

2024 Legislative Session Weekly Report CleanTech Alliance February 11, 2024

Week Five

We are five weeks into the session, with just four weeks remaining. Monday, February 5th, marked the House of Origin Fiscal Committee cutoff which requires all bills to be moved out of their fiscal committees to remain alive for the session. Following this deadline, legislators have spent all of their time on the floor of their respective chambers debating and passing bills. Legislators will remain on the floor until the House of Origin cutoff which is on February 13th. The Senate finished for the weekend following dinner time on Friday while the House worked late into the early hours of Saturday, and then came back to work all day Saturday. Starting on the 14th, legislators will return to their committees to continue working on bills that came over from the opposite chamber.

Key Issues Before the Legislature - Week 5:

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

- **Expansion of Paid Sick Leave** <u>SB 5793</u> sought to expand the state's paid sick leave law to include caring for individuals unrelated to the employee, such as those in non-traditional families, and to cover gig economy drivers. Despite concerns about increasing employer costs and weakening current laws, the bill passed the Senate (28-21) and now moves to the House for further consideration.
- **State & Local Property Tax Increase** Under existing law, property tax hikes not requiring voter approval are capped at 1% per year. SB 5770 would enable municipal authorities throughout the state to raise property taxes by as much as 3% annually without the need for voter consent. Watch the Republican News Conference on this bill held on Thursday morning or read more on KOMO News. The bill has not been pulled to the floor for debate.
- **Local Government Elections Bill** HB 1932 sparked intense debate, proposing to give cities and towns the option to hold their elections in either odd or even-numbered years, aiming to increase voter participation and save money. However, opponents argue it could dilute local issues and increase voter fatigue with longer ballots, potentially harming civic engagement. The bill was voted out of the House (52-45) and moves to the Senate for further consideration. Read more on The Seattle Times.
- **Housing Affordability Crisis** <u>HB 1998</u> proposes co-living housing solutions to address the housing affordability and shortage crisis in Washington. It mandates that cities and counties allow co-living housing on lots within urban growth areas capable of hosting six multi-family units, aiming to provide more affordable housing options. The bill passed the House unanimously and heads to the Senate for consideration.
- **Lewd Laws Legislation** Recent actions by LCB agents and Seattle's Joint Enforcement Team involved responding to complaints followed concerns from the LGBTQ+ community, leading to a temporary suspension of lewd laws governing bars. SB 6105, was debated on the Senate floor on Wednesday where it passed off the floor (29-20) and moves to the House for further consideration. Read more on KIRO News.

Insight - Week 5:

- **Initiatives Update:** All six initiatives were certified by the Secretary of State's office. Initiatives are exempt from cutoff dates.
 - I-2117 would repeal the two-year-old Climate Commitment Act, which imposes annual limits on greenhouse gas emissions for major emitters and requires them to buy allowances at state auctions for each metric ton of their pollution. Last year, these auctions generated \$1.8 billion, earmarked for renewable energy initiatives. Critics argue that the act leads to increased prices for fuel, food, and energy, claiming that businesses are transferring these additional costs to the consumers.
 - o <u>I-2109</u> would repeal the capital gains excise tax imposed on sales and exchanges of long-term capital assets by individuals with capital gains over \$250,000.
 - o <u>I-2113</u> would restore vehicular pursuit laws.
 - o I-2081would establish a parents' bill of rights.
 - <u>I-2111</u> would codify Washington state's longstanding tradition of prohibiting state and local personal income taxes.
 - o <u>I-2124</u> enables working individuals to choose not to participate in the Washington Cares Fund.

