ONE HUNDRED FIRST DAY

MORNING SESSION

Senate Chamber, Olympia
Wednesday, April 19, 2023

The Senate was called to order at 10 o'clock a.m. by the President of the Senate, Lt. Governor Heck presiding. The Secretary called the roll and announced to the President that all Senators were present.

The Sergeant at Arms Color Guard consisting of Pages Miss Sophia Kahn and Mr. Adam Noga-Styron, presented the Colors. Page Miss Sophia McElvain led the Senate in the Pledge of Allegiance.

The invocation was offered by Reverend Katsuya Kusunoki, Head Minister, Seattle Betsuin Buddhist Temple.

MOTIONS

On motion of Senator Pedersen, the reading of the Journal of the previous day was dispensed with and it was approved.

On motion of Senator Pedersen, the Senate advanced to the fourth order of business.

MESSAGES FROM THE HOUSE

April 18, 2023

MR. PRESIDENT:
The House receded from its amendment(s) 5294-S.E AMH APP H1734.1 to ENGROSSED SUBSTITUTE SENATE BILL NO. 5294 and passed the bill without said House amendments.
and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

April 18, 2023

MR. PRESIDENT:
The House concurred in the Senate amendments to the following bills and passed the bills as amended by the Senate:

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1238,
HOUSE BILL NO. 1257,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1260,
ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1357,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1791,
ENGROSSED HOUSE BILL NO. 1846,

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

April 18, 2023

MR. PRESIDENT:
The House concurred in the Senate amendments to the following bills and passed the bills as amended by the Senate:

ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1110,
ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1134,
SUBSTITUTE HOUSE BILL NO. 1682,
SECOND SUBSTITUTE HOUSE BILL NO. 1724,
ENGROSSED HOUSE BILL NO. 1823,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1838,

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

April 18, 2023

MR. PRESIDENT:
The Speaker has signed:

SENATE BILL NO. 5000,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5001,
SENATE BILL NO. 5004,
SUBSTITUTE SENATE BILL NO. 5006,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5045,
SENATE BILL NO. 5065,
SUBSTITUTE SENATE BILL NO. 5072,
SUBSTITUTE SENATE BILL NO. 5077,
SUBSTITUTE SENATE BILL NO. 5101,
SECOND SUBSTITUTE SENATE BILL NO. 5103,
SENATE BILL NO. 5104,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5111,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5112,
SECOND SUBSTITUTE SENATE BILL NO. 5128,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5144,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5152,
SENATE BILL NO. 5153,
SENATE BILL NO. 5166,
ENGROSSED SECOND SUBSTITUTE SENATE BILL NO. 5199,
SUBSTITUTE SENATE BILL NO. 5218,

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

April 18, 2023

MR. PRESIDENT:
The Speaker has signed:

HOUSE BILL NO. 1020,
ENGROSSED HOUSE BILL NO. 1086,
ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1188,
ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1238,
SUBSTITUTE HOUSE BILL NO. 1250,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1260,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1335,
ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1357,
SECOND SUBSTITUTE HOUSE BILL NO. 1474,
SECOND SUBSTITUTE HOUSE BILL NO. 1525,
SECOND SUBSTITUTE HOUSE BILL NO. 1578,
SUBSTITUTE HOUSE BILL NO. 1701,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1731,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1791,
ENGROSSED HOUSE BILL NO. 1846,

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

On motion of Senator Pedersen, the Senate advanced to the eighth order of business.

