



2024 Legislative Session Weekly Report CleanTech Alliance March 8, 2024

End of Session

The 2024 legislative session adjourned Sine Die at 5:00pm Thursday, March 7th. Over the last week, lawmakers worked long days and nights to wrap up the budgets, address bills necessary to implement the budget, pass three of the six initiatives, reconcile differences in bills approved by both the House and Senate, and honor members who won't be resuming their positions in the Legislature. During this short sixty-day sprint, the Legislature passed 386 bills which included the 2024 Supplemental Operating, Capital, and Transportation budgets.

There will be significant changes in the legislature next year due to the fall elections in Washington state. Of the 49 members of the Senate, 24 seats are open, along with all 98 seats in the House of Representatives, and numerous statewide and congressional races. Many legislators have announced retirements or plans to run for different offices. Below is a list of members who have announced their departure from their current roles.

- **House:** Kelly Chambers, Spencer Hutchins, Joel Kretz, Jacqueline Maycumber, J.T. Wilcox, Mike Chapman, Paul Harris, Marcus Riccelli
 - **Senate:** Andy Billig, Manka Dhingra*, Sam Hunt, Karen Keiser, Patty Kuderer*, Mark Mullet, Emily Randall*, Kevin Van De Wege, Lynda Wilson
- *Maintains current role even if they lose their race

Client Specific Issues - End of Session:

Both the Sewer Heat Recovery Program and Pilot and the Fusion Innovation Cluster Accelerator Program made it into the final Operating Budget. There was also funding under the Department of Commerce allotted for the Innovation Accelerator Program.

Sewer Heat Recovery Program (page 152, line 36):

\$150,000 of the climate commitment account—state appropriation is provided solely for a grant to conduct up to three feasibility studies that will investigate the expansion of sewer heat recovery programs and pilots, within Washington state, to support decarbonization of the built environment. The feasibility studies will explore and review sewer heat recovery systems' potential benefits, implementation strategies, and necessary considerations to maximize decarbonization. The sites will be selected from the following: Decarbonization of a university campus district steam system, a rural community with agricultural and/or industrial focus, a tribal development, and/or another appropriate site. Funds provided in this subsection may not be expended or obligated prior to January 1, 2025. If Initiative Measure No. 2117 is approved in the general election, this subsection is null and void upon the effective date of the measure.

Fusion Innovation Cluster Accelerator program (page 152, line 36):

\$250,000 of the general fund—state appropriation for fiscal year 2025 is provided solely for the innovation cluster accelerator program to support an industry-led fusion energy cluster. By June 30, 2025, the fusion energy cluster

must submit a report to the appropriate committees of the legislature that includes recommendations for promoting the development of fusion energy and the manufacturing and assembling of component parts for fusion energy in Washington state. The report must:

(a) Include an evaluation of the applicability of new and existing clean energy incentives for manufacturing, facility construction, and the purchase of materials and equipment; and

(b) Identify opportunities for state funding, including matching federal grants.

Department of Commerce Innovation Cluster Accelerator program (page 128, line 6):

\$1,000,000 of the climate commitment account—state appropriation is provided solely for the innovation cluster accelerator program. Funding provided in this subsection may only be used to develop and maintain clusters that aim to reduce and mitigate impacts from greenhouse gases in overburdened communities, deploy renewable energy resources, increase energy efficiency or reduction, or other permissible uses pursuant to RCW 70A.65.260. Funds provided in this subsection may not be expended or obligated prior to January 1, 2025. If Initiative Measure No. 2117 is approved, this subsection is null and void upon the effective date of the measure.

