

2024 Legislative Session Weekly Report CleanTech Alliance January 12, 2024

Week One

The first week of the 2024 60-day legislative session is complete. The week began on Monday with opening ceremonies in the House and Senate where lawmakers on the floor discussed priority issues for the session including passing supplemental budgets. The rest of the week was filled with committee hearings. There have been nearly 1000 new pieces of legislation introduced and as a reminder, any bill introduced last session that did not pass is automatically reintroduced this session. Next week, committee hearings and executive sessions will continue. The first major cutoff is January 31 when all bills without a fiscal impact must be out of their policy committee to remain alive.

Key Issues Before the Legislature - Week 1:

*Please click on the provided hyperlinks for more information on any given topic.

Budget

- <u>Governor Inslee's 2024 Supplemental Budget</u>: The primary legislative objective during session is to pass the state's Supplemental Capital, Operating, and Transportation Budgets. During the first year of the biennium, legislators work to pass the state's 2-year budget and then they come back in the second year to adjust spending for current economic conditions. The Governor's proposal was reviewed this week in its respective committees.
 - o <u>Capital Budget Hearings</u>: <u>House</u> / <u>Senate</u>
 - <u>Operating Budget Hearings</u>: <u>House</u> / <u>Senate</u>
 - o <u>Transportation Budget Hearings</u>: <u>House</u> / <u>Senate</u>
- Later in Session the House and Senate will release their own proposals for the 2024 Supplemental Budgets.

Labor

• **Unemployment Insurance and Strikes** - <u>SB 5777</u>: This bill seeks to amend current laws regarding unemployment insurance for workers involved in strikes or lockouts. It was heard this week in the Senate Labor and Commerce Committee.

Environment

• <u>Climate Commitment Act</u> - This week, Senators Nguyen (Chair of the Senate Environment Committee) and MacEwan (Ranking Member on the Senate Environment Committee) to discuss the CCA.

2024 Legislative Session Weekly Report January 12, 2024 Page 1 of 9 • **Recycling** - <u>HB 1900</u>, <u>HB 2049</u>, and <u>HB 2144</u>: Hundreds of people came to show opposition or support during the committee hearings on these three bills. HB 1900 and 2049 are very similar bills that seek to improve the recycling program in Washington state. The only difference is that one bill (2049) includes Extended Producer Responsibility while the other does not. HB 2144 seeks to implement a bottle deposit tax and return system that mirrors what Oregon and California have.

Housing

- <u>The New Real Estate Excise Tax Bill</u> <u>HB 2276</u>: On Wednesday, Democrats proposed a bill in Washington that aims to increase funding for affordable housing by imposing a higher tax on real estate sales over \$3 million and reducing the tax rate for sales under \$750,000. The bill intends to allocate the generated revenue to various housing initiatives. Opponents argue that it could lead to higher costs for multi-family housing and increased living expenses. Supporters say it is seen as a critical measure to address the state's housing challenge. The bill is up for a <u>public hearing on January 18</u> in front of House Finance.
- **Transit-oriented Housing Development (HB 2160)** This bill prohibits cities planning under the Growth Management Act (GMA) from enacting or enforcing any development regulation within a station area that prohibits the siting of multifamily residential housing where any other residential use is permissible, with some exceptions. This bill had a <u>public hearing on January 9</u> and is scheduled for <u>executive action on January 15</u>.