MOTION

Senator Salomon moved adoption of the following resolution:

SENATE RESOLUTION
8645

By Senators Salomon, Wagoner, Holy, Valdez, Lovick, Van De Wege, C. Wilson, Nguyen, Short, Lovelett, Mullet, Shewmake, Braun, Boehnke, Gildon, Dozier, Hawkins, Torres, Pedersen, Cleveland, Rolfes, Kuderer, Schoesler, King, Dhingra, Fortunato, Hasegawa, Stanford, Warnick, Wellman, and L. Wilson

WHEREAS, The United States and Taiwan are bonded by their shared commitment to democracy, human rights, the rule of law, and a free market economy; and

WHEREAS, Taiwan is the 8th largest trading partner of the United States, with bilateral trade totaling $114,000,000,000 in 2021, while both sides welcomed the resumption of high-level trade engagement and expressed a desire to work closely together; and

WHEREAS, In 2021, the total trade between Washington State and Taiwan exceeded approximately $3,500,000,000 worth of products, making Taiwan the 7th largest trading partner for the state, and both sides are committed to strengthening bilateral economic ties; and

WHEREAS, Taiwan is the 6th largest export destination for United States agricultural goods, and has ranked among the top three importers of Washington poultry, potatoes, and beef; and

WHEREAS, Taiwanese companies which invest in Washington State, including WaferTech, Eva Air, Evergreen Marine, Yang Mine Marine Transport, and Lightel Technologies, and etc., have helped to create more than 15,000 jobs in this state; and

WHEREAS, The United States Congress passed the landmark Taiwan Relation Act (TRA) in 1979 to sustain a close, bilateral relationship as well as to advance mutual security and commercial interests between the United States and Taiwan; and

WHEREAS, Based on the principles of the United States-Taiwan Education Initiative in 2020, Taiwan has intentions to further collaborate with the State of Washington on education, cultural, and tourism exchanges by signing memorandum of understandings to promote bilingual learning environments of both sides; and

WHEREAS, The United States has assisted Taiwan in participating in the World Health Organization (WHO), the International Civil Aviation Organization (ICAO), and the International Criminal Police Organization (INTERPOL), and will continue to support Taiwan's meaningful participation in these and other international organizations;

NOW, THEREFORE, BE IT RESOLVED:

(1) That Washington State recognizes the importance of a strong and enduring partnership with Taiwan; and

(2) That Washington State reiterates its support for a closer economic and trade partnership between the United States and Taiwan; and

(3) That Washington State supports Taiwan's participation in international organizations that impact the global trade, health, safety, and well-being of the 23,000,000 people in Taiwan.

Senators Salomon and Wagoner spoke in favor of adoption of the resolution.

The President declared the question before the Senate to be the adoption of Senate Resolution No. 8645.

The motion by Senator Salomon carried and the resolution was adopted by voice vote.

INTRODUCTION OF SPECIAL GUESTS

The President welcomed and introduced Mr. Daniel Chen, Director General, Taipei Economic and Cultural Office in Seattle who was seated in the gallery.

MOTION

On motion of Senator Pedersen, the Senate reverted to the seventh order of business.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Wellman moved that Lily Clifton, Senate Gubernatorial Appointment No. 9010, be confirmed as a member of the Washington State School for the Blind Board of Trustees.

Senators Wellman and Torres spoke in favor of passage of the motion.

MOTIONS

On motion of Senator Nobles, Senator Liias was excused.

On motion of Senator Wagoner, Senator Rivers was excused.

APPOINTMENT OF LILY CLIFTON

The President declared the question before the Senate to be the confirmation of Lily Clifton, Senate Gubernatorial Appointment No. 9010, as a member of the Washington State School for the Blind Board of Trustees.

The Secretary called the roll on the confirmation of Lily Clifton, Senate Gubernatorial Appointment No. 9010, as a member of the Washington State School for the Blind Board of Trustees and the appointment was confirmed by the following vote: Yeas, 45; Nays, 4; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, Mullet, Muzzall, Nguyen, Nobles, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senators Fortunato, McCune, Padden and Schoesler

Lily Clifton, Senate Gubernatorial Appointment No. 9010, having received the constitutional majority was declared confirmed as a member of the Washington State School for the Blind Board of Trustees.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Lovelett moved that Carolina T. Sun-Widrow, Senate Gubernatorial Appointment No. 9032, be confirmed as a member

of the Pollution Control/Shorelines Hearings Board.