Policy Issues:

- Nuclear Fusion
 - Representative Shavers' bill [HB 1924](#), promoting the integration of fusion technology within state clean energy policies, was unanimously voted off the Senate floor on Tuesday, February 27th. We do expect issues around fusion energy to continue.
- Thermal Energy Networks
 - Representative Ramel's thermal energy networks bill for gas utilities, [HB 2131](#), passed this legislative session. We do not expect this issue to return unless problems arise with the bill.
- Carbon Linkage
 - The Senate vehicle for the carbon market linkage bill, [SB 6058](#), passed out of the legislature. There will likely be ongoing issues related to linkage if the Climate Commitment Act survives the initiatives this fall.
- Greenhouse Gas Emissions
 - While Senator Shewmake's bill, [SB 6092](#), which concerns the disclosure of greenhouse gas emissions, did not pass this session, it was significantly reduced in scope during the process. We expect the issue of greenhouse gas reporting and corporate disclosures to continue to be discussed next session.
- Refrigerant Gasses
 - [HB 2401](#), 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. With this bill dying in the Senate Ways & Means Committee this session, we expect it to return in some form next year.
- Tax Preferences & Exemptions
 - Two bills regarding tax preferences & exemptions (Senator Mullet's [SB 6243](#) and Representative Barnard's [HB 2120](#)) failed to pass this legislative session, however, we expect ongoing interest in incentivizing green energy projects as well as any supply chain or manufacturing opportunities that may come into that space.
- Natural Gas
 - Rep. Doglio's clean energy economy bill, [HB 1589](#), did pass the legislature however there are some questions around procedural elements with passing that bill which may lead to litigation. We will be waiting to see what changes the courts may make to this legislation.
- Re-WRAP Act
 - The Re-WRAP Act, [HB 2049](#), never got pulled onto the House floor for a vote and is now considered dead for this session. We do expect ongoing discussions on the issues related to plastic waste.

Key Issues that Passed the Legislature - End of Session:

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

- **Clean Energy Bill** - [HB 1589](#) reduces reliance on natural gas by limiting its expansion and promoting a transition to cleaner energy sources. It's part of efforts to address climate change by reducing carbon emissions, with proponents highlighting that residential natural gas use significantly contributes to Seattle's carbon footprint. Opponents voiced worry about the financial impact on consumers, especially in underserved communities, due to increased energy rates this bill could possibly cause. The bill went back for a concurrence vote in the House where it passed 50-45. The bill now heads to the governor for approval.
- **Captive Audience Bill** - [SB 5778](#) makes it so that employers can't require employees to come to a meeting where the employer discusses politics or religion. Opponents of the legislation voiced that there are times when an employer needs to talk to employees about politics - for example, if the state or local government were making changes that impact the job directly. The bill passed out of the House 55-41 last week and is now on its way to the Governor.

Some notable bills that ultimately did not pass the legislature but received a lot of attention include rent stabilization, health mergers and acquisitions (Keep our Care Act), and UI for striking workers. These bills took up so many hours of time during this session but ultimately did not pass the legislature. We anticipate that these bills will all be back next legislative session.

Insight - End of Session:

- **Budgets**
 - **Capital Budget** - Funding allocates \$1.3 billion for various construction projects across the state. Major funding includes schools (\$200 million allocated to various programs), behavioral health facilities (\$83 million), and affordable housing (\$128 million designated for the Housing Trust Fund to support low-income housing projects).
 - **Operating Budget** - During the 2023 session, the legislature passed a \$69.8 billion operating budget and is increasing spending by another \$2.1 billion, as outlined in their Supplemental Operating Budget released during the 2024 session. Significant spending items include education, opioid and public safety, housing and homelessness, and behavioral health support
 - **Transportation Budget** - The Supplemental Transportation Budget passed this year increased spending by \$1 billion from last year, totaling a \$14.6 spending package.
- **Initiatives Update** - [Click here to read more](#)
 - [I-2111](#) (codifies Washington state's longstanding tradition of prohibiting state and local personal income taxes), [I-2113](#) (rolls back current state restrictions on police pursuits), and [I-2081](#) (enhances parents' rights regarding their children's education) all passed the legislature this week and goes into effect 90 days after the legislature adjourns. Read more [here](#).
 - [I-2117](#) (works to repeal the two-year-old Climate Commitment Act), [I-2109](#) (works to repeal the capital gains excise tax), and [I-2124](#) (which repeals the Washington Cares Fund) will all be on the ballot in November.
- **[End of Session Interview with Democratic Speaker of the House, Laurie Jinkins](#)** - During this interview Representative Jinkins highlights significant progress in behavioral health, housing, childcare, and climate change, citing the passage of numerous bills and targeted budget allocations. She defends the importance of the Long-Term Care, Climate Commitment Act, and the Capital Gains Excise Tax. Jinkins also addresses plans to revisit important but unpassed bills, including those focused on reproductive health care, recycling, rent stabilization, and inclusive decision-making.