Insight - Week 1:

- Initiatives Update: The initiatives are not certified yet, so there is no update.
 - Articles of Interest <u>Cap and Trade</u> & <u>Washington State Standard</u>
- Legislative Focus for the 2024 Legislative Session: <u>2024 Legislative Preview</u>, <u>Axios</u>, <u>Seattle</u> <u>Times</u>
- Leadership Interviews:
 - What to Expect this Session (01/08/2024): Jay Inslee, Senate Majority Leader Andy Billig (D-Spokane), House Speaker Laurie Jinkins (D-Tacoma), Senate Republican Leader John Braun (R-Centralia), House Republican Leader Drew Stokesbary (R-Auburn)
 - Legislative Media Availability: <u>Democratic Leadership</u> / <u>Republican Leadership</u>
- **Opening Ceremonies:** <u>House</u> / <u>Senate</u>

Helpful Links for Session: The Washington State Legislative Website, Find My Legislator, Legislative Committees, Bill Searcher, Washington State Legislative Roster, Sign up for Legislative Email Updates, Agendas, Schedules, and Calendars, Participating in the Process (Email or Testimony)

Important Dates:

Jan 31 – House of Origin Policy Cutoff Feb 5 – House of Origin Fiscal Cutoff Feb 13 – House of Origin Floor Cutoff Feb 21 – Opposite House Policy Cutoff Feb 26 – Opposite House Fiscal Cutoff March 1 – Opposite House Floor Cutoff March 7 – Sine Die

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CleanTech Alliance Specifics

We are working to identify a prime sponsor for the Governor's Clean Energy Fund legislation, as well as working with <u>Helion</u> on their nuclear fusion legislation. Additionally, we are working to support Helion with their dinner event in support of the fusion legislation.

The Senate version of thecarbon market linkage bill(<u>SB 6058</u>) was <u>heard on Friday</u> in the Senate Environment, Energy & Technology Committee, and the House version (<u>HB 2201</u>) is scheduled to be heard in the House Environment & Energy Committee on <u>Monday at 1:30pm</u>.

Other bills that had a <u>public hearing on Monday (01/08/24)</u> in the House Environment & Energy committee:

- Representative Shavers' bill (<u>HB 1924</u>) works to require the state to support technologies like fusion. Jackie Siebens with Helion Energy, Ryan Umstattd with Zap Energy, and Hawkins DeFrance with Avalanche Energy Designs, Inc. all testified in support of the legislation. The bill has been scheduled for <u>executive</u> <u>session on January 15</u>.
- Representative Ramel's Thermal Energy Networks bill for gas utilities (<u>HB 2131</u>) was heard and is also scheduled for <u>executive session on January 16</u>.
- Representative Slatter's bill (<u>HB 2073</u>) regarding greenhouse gasses from sources other than methane and carbon dioxide.

Representative Mena's bill (<u>HB 2000</u>) which works to renew Washington's international leadership legislation had a <u>public hearing on Wednesday</u>, <u>January 10</u>, and was voted out of committee with a do pass recommendation (6-1) on <u>Friday</u>, <u>January 12</u>.

Upcoming Events Report

Environment & Energy (House) - HHR C and Virtual JLOB - 1/15 @ 1:30pm

- HB 1924 Exec Session Promoting the integration of fusion technology within state clean energy policies.
- HB 2201 Public Hearing Facilitating linkage of Washington's carbon market with the California-Quebec carbon market. (Remote Testimony Available).

Environment, Energy & Technology (Senate) - SHR 1 and Virtual J.A. Cherberg - 1/16 @ 1:30pm

• SB 5919 - Public Hearing - Concerning the sale of biogenic carbon dioxide and other coproducts of biogas processing. (Remote Testimony Available).

Environment & Energy (House) - HHR C and Virtual JLOB - 1/16 @ 4:00pm

- HB 2070 Public Hearing Integrating environmental justice considerations into certain project decisions. (Remote Testimony Available).
- HB 2131 Public Hearing Promoting the establishment of thermal energy networks. (Remote Testimony Available).
- HB 2253 Public Hearing Concerning fair access to community solar. (Remote Testimony Available).

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Ways & Means (Senate) - SHR 4 and Virtual JACB - 1/16 @ 4:00pm

• SSB 5133 - Public Hearing - Modifying the responsible bidder criteria for public works projects. (Hearing is on the Proposed Substitute.) (Remote Testimony Available).