Senators Lovelett, Short and Hunt spoke in favor of passage of the motion.

APPOINTMENT OF CAROLINA T. SUN-WIDROW

The President declared the question before the Senate to be the confirmation of Carolina T. Sun-Widrow, Senate Gubernatorial Appointment No. 9032, as a member of the Pollution Control/Shorelines Hearings Board.

The Secretary called the roll on the confirmation of Carolina T. Sun-Widrow, Senate Gubernatorial Appointment No. 9032, as a member of the Pollution Control/Shorelines Hearings Board and the appointment was confirmed by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Carolina T. Sun-Widrow, Senate Gubernatorial Appointment No. 9032, having received the constitutional majority was declared confirmed as a member of the Pollution Control/Shorelines Hearings Board.

THIRD READING
CONFIRMATION OF GUBERNATORIAL APPOINTMENTS

MOTION

Senator Wellman moved that F. Maribel Vilchez, Senate Gubernatorial Appointment No. 9046, be confirmed as a member of the Professional Educator Standards Board.

Senator Wellman spoke in favor of the motion.

APPOINTMENT OF F. MARIBEL VILCHEZ

The President declared the question before the Senate to be the confirmation of F. Maribel Vilchez, Senate Gubernatorial Appointment No. 9046, as a member of the Professional Educator Standards Board.

The Secretary called the roll on the confirmation of F. Maribel Vilchez, Senate Gubernatorial Appointment No. 9046, as a member of the Professional Educator Standards Board and the appointment was confirmed by the following vote Yeas, 48; Nays, 1; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senator McCune

F. Maribel Vilchez, Senate Gubernatorial Appointment No. 9046, having received the constitutional majority was declared confirmed as a member of the Professional Educator Standards Board.

MOTION

On motion of Senator Pedersen, the Senate reverted to the fourth order of business.

MESSAGE FROM THE HOUSE

April 12, 2023

MR. PRESIDENT:
The House passed ENGROSSED SUBSTITUTE SENATE BILL NO. 5583 with the following amendment(s): 5583-S.E AMH DONA H1916.4

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The department of licensing shall develop a comprehensive implementation plan for the expansion of the current driver training education requirement to obtain a driver's license to persons between the ages of 18 and 24. The target date for implementation of the new driver training education expansion is July 1, 2026. The driver training education expansion plan must be provided to the transportation committees of the legislature by October 1, 2024, and must include, but need not be limited to, the following:

(1) Consideration of courses that could satisfy the new driver training education requirement, including a condensed course option and a self-paced, online course option, with attention to the educational value, monetary and time costs required, and possible accessibility constraints for each course option considered;

(2) An assessment of public and private resources necessary to support the new driver training education requirement to ensure sufficient course availability and accessibility. The assessment must include, but need not be limited to, an inventory of the current number, and an estimate of the increased number required to meet the anticipated need, of the following:

(a) Licensed driver training schools and traffic safety education programs in the state, by geographical region;

(b) Licensed driver training school and traffic safety education instructors;

(c) Licensed driver trainer instructors; and

(d) Driver training education course spaces available per year, by course option and for both classroom and behind-the-wheel instruction;

(3) In consultation with the office of equity, evaluation of access to driver training education courses and consideration of opportunities to improve access to driver training education for young drivers. The assessment must address, but should not be limited to, potential obstacles for young drivers for whom the cost of driver training education may pose a hardship, obstacles related to accessibility for young drivers who reside in rural areas, and obstacles for young drivers whose primary language is not English. The assessment must also include strategies that can be used to mitigate these potential obstacles, including possible exceptions to, or substitutions for, a driver training education requirement in cases where access-related obstacles cannot be overcome, such as when a behind-the-wheel driver training program may not be available within a reasonable distance of a person's residence;

(4) A plan for broad and accessible public outreach and education to communicate to Washington state residents new driver training education requirements, including a plan for the development of tools to assist residents in accessing driver training education courses that meet the new requirements;