Bill Status

<u>Bill Details</u>	<u>Status</u>	<u>Sponsor</u>
<u>HB 1076</u> (Dead) Salmon voluntary stewardship Encouraging salmon recovery through voluntary stewardship.	H Env & Energy	Klicker
<u>SHB 1094</u> (Dead) Future fund program Creating the Washington future fund program.	H Approps	Stonier
<u>EHB 1125</u> Transportation budget Making transportation appropriations for the 2023-2025 fiscal biennium.	H Passed 3rd	Fey
<u>HB 1126</u> (Dead) Transportation budget, supp. Making supplemental transportation appropriations for the 2021-2023 fiscal biennium.	H Transportation	Fey
<u>2SHB 1131</u> (Dead) Solid waste management Improving Washington's solid waste management outcomes.	H Rules X	Berry
<u>SHB 1140</u> (Dead) 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> (Dead) Operating budget, supp. Making 2021-2023 fiscal biennium second supplemental operating appropriations.	H Approps	Ormsby
<u>SHB 1147</u> (Dead) Capital budget Concerning the capital budget.	H Rules X	Tharinger
<u>ESHB 1148</u> (Dead) State gen. obligation bonds Concerning state general obligation bonds and related accounts.	C 473 L 23	Tharinger
<u>E2SHB 1170</u> Climate response strategy Improving climate resilience through updates to the state's integrated climate response strategy.	C 169 L 23	Street
<u>ESHB 1173</u> Light pollution Reducing light pollution associated with certain energy infrastructure.	C 344 L 23	Connors
<u>E2SHB 1181</u> Climate change/planning 	C 228 L 23	Duerr

Improving the state's response to climate change by updating the state's planning framework.

<u>E2SHB 1216</u>	Clean energy siting Concerning clean energy siting.	C 230 L 23	Fitzgibbon
<u>2ESHB 1282</u> (Dead)	Public building materials Requiring environmental and labor reporting for public building construction and renovation material.	Del to Gov	Duerr
<u>2SHB 1390</u>	District energy systems Concerning district energy systems.	C 291 L 23	Ramel
<u>2SHB 1391</u> (Dead)	Energy in buildings Concerning energy in buildings.	S Ways & Means	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> (Dead)	On-premises energy gen. Concerning on-premises energy generation.	H Env & Energy	Mena
<u>E2SHB 1433</u> (Dead)	Energy labeling/residential Concerning energy labeling of residential buildings.	H 3rd Reading	Duerr
<u>HB 1505</u> (Dead)	Alternative jet fuel Promoting the alternative jet fuel industry in Washington.	H Env & Energy	Slatter
<u>HB 1509</u> (Dead)	Community solar Concerning fair access to community solar.	H Env & Energy	Hackney
<u>HB 1574</u> (Dead)	Methane/agriculture Supporting Washington agriculture by capturing methane and reducing greenhouse gas emissions.	H Approps	Rule
<u>ESHB 1584</u> (Dead)	Nuclear reactor technology Planning for advanced nuclear reactor technology in Washington.	H Env & Energy	Barnard