Leadership Interviews

CleanTech Alliance Specific Issues - Week 5:

Bills that Survived Cutoff:

- Carbon market linkage bills (SB 6058/HB 2201) both remain alive.
 - The House vehicle of this bill adopted one <u>amendment</u> out of the six that were proposed (scroll to the bottom to see the effects of the amendment) and then voted <u>Substitute House Bill 2201</u> out of committee with a do pass recommendation. The bill has been pulled from Rules and awaits being pulled to the floor for a vote.
 - The Senate vehicle adopted one <u>amendment</u> out of the three that were proposed and then voted <u>Second Substitute Senate Bill 6058</u> out of committee with a do pass recommendation. The bill has been pulled from Rules and awaits being pulled to the floor for a vote.
- Senator Shewmake's bill, <u>SB 6092</u>, which concerns the disclosure of greenhouse gas emissions has been passed to Rules where it awaits a member pull to be put on the Senate floor calendar.
- Representative Ramel's thermal energy networks bill for gas utilities, <u>HB 2131</u>, was pulled to the floor for a
 vote on Friday and passed out of the House unanimously. The bill now heads to the Senate for further
 consideration.
- Representative Barnard's Tax Preferences for Clean Energy Manufacturers bill, <u>HB 2120</u>, was pulled onto the House floor for a vote where it passed to the Senate (94-1). The bill has been referred to the Senate Energy & Technology for further consideration.
- Representative Slatter's bill, <u>HB 2073</u>, regarding greenhouse gasses from sources other than methane and carbon dioxide has been passed to Rules where it awaits a member pull to be put on the House floor calendar.
- The Re-WRAP Act, <u>HB 2049</u>, sponsored by Representative Berry currently sits in Rules awaiting being pulled onto the House floor. On Friday morning, House leadership was counting votes to determine if there were enough to pass the bill. It is currently unclear if the bill will be pulled to the floor for debate and a vote.
- <u>HB 2401</u>, sponsored by Representative Duerr, deals with providing for the responsible management of refrigerant gasses with a higher global warming potential than carbon dioxide that are used in appliances

- or other infrastructure. The bill was pulled from Rules and onto the floor where it was voted out to the Senate (57-40).
- Rep. Doglio's bill, <u>HB 1589</u>, works to support Washington's clean energy economy and transitioning to a
 clean, affordable, and reliable energy future. It moved out of the House last week and had a public hearing
 in the Senate Environment, Energy & Technology Committee on <u>Wednesday, January 31st</u>. Negotiations
 between the proponents and opponents continue and it is anticipated that it will be scheduled for executive
 session with amendment language on the bar.
- <u>HB 2020</u>, sponsored by Representative Timmons, authorizes the Military Department to administer a program for emergency assistance to county governments and federally recognized tribes that experience public infrastructure damage due to a natural, technological, or human-caused disaster. The bill was pulled from Rules and now the House calendar where it awaits a floor vote.
- <u>HB 2069</u>, concerning the sale of biogenic carbon dioxide and other coproducts of biogas processing. The bill was pulled from Rules and now the House calendar where it awaits a floor vote.

Bills that Appear Dead:

*Reminder that bills are never actually dead until the end of session

- Senator Mullet introduced legislation to provide a state B&O tax exemption to encourage clean technology manufacturing in Washington (<u>SB 6243</u>). It did not move out of its house of origin policy committee prior to the cutoff.
- Representative Barnard has introduced legislation aimed at establishing the development of renewable energy for the Washington revolving loan program and account (<u>HB 2417</u>). The bill was heard in the House Capital Budget Committee on <u>Thursday</u>, <u>February 1st</u>.

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

<u>Helpful Links for Session</u>: 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)

Upcoming Events Report

Environment, Energy & Technology (Senate) - SHR 1 and Virtual J.A. Cherberg - 2/14 @ 8:00am

• SHB 1924 - Public Hearing - Promoting the integration of fusion technology within state clean energy policies. (Remote Testimony Available).

Environment & Energy (House) - HHR C and Virtual JLOB - 2/15 @ 8:00am

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

Ways & Means (Senate) - SHR 4 and Virtual JACB - 2/15 @ 4:00pm

• SB 5949 - Public Hearing - Concerning the capital budget. (Hearing is on the Proposed Substitute.)

