

2024 Legislative Session Weekly Report CleanTech Alliance March 2, 2024

Week Eight

Legislators worked long hours and through the weekend leading up to the Opposite House Fiscal Committee Cutoff on February 26th to ensure that priority legislation survived the deadline. Following Monday's cutoff, legislators returned to the floor of their respective chambers to debate and vote on bills before the Opposite House Cutoff, which was on Friday, March 1st. The last bill had to begin floor debate by 5:00 PM on cutoff day to be considered.

These cutoff deadlines do not apply to initiatives and alternatives to initiatives, budgets and bills that are deemed necessary to implement budgets. The final cutoff date will be Sine Die (last day of session) on March 7. Next week we expect the Legislature will vote on the three initiatives they heard this week (see below for more detail), release and pass negotiated budgets, and reconcile changes made to bills in the opposite house.

Legislator retirement announcements always pick up toward the end of session in any election year. Last week we reported Sen. Sam Hunt (D-Olympia) - this week former House Minority Leader Representative J.T. Wilcox (R-Yelm) announced his retirement.

Below is a summary of legislative highlights.

Key Issues Before the Legislature - Week 8:

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

- **Keep Our Care Act** -SB 5241 was the last bill brought to the House floor on Friday before the 5:00pm cut off. The bill was read in at 4:56pm and then the House broke for caucus. This legislation works to implement AG approval for mergers and affiliations of hospitals with the intent of protecting access to healthcare and cost of care. The bill has been very controversial all session. Advocates believe that the bill will preserve access to critical services like reproductive health, gender affirming care, and death with dignity while also preventing consolidation in the healthcare marketplace. Providers fear that the bill would actually have the opposite effect, by delaying critical mergers that are necessary to preserve care. After four hours of caucus the House came back and deferred action on the bill. While no bill is ever dead until they adjourn, this legislation is unlikely to move forward. Read more about the bill here.
- **Limiting Natural Gas to Decarbonize Energy Grid** HB 1589 was the last bill heard by the Senate on Friday. This legislation aims to decarbonize Washington State's energy grid by limiting the expansion of natural gas services. On Thursday, the bill was brought to the Senate floor for debate. After four hours of floor debate in the Senate on the bill, Republican floor leader Shelly Short made a point of order that the bill was improperly before the Senate because it violated Senate Rule 26. Senate Rule 26 states that "No act shall ever be revised or amended by mere reference to its title, but the act revised or the section amended

- shall be set forth at full length." The Senate went at ease while LG Denny Heck considered the point of order. After two hours they came back, and Heck ruled that the point was well taken. The bill had to be moved back to second reading so that it could be amended. The amended bill was brought back to the floor on Friday and passed with a vote of 27-22.
- **UI for Striking Workers** -HB 1893 failed to advance before yesterday's cutoff. The bill was hotly debated all session and was a key priority for labor. The employer community and members in both caucuses expressed concerns with the bill and the potential negative impact the bill would have on the state's UI system. On Friday the bill was pulled from Senate rules to the floor calendar. The bill failed to make it to the Senate floor before Friday's cutoff and will not move forward this session. You can read more here.

Insight - Week 8:

- **Budgets** Over this weekend, budget writers will stay in town to work on negotiating final budgets. We anticipate that final budget proposals will be released early next week and then work their way through the legislative process before the legislature adjourns Sine Die on March 7.
 - o Capital Budget
 - Senate Proposed, SB 5949
 - House Proposed, HB 2089
 - Operating Budget
 - Senate Proposed, SSB 5950
 - House Proposed, SHB 2104
 - o Transportation Budget
 - Senate Proposed, SB 5947,
 - House Proposed, HB 2134.
- Initiatives Update -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) are anticipated to be on the ballot in November for the public to decide. The three initiatives that had public hearings this week were all voted out of their respective committees on Friday and now move to the floor for debate and a vote.
 - O I-2111 This initiative seeks to codify Washington state's longstanding tradition of prohibiting state and local personal income taxes. The initiative had a public hearing in front of the Senate Ways & Means and House Finance Joint Committee on February 27th. Supporters believe it will stabilize the economy and attract business, seeking a guarantee against future income taxes due to dissatisfaction with current fiscal policies. Critics argue the initiative is unnecessary and harmful, pointing out that Washington's heavy reliance on sales taxes unfairly burdens lower earners. They also warn that banning an income tax could hinder the state's ability to improve its tax system and fund public services. Read more here.
 - House: 7-5. Senate: 19-3
 - O I-2113 -A joint public hearing by the Senate Law Justice and House Community Safety, Justice, and Reentry committees on February 28th. The initiative is aimed at rolling back current state restrictions on police pursuits. The initiative proposes to change the criteria for police pursuits, allowing officers more discretion by requiring that a person must pose a "threat to the safety of others" rather than a "serious risk of harm" for a pursuit to be initiated. Supporters argue that the initiative is necessary for public safety and to allow police officers to more effectively combat crime. Opponents, however, cite studies indicating that police pursuits often result in injuries and deaths making streets more dangerous.
 - House: 7-2, Senate: 7-4
 - I-2081 The House Education Committee and the Senate Early Learning and K-12 Education
 Committee held a joint public hearing on February 28th. This initiative seeks to enhance parents'

rights regarding their children's education. This includes access to textbooks, medical and disciplinary records, and notifications about medical services provided to their children. Supporters argue that the law is necessary to reinforce parental rights and address concerns over curriculum content and school policies. Critics express worries that the initiative's language is confusing and could negatively impact vulnerable students.

■ House: 14-1, Senate: Unanimous

Leadership Interviews

o Media Availability - Republican Leadership Media Availability

CleanTech Alliance Specific Issues - Week 8:

Budget: Thank you to those who sent emails urging our budget proviso requests to make it into the final budget. We should have confirmation on if they made it to the final budget by the middle of next week.

Bills that Survived Cutoff:

- Representative Shavers' bill <u>HB 1924</u>, promoting the integration of fusion technology within state clean energy policies, was unanimously voted off the Senate floor on Tuesday, February 27th. The bill will now return to the Senate for concurrence.
- Representative Ramel's thermal energy networks bill for gas utilities, <u>HB 2131</u>, passed off of the Senate floor on Friday, March 1st, and will now return to the House for concurrence.
- The Senate vehicle for the carbon market linkage bill, <u>SB 6058</u>, passed off of the House floor on Thursday, February 29th (57-39). The bill will now return to the Senate for concurrence.
- 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. The bill passed off the Senate floor with a vote of 27-22 and now moves back to the House for concurrence.
- <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 passed off of the Senate floor unanimously on Thursday, February 29th, and will now move to the Governor's desk for final passage.

Bills that Appear Dead:

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

- <u>HB 2069</u>, concerning the sale of biogenic carbon dioxide and other coproducts of biogas processing, did not get pulled onto the Senate floor for a vote and now appears dead for this session.
- Senator Shewmake's bill, <u>SB 6092</u>, which concerns the disclosure of greenhouse gas emissions, did not get pulled to the House floor for a vote. It appears as if the bill is dead for this session.
- <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 received a do pass recommendation in the Senate Environment, Energy & Technology Committee on <u>Tuesday</u>, <u>February 20th</u>. It was heard in the Senate Ways & Means Committee on <u>Saturday</u>, <u>February 24th</u> and although it was scheduled for executive session on <u>Monday</u>, <u>February 26th</u>, no action was taken and the bill is now considered dead for this session.
- Representative Barnard's Tax Preferences for Clean Energy Manufacturers bill, <u>HB 2120</u>, had a <u>public</u> hearing on Tuesday, February 20, in front of the Senate Environment, Energy & Technology Committee however it failed to make it out of committee prior to Wednesday's cutoff and is now considered dead for this session.
- The Re-WRAP Act, <u>HB 2049</u>, never got pulled onto the House floor for a vote and is considered dead for the session.