<u>ESHB 1589</u>	Clean energy	Del to Gov	Doglio	Supporting Washington's clean energy economy and transitioning to a clean, affordable, and reliable energy future.
<u>HB 1619</u> (Dead)	Renewable energy resources	H Env & Energy	Fey	Incentivizing development and acquisition of renewable energy resources.
<u>HB 1659</u> (Dead)	Carbon market prices	H Env & Energy	Dye	Preventing carbon market price manipulation.
<u>SHB 1729</u> (Dead)	Hydrogen fuel products	H Rules X	Abbarno	Creating and expanding tax incentives for the research, development, deployment, production, and sale of hydrogen fuel products in Washington state.
<u>SHB 1768</u> (Dead)	Green businesses/utility tax	S Rules 2	Shavers	Exempting certain sales of electricity to qualifying green businesses from the public utilities tax.
<u>HB 1887</u> (Dead)	Climate cmit. act/consumers	H Env & Energy	Chapman	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.
<u>HB 1908</u> (Dead)	Utility project assistance	H Env & Energy	Barnard	Supporting the clean energy transition by providing a framework for financial assistance to utility-scale emission-reducing electricity generation or storage projects.
<u>SHB 1924</u>	Fusion technology policies	Del to Gov	Shavers	Promoting the integration of fusion technology within state clean energy policies.
<u>HB 1981</u> (Dead)	Nuclear energy manufacturing	H Finance	Barnard	Incentivizing clean nuclear energy manufacturing through preferential business and occupation tax rates.
<u>E2SHB 2000</u>	International leadership	Del to Gov	Mena	Renewing Washington's international leadership.
<u>SHB 2020</u>	Public infra. assistance prg	Del to Gov	Timmons	Creating a state administered public infrastructure assistance program within the emergency management division.

<u>HB 2042</u> (Dead)	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
<u>HB 2068</u> (Dead)	Fashion/environmental impact Concerning the environmental impacts of fashion.	H Env & Energy	Mena
<u>SHB 2069</u> (Dead)	Biogenic carbon dioxide Concerning the sale of biogenic carbon dioxide and other coproducts of biogas processing.	S 2nd RdConsCal	Mosbrucker
<u>SHB 2070</u> (Dead)	Env. justice/SEPA projects Integrating environmental justice considerations into certain project decisions.	H Approps	Mena
<u>2SHB 2073</u> (Dead)	Greenhouse gas other sources Concerning emissions of greenhouse gases from sources other than methane and carbon dioxide.	H Rules X	Slatter
<u>SHB 2082</u> (Dead)	Electrical transmission Assessing the needs of the electrical transmission industry.	H Approps	Fosse
<u>SHB 2089</u> (Dead)	Capital budget, supplemental Concerning the capital budget.	H Rules R	Tharinger
<u>SHB 2104</u> (Dead)	Operating budget, supp. Making 2023-2025 fiscal biennium supplemental operating appropriations.	H Rules R	Ormsby
<u>SHB 2117</u> (Dead)	Aerial firefighting/permits Authorizing authorities to address aerial firefighting aspects as part of permitting processes for communities at risk of wildfires.	H Rules X	Barnard
<u>SI 2117</u> (Dead)	Carbon tax credit trading Concerning carbon tax credit trading.	S Environment, E	
<u>HB 2120</u> (Dead)	Clean energy manufacturers	S Environment, En	Barnard

Concerning tax preferences for clean energy manufacturers.

<u>HB 2129</u> (Dead)	Geothermal energy resources	H Env & Energy	Ramel	Promoting the development of geothermal energy resources.
<u>ESHB 2131</u>	Thermal energy networks	Del to Gov	Ramel	Promoting the establishment of thermal energy networks.
<u>2SHB 2201</u> (Dead)	Carbon market linkage	H Rules X	Doglio	Facilitating linkage of Washington's carbon market with the California-Quebec carbon market.
<u>HB 2232</u> (Dead)	Petroleum product supply	H Env & Energy	Doglio	Concerning petroleum products supply and pricing.
<u>HB 2249</u> (Dead)	CCA market impacts	H Env & Energy	Dye	Ensuring transparency regarding the impacts of allowing general market participants, including financial speculators, to participate in climate commitment act markets.
<u>HB 2253</u> (Dead)	Community solar	H Env & Energy	Hackney	Concerning fair access to community solar.
<u>HB 2388</u> (Dead)	Clean energy fund	H Cap Budget	Hackney	Promoting equitable economic and technological advancement through the clean energy fund.
<u>HB 2417</u> (Dead)	Renewable energy loans	H Cap Budget	Barnard	Establishing the development of renewable energy for Washington revolving loan program and account.
<u>HB 2429</u> (Dead)	Energy facility eval process	H Env & Energy	Ramel	Concerning the process to make recommendations for a project by the energy facility site evaluation council.
<u>HB 2483</u> (Dead)	Biochar production	H Env & Energy	Chapman	Concerning biochar production from agricultural and forestry biomass.