(5) Collaboration with educational service districts to determine the extent to which educational service districts can facilitate the coordination between school districts or secondary schools of a school district and driver training schools to increase access to driver training education courses by students who reside within the boundaries of an applicable school district;

(6) An examination of opportunities to address the financial need of persons for whom the cost of driver training education courses licensed by the department of licensing may pose a hardship, through a voucher or other financial assistance program. The examination must include quantified estimates of the extent to which the cost of driver training education could pose a significant obstacle, as well as possible approaches to help reduce or eliminate this obstacle;

(7) An examination, in consultation with the office of the superintendent of public instruction, of opportunities to address the financial need of students for whom the cost of driver training education offered as part of a traffic safety education program may pose a hardship, through a grant or other financial assistance program. The examination must include quantified estimates of the extent to which the cost of driver training education could pose a significant obstacle, as well as possible approaches to help reduce or eliminate this obstacle; and

(8) An assessment of approaches used by other states that require driver training by persons age 18 and older, including examination of how this has impacted traffic safety in the state and the extent to which the requirement may have decreased access to driver's licenses, including through examination of the rate of driver's license holders by age and other demographic characteristics compared to that of neighboring, or otherwise similarly situated, states.

Sec. 2. RCW 46.20.075 and 2011 c 60 s 44 are each amended to read as follows:

(1) An intermediate license authorizes the holder to drive a motor vehicle under the conditions specified in this section. An applicant for an intermediate license must be at least ((~~sixteen~~)) 16 years of age and:

(a) Have possessed a valid instruction permit for a period of not less than six months;

(b) Have passed a driver licensing examination administered by the department;

(c) Have passed a course of driver's education in accordance with the standards established in RCW 46.20.100;

(d) Present certification by his or her parent, guardian, or employer to the department stating (i) that the applicant has had at least ((~~fifty~~)) 50 hours of driving experience, ((~~ten~~)) 10 of which were at night, during which the driver was supervised by a person at least ((~~twenty-one~~)) 21 years of age who has had a valid driver's license for at least three years, and (ii) that the applicant has not been issued a notice of traffic infraction or cited for a traffic violation that is pending at the time of the application for the intermediate license;

(e) Not have been convicted of or found to have committed a traffic violation within the last six months before the application for the intermediate license; and

(f) Not have been adjudicated for an offense involving the use of alcohol or drugs during the period the applicant held an instruction permit.

(2) For the first six months after the issuance of an intermediate license or until the holder reaches ((~~eighteen~~)) 18 years of age, whichever occurs first, the holder of the license may not operate a motor vehicle that is carrying any passengers under the age of ((~~twenty~~)) 20 who are not members of the holder's immediate family ((~~as defined in RCW 42.17A.005~~)). For the remaining period of the intermediate license, the holder may not operate a motor vehicle that is carrying more than three passengers who are under the age of ((~~twenty~~)) 20 who are not members of the holder's immediate family.

(3) The holder of an intermediate license may not operate a motor vehicle between the hours of 1 a.m. and 5 a.m. except (a) when the holder is accompanied by ((~~a parent, guardian, or~~)) a licensed driver who is at least ((~~twenty-five~~)) 25 years of age, or (b) for school, religious, or employment activities for the holder or a member of the holder's immediate family as defined in this section.

(4) The holder of an intermediate license may not operate a moving motor vehicle while using a wireless communications device unless the holder is using the device to report illegal activity, summon medical or other emergency help, or prevent injury to a person or property.

(5) It is a traffic infraction for the holder of an intermediate license to operate a motor vehicle in violation of the restrictions imposed under this section.

(6) Except for a violation of subsection (4) of this section, enforcement of this section by law enforcement officers may be accomplished only as a secondary action when a driver of a motor vehicle has been detained for a suspected violation of this title or an equivalent local ordinance or some other offense.

