5620</a>                 | EV charging/line extensions  | Concerning line extension tariffs for electric vehicle charging infrastructure.                                    | S Transportation | Liias   |
| <a href="#">SB 5659</a>                 | Gas companies/renewable res. | Incentivizing gas companies to develop and acquire renewable energy resources.                                     | S Environment, E | Boehnke |