<u>SB 5037</u> (Dead)	Natural gas/energy code	S Environment, E	Wilson	Ensuring that the Washington state energy code may not prohibit the use of natural gas in buildings.
<u>SB 5043</u> (Dead)	Power plant long-term policy	S Environment, E	Short	Recognizing that power plants that comply with the state greenhouse gas emissions performance standard are consistent with Washington's long-term policy for electricity.
<u>SSB 5057</u> (Dead)	Energy standards/commercial	S Rules X	Mullet	Creating a work group to evaluate the costs of the state energy performance standard for covered commercial buildings.
<u>2SSB 5091</u> (Dead)	Hydrogen fuel products	S Business, Fin S	King	Creating and expanding tax incentives for the research, development, production, and sale of hydrogen fuel products in Washington state.
<u>SSB 5093</u> (Dead)	Climate response strategy	S Rules X	Rolfes	Improving climate resilience through updates to the state's integrated climate response strategy.
<u>SSB 5094</u> (Dead)	Water system plans/climate	S Rules X	Rolfes	Adding a climate resilience element to water system plans.
<u>SSB 5125</u> (Dead)	Future fund program	S Ways & Means	Trudeau	Creating the Washington future fund program.
<u>SB 5129</u> (Dead)	Nuclear reactor technology	S Rules X	MacEwen	Planning for advanced nuclear reactor technology in Washington.
<u>SSB 5133</u> (Dead)	Responsible bidder criteria	S Ways & Means	Keiser	Modifying the responsible bidder criteria for public works projects.
<u>SB 5146</u> (Dead)	Hydropower	S Environment, E	Short	Removing regulatory restrictions on hydropower.

<u>SSB 5154</u> (Dead)	Solid waste management Improving Washington's solid waste management outcomes.	S Ways & Means	Rolfes
<u>SSB 5162</u> (Dead)	Transportation budget Making transportation appropriations for the 2021-2023 and 2023-2025 fiscal biennia.	S Rules X	Lias
<u>SB 5164</u> (Dead)	Transportation budget, supp. Making supplemental transportation appropriations for the 2021-2023 fiscal biennium.	S Transportation	Lias
<u>SSB 5165</u>	Electric transm. planning Concerning electric power system transmission planning.	C 229 L 23	Nguyen
<u>SB 5167</u> (Dead)	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> (Dead)	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>	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> (Dead)	Operating budget, supp. Making 2021-2023 fiscal biennium second supplemental operating appropriations.	S Ways & Means	Rolfes
<u>SSB 5201</u> (Dead)	State gen. obligation bonds Concerning state general obligation bonds and related accounts.	S Rules X	Mullet
<u>SB 5312</u> (Dead)	Clean energy/residential Creating a residential property assessed clean energy and resiliency program.	S Loc Gov, Land	Lovelett
<u>SSB 5322</u> (Dead)	Public building materials	S Ways & Means	Wellman

Requiring environmental and labor reporting for public building construction and renovation material.