(7) An intermediate licensee may drive at any hour without restrictions on the number of passengers in the vehicle if necessary for agricultural purposes.

(8) An intermediate licensee may drive at any hour without restrictions on the number of passengers in the vehicle if, for the ((~~twelve-month~~)) 12-month period following the issuance of the intermediate license, he or she:

(a) Has not been involved in an accident involving only one motor vehicle;

(b) Has not been involved in an accident where he or she was cited in connection with the accident or was found to have caused the accident;

(c) Has not been involved in an accident where no one was cited or was found to have caused the accident; and

(d) Has not been convicted of or found to have committed a traffic offense described in chapter 46.61 RCW or violated restrictions placed on an intermediate licensee under this section.

(9) For the purposes of this section, "immediate family" means an individual's spouse or domestic partner, child, stepchild, grandchild, parent, stepparent, grandparent, brother, half-brother, sister, or half-sister of the individual, including foster children living in the household, and the spouse or the domestic partner of any such person, and a child, stepchild, grandchild, parent, stepparent, grandparent, brother, half-brother, sister, or half-sister of the individual's spouse or domestic partner, and the spouse or the domestic partner of any such person.

Sec. 3. RCW 46.82.280 and 2017 c 197 s 8 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Behind-the-wheel instruction" means instruction in an approved driver training school instruction vehicle according to and inclusive of the required curriculum. Behind-the-wheel instruction is characterized by driving experience.

(2) "Classroom" means a space dedicated to and used exclusively by a driver training instructor for the instruction of students. With prior department approval, a branch office classroom may be located within alternative facilities, such as a public or private library, school, community college, college or university, or a business training facility.

(3) "Classroom instruction" means that portion of a traffic safety education course that is characterized by in-person

classroom-based student instruction or virtual classroom-based student instruction with a live instructor using the required curriculum conducted by or under the direct supervision of a licensed instructor or licensed instructors. Classroom instruction may include self-paced, online components as authorized and certified by the department of licensing.

(4) "Director" means the director of the department of licensing of the state of Washington.

(5) "Driver training education course" means a course of instruction in traffic safety education approved and licensed by the department of licensing that consists of classroom and behind-the-wheel instruction that follows the approved curriculum.

(6) "Driver training school" means a commercial driver training school engaged in the business of giving instruction, for a fee, in the operation of automobiles.

(7) "Enrollment" means the collecting of a fee or the signing of a contract for a driver training education course. "Enrollment" does not include the collecting of names and contact information for enrolling students once a driver training school is licensed to instruct.

(8) "Fraudulent practices" means any conduct or representation on the part of a driver training school owner or instructor including:

(a) Inducing anyone to believe, or to give the impression, that a license to operate a motor vehicle or any other license granted by the director may be obtained by any means other than those prescribed by law, or furnishing or obtaining the same by illegal or improper means, or requesting, accepting, or collecting money for such purposes;

(b) Operating a driver training school without a license, providing instruction without an instructor's license, verifying enrollment prior to being licensed, misleading or false statements on applications for a commercial driver training school license or instructor's license or on any required records or supporting documentation;

(c) Failing to fully document and maintain all required driver training school records of instruction, school operation, and instructor training;

(d) Issuing a driver training course certificate without requiring completion of the necessary behind-the-wheel and classroom instruction.

(9) "Instructor" means any person employed by or otherwise associated with a driver training school to instruct persons in the operation of an automobile.

(10) "Owner" means an individual, partnership, corporation, association, or other person or group that holds a substantial interest in a driver training school.

(11) "Person" means any individual, firm, corporation, partnership, or association.

(12) "Place of business" means a designated location at which the business of a driver training school is transacted or its records are kept.

(13) "Student" means any person enrolled in an approved driver training course.