Environment, Energy & Technology (Senate) - SHR 1 and Virtual J.A. Cherberg - 2/16 @ 8:00am

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

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
SHB 1094 (SSB 5125)	Future fund program	Creating the Washington future fund program.	H Approps	Stonier
EHB 1125 (SSB 5162)	Transportation budget	Making transportation appropriations for the 2023-2025 fiscal biennium.	H Passed 3rd	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 X	Berry
SHB 1140 (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
SHB 1147 (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
E2SHB 1170 (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
E2SHB 1181 (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
ESHB 1282 (SSB 5322)	Public building materials	Requiring environmental and labor reporting for public building construction and renovation material.	H 3rd Reading	Duerr

2SHB 1390	District energy systems	Concerning district energy systems.	C 291 L 23	Ramel
2SHB 1391	Energy in buildings	Concerning energy in buildings.	H Passed 3rd	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
SHB 1427	On-premises energy gen.	Concerning on-premises energy generation.	H Env & Energy	Mena
E2SHB 1433	Energy labeling/residential	Concerning energy labeling of residential buildings.	H 3rd Reading	Duerr
HB 1505 (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 Approps	Rule
ESHB 1584	Nuclear reactor technology	Planning for advanced nuclear reactor technology in Washington.	H Env & Energy	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
<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
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 Rules 3C	Abbarno
SHB 1768	Green businesses/utility tax	Exempting certain sales of electricity to qualifying green businesses from the public utilities tax.	H Rules 3C	Shavers
HB 1887 (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
SHB 1924	Fusion technology policies	Promoting the integration of fusion technology within state clean energy policies.	S Environment, En	Shavers
HB 1981	Nuclear energy manufacturing	Incentivizing clean nuclear energy manufacturing through preferential business and occupation tax rates.	H Finance	Barnard
E2SHB 2000 (SSB 6168)	International leadership	Renewing Washington's international leadership.	H Passed 3rd	Mena

HB 2042 (SB 5992)	Water supply/energy sites	Requiring applicants seeking energy facility site certification for an energy facility that generates electricity using renewable resources to provide evidence of an adequate water supply for the project.	H Env & Energy	Corry
HB 2068 (SB 5965)	Fashion/environmental impact	Concerning the environmental impacts of fashion.	H Env & Energy	Mena
SHB 2069 (SSB 5919)	Biogenic carbon dioxide	Concerning the sale of biogenic carbon dioxide and other coproducts of biogas processing.	H 2nd Reading	Mosbrucker
SHB 2070 (SB 5990)	Env. justice/SEPA projects	Integrating environmental justice considerations into certain project decisions.	H Approps	Mena
2SHB 2073	Greenhouse gas other sources	Concerning emissions of greenhouse gases from sources other than methane and carbon dioxide.	H 2nd Reading	Slatter
SHB 2082	Electrical transmission	Assessing the needs of the electrical transmission industry.	H Approps	Fosse
HB 2089 (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
SHB 2117 (SB 6188)	Aerial firefighting/permits	Authorizing authorities to address aerial firefighting aspects as part of permitting processes for communities at risk of wildfires.	H 2nd Reading	Barnard
<u>SI 2117</u> (HI 2117)	Carbon tax credit trading	Concerning carbon tax credit trading.	S Environment, E	
HB 2120	Clean energy manufacturers	Concerning tax preferences for clean energy manufacturers.	S Environment, En	Barnard
HB 2129 (SSB 6039)	Geothermal energy resources	Promoting the development of geothermal energy resources.	H Env & Energy	Ramel
ESHB 2131 (SB 6138)	Thermal energy networks	Promoting the establishment of thermal energy networks.	H Passed 3rd	Ramel
2SHB 2201 (2SSB 6058)	Carbon market linkage	Facilitating linkage of Washington's carbon market with the California-Quebec carbon market.	H 2nd Reading	Doglio
HB 2232 (SSB 6052)	Petroleum product supply	Concerning petroleum products supply and pricing.	H Env & Energy	Doglio
HB 2249	CCA market impacts	Ensuring transparency regarding the impacts of allowing general market participants, including financial speculators, to participate in climate commitment act markets.	H Env & Energy	Dye
HB 2253 (SB 6113)	Community solar	Concerning fair access to community solar.	H Env & Energy	Hackney
HB 2388	Clean energy fund	Promoting equitable economic and technological advancement through the clean energy fund.	H Cap Budget	Hackney
HB 2417	Renewable energy loans	Establishing the development of renewable energy for Washington revolving loan program and account.	H Cap Budget	Barnard