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

- SB 6052 Public Hearing Concerning petroleum products supply and pricing. (Remote Testimony Available).
- SB 6092 Public Hearing Concerning disclosure of greenhouse gas emissions. (Remote Testimony Available).

Postsecondary Education & Workforce (House) - HHR B and Virtual JLOB - 1/17 @ 1:30pm

• HB 2082 - Public Hearing - Assessing the needs of the electrical transmission industry. (Remote Testimony Available).

Environment & Energy (House) - HHR C and Virtual JLOB - 1/18 @ 8:00am

• 2SHB 1433 - Exec Session - Concerning energy labeling of residential buildings.

Business, Financial Services, Gaming & Trade (Senate) - SHR 2 and Virtual J.A. Cherberg - 1/18 @ 10:30am

• SB 6168 - Public Hearing - Renewing Washington's international leadership. (Remote Testimony Available).

Environment, Energy & Technology (Senate) - SHR 1 and Virtual J.A. Cherberg - 1/19 @ 8:00am

• SB 6039 - Exec Session - Promoting the development of geothermal energy resources.

Postsecondary Education & Workforce (House) - HHR B and Virtual JLOB - 1/19 @ 8:00am

• HB 2082 - Exec Session - Assessing the needs of the electrical transmission industry.

Bill Status

Bill #	Abbrev. Title	Title	Status	Sponsor
<u>HB 1076</u>	Salmon voluntary	Encouraging salmon recovery through	H Env &	Klicker
	stewardship	voluntary stewardship.	Energy	
<u>SHB 1094</u>	Future fund program	Creating the Washington future fund	H Approps	Stonier
(SSB 5125)		program.		
<u>EHB 1125</u>	Transportation budget	Making transportation appropriations for the	H Passed 3rd	Fey
(SSB 5162)		2023-2025 fiscal biennium.		геу

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<u>HB 1126</u> (SB 5164)	Transportation budget, supp.	Making supplemental transportation appropriations for the 2021-2023 fiscal biennium.	H Transportation	Fey
<u>2SHB 1131</u> (SSB 5154)	Solid waste management	Improving Washington's solid waste management outcomes.	H Rules X	Berry
<u>SHB 1140</u> (ESSB 5187)	Operating budget	Making 2023-2025 fiscal biennium operating appropriations and 2021-2023 fiscal biennium second supplemental operating appropriations.	H Rules X	Ormsby
<u>HB 1141</u> (SB 5188)	Operating budget, supp.	Making 2021-2023 fiscal biennium second supplemental operating appropriations.	H Approps	Ormsby
<u>SHB 1147</u> (ESSB 5200)	Capital budget	Concerning the capital budget.	H Rules X	Tharinger
ESHB 1148 (SSB 5201)	State gen. obligation bonds	Concerning state general obligation bonds and related accounts.	C 473 L 23	Tharinger
<u>E2SHB</u> <u>1170</u> (SSB 5093)	Climate response strategy	Improving climate resilience through updates to the state's integrated climate response strategy.	C 169 L 23	Street
ESHB 1173	Light pollution	Reducing light pollution associated with certain energy infrastructure.	C 344 L 23	Connors
<u>E2SHB</u> <u>1181</u> (SSB 5203)	Climate change/planning	Improving the state's response to climate change by updating the state's planning framework.	C 228 L 23	Duerr
E2SHB 1216 (SSB 5380)	Clean energy siting	Concerning clean energy siting.	C 230 L 23	Fitzgibbon
<u>ESHB 1282</u> (SSB 5322)	Public building materials	Requiring environmental and labor reporting for public building construction and renovation material.	H Rules 3C	Duerr
<u>2SHB 1390</u>	District energy systems	Concerning district energy systems.	C 291 L 23	Ramel
<u>2SHB 1391</u>	Energy in buildings	Concerning energy in buildings.	H Rules 3C	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.	C 233 L 23	Doglio
<u>SHB 1427</u>	On-premises energy gen.	Concerning on-premises energy generation.	H Env & Energy	Mena
2SHB 1433	Energy labeling/residential	Concerning energy labeling of residential buildings.	H Env & Energy	Duerr
<u>HB 1505</u> (ESSB 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
<u>ESHB 1584</u>	Nuclear reactor technology	Planning for advanced nuclear reactor technology in Washington.	H Env & Energy	Barnard