(14) "Substantial interest holder" means a person who has actual or potential influence over the management or operation of any driver training school. Evidence of substantial interest includes, but is not limited to, one or more of the following:

(a) Directly or indirectly owning, operating, managing, or controlling a driver training school or any part of a driver training school;

(b) Directly or indirectly profiting from or assuming liability for debts of a driver training school;

(c) Is an officer or director of a driver training school;

(d) Owning ((~~ten~~)) 10 percent or more of any class of stock in a privately or closely held corporate driver training school, or five percent or more of any class of stock in a publicly traded corporate driver training school;

(e) Furnishing ((~~ten~~)) 10 percent or more of the capital, whether in cash, goods, or services, for the operation of a driver training school during any calendar year; or

(f) Directly or indirectly receiving a salary, commission, royalties, or other form of compensation from the activity in which a driver training school is or seeks to be engaged.

Sec. 4. RCW 46.82.330 and 2017 c 197 s 10 are each amended to read as follows:

(1) The application for an instructor's license shall document the applicant's fitness, knowledge, skills, and abilities to teach the classroom and behind-the-wheel instruction portions of a driver training education program in a commercial driver training school.

(2) An applicant shall be eligible to apply for an original instructor's certificate if the applicant possesses and meets the following qualifications and conditions:

(a) Has been licensed to drive for five or more years and possesses a current and valid Washington driver's license or is a resident of a jurisdiction immediately adjacent to Washington state and possesses a current and valid license issued by such jurisdiction, and does not have on his or her driving record any of the violations or penalties set forth in (a)(i), (ii), or (iii) of this subsection. The director shall have the right to examine the driving record of the applicant from the department of licensing and from other jurisdictions and from these records determine if the applicant has had:

(i) Not more than one moving traffic violation within the preceding twelve months or more than two moving traffic violations in the preceding ((~~twenty-four~~)) 24 months;

(ii) No drug or alcohol-related traffic violation or incident within the preceding three years. If there are two or more drug or alcohol-related traffic violations in the applicant's driving history, the applicant is no longer eligible to be a driving instructor; and

(iii) No driver's license suspension, cancellation, revocation, or denial within the preceding two years, or no more than two of these occurrences in the preceding five years;

(b) Is a high school graduate or the equivalent and at least ((~~twenty-one~~)) 21 years of age;

(c) Has completed an acceptable application on a form prescribed by the director;

(d) Has satisfactorily completed a course of instruction in the training of drivers acceptable to the director that is no less than ((~~sixty~~)) 60 hours in length and includes instruction in classroom and behind-the-wheel teaching methods and supervised practice behind-the-wheel teaching of driving techniques; and

(e) Has paid an examination fee as set by rule of the department and has successfully completed an instructor's examination.

(3) The department may develop rules to establish alternative pathways to licensure to substitute for subsection (2) of this section provided the alternative pathways enable the department to assess the applicant's fitness, knowledge, skill, and ability to teach the classroom and behind-the-wheel instruction portions of a driver training education program, and provided behind-the-wheel instructor certification include behind-the-wheel teaching methods and supervised practice behind-the-wheel teaching of driving techniques.

NEW SECTION. **Sec. 5.** A new section is added to chapter 46.82 RCW to read as follows:

(1) By January 1, 2025, the department must publish on its website an interactive map of all driver training education course providers and providers of a traffic safety education program as defined in RCW 28A.220.020, including driver, motorcyclist, and

commercial driver training and testing providers certified by the department. The interactive map, at a minimum, must provide training and testing provider names, locations, contact information, course and program pricing, and services offered by language.

(2) Each driving training education course and traffic safety education program provider must report course and program pricing to the department on an annual basis.

NEW SECTION. **Sec. 6.** A new section is added to chapter 39.19 RCW to read as follows:

The office shall develop a program to foster the development of women, minority-owned, and veteran-owned licensed driver training schools in the state, including through instruction on topics relevant to owning and operating a licensed driver training school, and shall report to the transportation committees of the legislature by October 1, 2024, with an update on program implementation and administration."

Correct the title.

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

Senator Pedersen moved that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 5583.