HD 2420	Energy facility eval	Concerning the process to make	H Env &	D I
HB 2429	process	recommendations for a project by the energy facility site evaluation council.	Energy	Ramel
HB 2483 (SSB 6121)	Biochar production	Concerning biochar production from agricultural and forestry biomass.	H Env & Energy	Chapman
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
<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
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
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	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.	S Rules X	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 2nd Reading	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
SSB 5162 (EHB 1125)	Transportation budget	Making transportation appropriations for the 2021-2023 and 2023-2025 fiscal biennia.	S Rules X	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.	C 229 L 23	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

ESSB 5187 (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
SB 5188 (HB 1141)	Operating budget, supp.	Making 2021-2023 fiscal biennium second supplemental operating appropriations.	S Ways & Means	Rolfes
SSB 5201 (ESHB 1148)	State gen. obligation bonds	Concerning state general obligation bonds and related accounts.	S Rules X	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.	C 232 L 23	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
SB 5772	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
SB 5783 (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
SSB 5919 (SHB 2069)	Biogenic carbon dioxide	Concerning the sale of biogenic carbon dioxide and other coproducts of biogas processing.	H Env & Energy	King
SB 5949 (HB 2089)	Capital budget, supplemental	Concerning the capital budget.	S Ways & Means	Mullet
SB 5950 (HB 2104)	Operating budget, supp.	Making 2023-2025 fiscal biennium supplemental operating appropriations.	S Ways & Means	Robinson
SB 5965 (HB 2068)	Fashion/environmental impact	Concerning the environmental impacts of fashion.	S Environment, E	Nguyen

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SB 5990 (SHB 2070)	Env. justice/SEPA projects	Integrating environmental justice considerations into certain project decisions.	S Environment, E	Lovelett
SB 5992 (HB 2042)	Water supply/energy sites	Requiring applicants seeking energy facility site certification for an energy facility that generates electricity using renewable resources to provide evidence of an adequate water supply for the project.	S Environment, E	Warnick
SSB 6039 (HB 2129)	Geothermal energy resources	Promoting the development of geothermal energy resources.	S 2nd Reading	Lovelett
SSB 6052 (HB 2232)	Petroleum product supply	Concerning petroleum products supply and pricing.	S Ways & Means	Nguyen
2SSB 6058 (2SHB 2201)	Carbon market linkage	Facilitating linkage of Washington's carbon market with the California-Quebec carbon market.	S 2nd Reading	Nguyen
2SSB 6092	Greenhouse gas disclosures	Concerning disclosure of greenhouse gas emissions.	S Rules 2	Shewmake
SSB 6121 (HB 2483)	Ag. and forestry biomass	Concerning agricultural and forestry biomass.	S 2nd Reading	Van De Wege
SB 6138 (ESHB 2131)	Thermal energy networks	Promoting the establishment of thermal energy networks.	S Environment, E	Shewmake
SSB 6168 (E2SHB 2000)	International leadership	Renewing Washington's international leadership.	S Rules 2	Stanford
SB 6240 (HB 2410)	Jet fuel tax preferences	Expanding tax preferences for jet fuel.	S Ways & Means	Warnick
SB 6243	Technology manuf./B&O tax	Providing a state business and occupation tax exemption to encourage clean technology manufacturing in Washington.	S Business, Fin	Mullet
SSB 6299	Employees/digital technology	Protecting employee rights in the workplace with regards to the use of digital technology.	S Rules 2	Stanford
SSB 6302	Supply chain competitiveness	Creating a Washington state supply chain competitiveness infrastructure program.	S Rules 2	Liias
SB 6303	Energy storage manufacturing	Providing tax incentives to encourage energy storage system and component parts manufacturing in Washington.	S Ways & Means	Nguyen