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ESHB 1589		Supporting Washington's clean energy		
(SSB 5562)	Clean energy	economy and transitioning to a clean, affordable, and reliable energy future.	H 3rd Reading	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>SHB 1729</u>	Hydrogen fuel products	Creating and expanding tax incentives for the research, development, deployment, production, and sale of hydrogen fuel products in Washington state.	H Rules 3C	Abbarno
<u>SHB 1768</u>	Green businesses/utility tax	Exempting certain sales of electricity to qualifying green businesses from the public utilities tax.	H Rules 3C	Shavers
<u>HB 1887</u> (SB 5783)	Climate cmit. act/consumers	Mitigating the consumer impacts of the climate commitment act by creating greater administrability of emissions exemptions and improving the transparency and business practices under the act.	H Env & Energy	Chapman
<u>HB 1908</u>	Utility project assistance	Supporting the clean energy transition by providing a framework for financial assistance to utility-scale emission-reducing electricity generation or storage projects.	H Env & Energy	Barnard
<u>HB 1924</u>	Fusion technology policies	Promoting the integration of fusion technology within state clean energy policies.	H Env & Energy	Shavers
<u>HB 1981</u>	Nuclear energy manufacturing	Incentivizing clean nuclear energy manufacturing through preferential business and occupation tax rates.	H Finance	Barnard
<u>SHB 2000</u> (SB 6168)	International leadership	Renewing Washington's international leadership.	H SGOVDPS	Mena
<u>HB 2068</u> (SB 5965)	Fashion/environmental impact	Concerning the environmental impacts of fashion.	H Env & Energy	Mena
<u>HB 2069</u> (SB 5919)	Biogenic carbon dioxide	Concerning the sale of biogenic carbon dioxide and other coproducts of biogas processing.	H Env & Energy	Mosbrucke
<u>HB 2070</u> (SB 5990)	Env. justice/SEPA projects	Integrating environmental justice considerations into certain project decisions.	H Env & Energy	Mena
<u>HB 2073</u>	Greenhouse gas other sources	Concerning emissions of greenhouse gases from sources other than methane and carbon dioxide.	H Env & Energy	Slatter
<u>HB 2082</u>	Electrical transmission	Assessing the needs of the electrical transmission industry.	H Postsec Ed & W	Fosse
<u>HB 2089</u> (SB 5949)	Capital budget, supplemental	Concerning the capital budget.	H Cap Budget	Tharinger
<u>HB 2104</u> (SB 5950)	Operating budget, supp.	Making 2023-2025 fiscal biennium supplemental operating appropriations.	H Approps	Ormsby
<u>HB 2129</u> (SB 6039)	Geothermal energy resources	Promoting the development of geothermal energy resources.	H Env & Energy	Ramel
<u>HB 2131</u> (SB 6138)	Thermal energy networks	Promoting the establishment of thermal energy networks.	H Env & Energy	Ramel