<u>SB 5325</u> (Dead)	Clean fuel/public transport.	S Environment, E	Shewmake	Enhancing access to clean fuel for agencies providing public transportation.
<u>SB 5345</u> (Dead)	School buildings/energy	S Environment, E	Schoesler	Exempting certain public school buildings from the state energy performance standard.
<u>SSB 5380</u> (Dead)	Clean energy siting	S Ways & Means	Nguyen	Concerning clean energy siting.
<u>ESSB 5447</u> (Dead)	Alternative jet fuel	C 232 L 23	Billig	Promoting the alternative jet fuel industry in Washington.
<u>SSB 5562</u> (Dead)	Clean energy	S Ways & Means	Nguyen	Supporting Washington's clean energy economy and transitioning to a clean, affordable, and reliable energy future.
<u>SB 5620</u> (Dead)	EV charging/line extensions	S Transportation	Lias	Concerning line extension tariffs for electric vehicle charging infrastructure.
<u>SB 5659</u> (Dead)	Gas companies/renewable res.	S Environment, E	Boehnke	Incentivizing gas companies to develop and acquire renewable energy resources.
<u>SB 5772</u> (Dead)	Energy code/federal law	S State Govt & E	Wilson	Requiring the state building code council to amend the state energy code to comply with the energy policy and conservation act.
<u>SB 5783</u> (Dead)	Climate cmit. act/consumers	S Environment, En	Mullet	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.

<u>SSB 5919</u>	Biogenic carbon dioxide	Del to Gov	King
	Concerning the sale of biogenic carbon dioxide and other coproducts of biogas processing.		
<u>ESSB 5949</u>	Capital budget, supplemental	H Spkr Signed	Mullet
	Concerning the capital budget.		
<u>ESSB 5950</u>	Operating budget, supp.	H Spkr Signed	Robinson
	Making 2023-2025 fiscal biennium supplemental operating appropriations.		
<u>SB 5965</u> (Dead)	Fashion/environmental impact	S Environment, E	Nguyen
	Concerning the environmental impacts of fashion.		
<u>SB 5990</u> (Dead)	Env. justice/SEPA projects	S Environment, E	Lovelett
	Integrating environmental justice considerations into certain project decisions.		
<u>SB 5992</u> (Dead)	Water supply/energy sites	S Environment, E	Warnick
	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.		
<u>ESSB 6039</u>	Geothermal energy resources	H Spkr Signed	Lovelett
	Promoting the development of geothermal energy resources.		
<u>SSB 6052</u> (Dead)	Petroleum product supply	S Ways & Means	Nguyen
	Concerning petroleum products supply and pricing.		
<u>E2SSB 6058</u>	Carbon market linkage	H Spkr Signed	Nguyen
	Facilitating linkage of Washington's carbon market with the California-Quebec carbon market.		
<u>E2SSB 6092</u> (Dead)	Greenhouse gas disclosures	H 2nd Reading	Shewmake
	Concerning disclosure of greenhouse gas emissions.		
<u>SSB 6121</u>	Ag. and forestry biomass	Del to Gov	Van De Wege
	Concerning agricultural and forestry biomass.		

<u>SB 6138</u> (Dead)	Thermal energy networks	S Environment, E	Shewmake	Promoting the establishment of thermal energy networks.
<u>SSB 6168</u> (Dead)	International leadership	S Rules X	Stanford	Renewing Washington's international leadership.
<u>SB 6240</u> (Dead)	Jet fuel tax preferences	S Ways & Means	Warnick	Expanding tax preferences for jet fuel.
<u>SB 6243</u> (Dead)	Technology manuf./B&O tax	S Business, Fin	Mullet	Providing a state business and occupation tax exemption to encourage clean technology manufacturing in Washington.
<u>SSB 6299</u> (Dead)	Employees/digital technology	S Rules X	Stanford	Protecting employee rights in the workplace with regards to the use of digital technology.
<u>SSB 6302</u> (Dead)	Supply chain competitiveness	H Transportation	Lias	Creating a Washington state supply chain competitiveness infrastructure program.
<u>SSB 6303</u> (Dead)	Energy storage manufacturing	S Rules 2	Nguyen	Providing tax incentives to encourage energy storage system and component parts manufacturing in Washington.