- Representative Slatter's bill, <u>HB 2073</u>, regarding greenhouse gasses from sources other than methane and carbon dioxide was not pulled to the House floor by a member before the House of Origin cutoff and is considered dead for the session.
- Senator Mullet introduced legislation to provide a state B&O tax exemption to encourage clean technology manufacturing in Washington (SB 6243). 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 (HB 2417). The bill never moved out of its house of origin policy committee and is considered dead.

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
HB 1141 (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
2ESHB 1282 (SSB 5322)	Public building materials	Requiring environmental and labor reporting for public building construction and renovation material.	S Passed 3rd	Duerr
2SHB 1390	District energy systems	Concerning district energy systems.	C 291 L 23	Ramel

2SHB 1391	Energy in buildings	Concerning energy in buildings.	S Ways & Means	Ramel
HB 1416	Consumer-owned utilities	Applying the affected market customer provisions of the Washington clean energy transformation act to nonresidential customers of consumer-owned utilities.	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
HB 1509	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 Passed 3rd	Doglio
HB 1619	Renewable energy resources	Incentivizing development and acquisition of renewable energy resources.	H Env & Energy	Fey
HB 1659	Carbon market prices	Preventing carbon market price manipulation.	H Env & Energy	Dye
SHB 1729	Hydrogen fuel products	Creating and expanding tax incentives for the research, development, deployment, production, and sale of hydrogen fuel products in Washington state.	H Rules X	Abbarno
SHB 1768	Green businesses/utility tax	Exempting certain sales of electricity to qualifying green businesses from the public utilities tax.	S Ways & Means	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
HB 1908	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 Passed 3rd	Shavers
<u>HB 1981</u>	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.	S Passed 3rd	Mena

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<u>HB 2388</u>	Clean energy fund	Promoting equitable economic and technological advancement through the clean energy fund.	H Cap Budget	Hackney
<u>HB 2417</u>	Renewable energy loans	Establishing the development of renewable energy for Washington revolving loan program and account.	H Cap Budget	Barnard
<u>HB 2429</u>	Energy facility eval process	Concerning the process to make recommendations for a project by the energy facility site evaluation council.	H Env & 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
SB 5043	Power plant long-term policy	Recognizing that power plants that comply with the state greenhouse gas emissions performance standard are consistent with Washington's long-term policy for electricity.	S Environment, E	Short
SSB 5057	Energy standards/commercial	Creating a work group to evaluate the costs of the state energy performance standard for covered commercial buildings.	S Rules X	Mullet
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 Rules X	MacEwen
SSB 5133	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
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 (2ESHB 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
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
<u>SB 5620</u>	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
<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
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 Passed 3rd	King

ESSB 5949 (SHB 2089)	Capital budget, supplemental	Concerning the capital budget.	H 2nd Reading	Mullet
ESSB 5950 (SHB 2104)	Operating budget, supp.	Making 2023-2025 fiscal biennium supplemental operating appropriations.	H Passed 3rd	Robinson
SB 5965 (HB 2068)	Fashion/environmental impact	Concerning the environmental impacts of fashion.	S Environment, E	Nguyen
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
ESSB 6039 (HB 2129)	Geothermal energy resources	Promoting the development of geothermal energy resources.	H Passed 3rd	Lovelett
SSB 6052 (HB 2232)	Petroleum product supply	Concerning petroleum products supply and pricing.	S Ways & Means	Nguyen
E2SSB 6058 (2SHB 2201)	Carbon market linkage	Facilitating linkage of Washington's carbon market with the California-Quebec carbon market.	H Passed 3rd	Nguyen
E2SSB 6092	Greenhouse gas disclosures	Concerning disclosure of greenhouse gas emissions.	H 2nd Reading	Shewmake
SSB 6121 (HB 2483)	Ag. and forestry biomass	Concerning agricultural and forestry biomass.	H Passed 3rd	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 X	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 X	Stanford
SSB 6302	Supply chain competitiveness	Creating a Washington state supply chain competitiveness infrastructure program.	H Transportation	Liias
SSB 6303	Energy storage manufacturing	Providing tax incentives to encourage energy storage system and component parts manufacturing in Washington.	S Rules 2	Nguyen