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<u>HB 2201</u> (SB 6058)	Carbon market linkage	Facilitating linkage of Washington's carbon market with the California-Quebec carbon market.	H Env & Energy	Doglio
<u>HB 2232</u> (SB 6052)	Petroleum product supply	Concerning petroleum products supply and pricing.	H Env & Energy	Doglio
<u>HB 2253</u> (SB 6113)	Community solar	Concerning fair access to community solar.	H Env & Energy	Hackney
<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>SSB 5057</u>	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
2SSB 5091	Hydrogen fuel products	Creating and expanding tax incentives for the research, development, production, and sale of hydrogen fuel products in Washington state.	S Business, Fin S	King
<u>SSB 5093</u> (E2SHB 1170)	Climate response strategy	Improving climate resilience through updates to the state's integrated climate response strategy.	S Rules X	Rolfes
<u>SSB 5094</u>	Water system plans/climate	Adding a climate resilience element to water system plans.	S Rules X	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 Rules 2	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> (2SHB 1131)	Solid waste management	Improving Washington's solid waste management outcomes.	S Ways & Means	Rolfes
<u>SSB 5162</u> (EHB 1125)	Transportation budget	Making transportation appropriations for the 2021-2023 and 2023-2025 fiscal biennia.	S Rules X	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> (SHB 1192)	Electric transm. planning	Concerning electric power system transmission planning.	C 229 L 23	Nguyen
<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

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<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>ESSB 5187</u> (SHB 1140)	Operating budget	Making 2023-2025 fiscal biennium operating appropriations and 2021-2023 fiscal biennium second supplemental operating appropriations.	C 475 L 23	Rolfes
<u>SB 5188</u> (HB 1141)	Operating budget, supp.	Making 2021-2023 fiscal biennium second supplemental operating appropriations.	S Ways & Means	Rolfes
<u>SSB 5201</u> (ESHB 1148)	State gen. obligation bonds	Concerning state general obligation bonds and related accounts.	S Rules X	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> (ESHB 1282)	Public building materials	Requiring environmental and labor reporting for public building construction and renovation material.	S Ways & Means	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> (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.	C 232 L 23	Billig
<u>SSB 5562</u> (ESHB 1589)	Clean energy	Supporting Washington's clean energy economy and transitioning to a clean, affordable, and reliable energy future.	S Ways & Means	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
<u>SB 5772</u>	Energy code/federal law	Requiring the state building code council to amend the state energy code to comply with the energy policy and conservation act.	S State Govt & E	Wilson
<u>SB 5783</u> (HB 1887)	Climate cmit. act/consumers	Mitigating the consumer impacts of the climate commitment act by creating greater administrability of emissions exemptions and improving the transparency and business practices under the act.	S Environment, En	Mullet
<u>SB 5919</u> (HB 2069)	Biogenic carbon dioxide	Concerning the sale of biogenic carbon dioxide and other coproducts of biogas processing.	S Environment, En	King
<u>SB 5949</u> (HB 2089)	Capital budget, supplemental	Concerning the capital budget.	S Ways & Means	Mullet
<u>SB 5950</u> (HB 2104)	Operating budget, supp.	Making 2023-2025 fiscal biennium supplemental operating appropriations.	S Ways & Means	Robinson

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<u>SB 5965</u> (HB 2068)	Fashion/environmental impact	Concerning the environmental impacts of fashion.	S Environment, En	Nguyen
<u>SB 5990</u> (HB 2070)	Env. justice/SEPA projects	Integrating environmental justice considerations into certain project decisions.	S Environment, En	Lovelett
<u>SB 6039</u> (HB 2129)	Geothermal energy resources	Promoting the development of geothermal energy resources.	S Environment, En	Lovelett
<u>SB 6052</u> (HB 2232)	Petroleum product supply	Concerning petroleum products supply and pricing.	S Environment, En	Nguyen
<u>SB 6058</u> (HB 2201)	Carbon market linkage	Facilitating linkage of Washington's carbon market with the California-Quebec carbon market.	S Environment, E	Nguyen
<u>SB 6092</u>	Greenhouse gas disclosures	Concerning disclosure of greenhouse gas emissions.	S Environment, En	Shewmake
<u>SB 6138</u> (HB 2131)	Thermal energy networks	Promoting the establishment of thermal energy networks.	S Environment, E	Shewmake
<u>SB 6168</u> (SHB 2000)	International leadership	Renewing Washington's international leadership.	S Business, Fin	Stanford

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