Senator Liias spoke in favor of the motion.

Senator King spoke against the motion.

The President declared the question before the Senate to be the motion by Senator Pedersen that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 5583.

The motion by Senator Pedersen carried and the Senate concurred in the House amendment(s) to Engrossed Substitute Senate Bill No. 5583 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5583, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5583, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 38; Nays, 11; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Shewmake, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wellman, Wilson, C. and Wilson, J.

Voting nay: Senators Braun, MacEwen, McCune, Muzzall, Padden, Rivers, Schoesler, Short, Wagoner, Warnick and Wilson, L.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5583, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

April 5, 2023

MR. PRESIDENT:

The House passed SUBSTITUTE SENATE BILL NO. 5586 with the following amendment(s): 5586-S AMH LAWS H1811.1

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 50A.25.040 and 2019 c 13 s 73 are each amended to read as follows:

(1) An individual shall have access to all records and information concerning that individual held by the department unless the information is exempt from disclosure under RCW 42.56.410.

(2) An employer shall have access to:

(a) Its own records relating to any claim or determination for family or medical leave benefits by an individual;

(b) Records and information relating to a decision to allow or deny benefits if the decision is based on material information provided by the employer; and

(c) Records and information related to that employer's premium assessment.

(3)(a) Any interested party may have access to the following records and information related to an employee's paid family or medical leave claim:

(i) Type of leave being taken;

(ii) Requested duration of leave including the approved dates of leave; and

(iii) Whether the employee was approved for benefits and was paid benefits for any given week.

(b) Any information provided under this subsection shall be considered accurate to the extent possible based on information available to the department at the time the request is processed.

(c) Any information provided under this subsection may only be used for the purpose of administering internal employer leave or benefit practices under established employer policies. The department may investigate unauthorized uses of records and information obtained under this subsection in accordance with RCW 50A.40.010.

(d) For the purposes of this subsection, "interested party" means a current employer, a current employer's third-party administrator, or an employee. "Interested party" may be specified further in rule by the department.

(4) The department may disclose records and information deemed confidential under this chapter to a third party acting on behalf of an individual or employer that would otherwise be eligible to receive records under subsection (1) or (2) of this section when the department receives a signed release from the individual or employer. The release must include a statement:

(a) Specifically identifying the information that is to be disclosed;

(b) That state government files will be accessed to obtain that information;

(c) Of the specific purpose or purposes for which the information is sought and a statement that information obtained under the release will only be used for that purpose or purposes; and

(d) Indicating all the parties who may receive the information disclosed.

NEW SECTION. **Sec. 2.** This act takes effect January 1, 2024."

Correct the title.

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

Senator King moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5586.

Senator King spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator King that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5586.

The motion by Senator King carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 5586 by voice vote.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5586, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5586, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

SUBSTITUTE SENATE BILL NO. 5586, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

April 12, 2023

MR. PRESIDENT:
The House passed SECOND SUBSTITUTE SENATE BILL NO. 5593 with the following amendment(s): 5593-S2 AMH ENGR H1700.E

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 28B.10 RCW to read as follows:

(1) Institutions of higher education must enter into data-sharing agreements with the office of the superintendent of public instruction to facilitate the transfer of high school student directory information collected under section 2 of this act for the purposes of informing Washington high school students of postsecondary educational opportunities available in the state.

(2) Data-sharing agreements entered into under this section must provide for the sharing of student enrollment and outcome information from institutions of higher education, including federally designated minority serving institutions of higher education that are participating in data-sharing agreements under subsection (4) of this section, to the office of the superintendent of public instruction. Information provided in accordance with this subsection (2) must include the statewide student identifier for each student. To the extent possible, the office of the superintendent of public instruction shall transmit student enrollment information to the enrolled students' host districts for the current year.

(3)(a) Data-sharing agreements entered into by a community college or technical college as defined in RCW 28B.50.030 are limited to informing Washington high school students of postsecondary educational opportunities available within a college's service district as enumerated in RCW 28B.50.040.

(b) The state board for community and technical colleges may coordinate with all of the community and technical colleges to develop a single data-sharing agreement between the community and technical colleges and the office of the superintendent of public instruction.

(4) Federally designated minority serving institutions of higher education that are bachelor degree-granting institutions and not subject to subsection (1) of this section may enter into data-sharing agreements with the office of the superintendent of public instruction to facilitate the transfer of high school student directory information collected under section 2 of this act for the purpose of informing Washington high school students of postsecondary educational opportunities available in the state.

(5) Agreements entered into under this section must obligate institutions that will receive information through an agreement to maintain the statewide student identifier for each student.

(6) For the purposes of this section, "statewide student identifier" means the statewide student identifier required by RCW 28A.320.175 that is included in the longitudinal student data system established under RCW 28A.300.500.

(7) For the purposes of this section, "directory information" has the same meaning as in section 2 of this act.

NEW SECTION. **Sec. 2.** A new section is added to chapter 28A.150 RCW to read as follows:

(1) Beginning in 2024, each school district that operates a high school shall annually transmit directory information for all enrolled high school students to the office of the superintendent of public instruction by November 1st.

(2) The office of the superintendent of public instruction must hold the high school student directory information collected under this section and make the information available for institutions of higher education in accordance with section 1 of this act.

(3) By no later than the beginning of the 2025-26 school year, the office of the superintendent of public instruction shall identify a process for making information provided in accordance with section 1(2) of this act on a student's enrollment in an institution of higher education available to the student's school district. The process identified under this subsection (3) must require that information provided to school districts include the statewide student identifier for each student.

(4) In transmitting student information under this section, school districts must comply with the consent procedures under RCW 28A.605.030, the federal family educational and privacy rights act of 1974 (20 U.S.C. Sec. 1232g), and all applicable rules and regulations.

(5) The student directory information data collected under this section is solely for the following purposes:

(a) Providing information related to college awareness and admissions at institutions of higher education in accordance with section 1 of this act; and

(b) Providing enrollment and outcome information to the office of the superintendent of public instruction and to school districts related to students from their respective school district under subsection (3) of this section.

(6) For the purposes of this section:

(a) "Directory information" means the names, addresses, email addresses, and telephone numbers of students and their parents or legal guardians; and

(b) "Statewide student identifier" has the same meaning as in section 1 of this act."

Correct the title.

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

Senator Liias moved that the Senate concur in the House amendment(s) to Second Substitute Senate Bill No. 5593.

Senators Liias and Hawkins spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Liias that the Senate concur in the House amendment(s) to Second Substitute Senate Bill No. 5593.

The motion by Senator Liias carried and the Senate concurred in the House amendment(s) to Second Substitute Senate Bill No. 5593 by voice vote.

The President declared the question before the Senate to be the final passage of Second Substitute Senate Bill No. 5593, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Second Substitute Senate Bill No. 5593, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 41; Nays, 8; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Frame, Hasegawa, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, Mullet, Muzzall, Nguyen, Nobles, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Shewmake, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senators Fortunato, Gildon, Hawkins, McCune, Padden, Schoesler, Short and Warnick

SECOND SUBSTITUTE SENATE BILL NO. 5593, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

April 12, 2023

MR. PRESIDENT:
The House passed ENGROSSED SUBSTITUTE SENATE BILL NO. 5599 with the following amendment(s): 5599-S.E AMH ENGR H1742.E

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that unsheltered homelessness for youth poses a serious threat to their health and safety. The Trevor project has found that one in three transgender youth report attempting suicide. Homelessness amongst transgender youth can further endanger an already at-risk population. The legislature further finds that barriers to accessing shelter can place a chilling effect on exiting unsheltered homelessness and therefore create additional risk and dangers for youth. Youth seeking certain medical services are especially at risk and vulnerable. Therefore, the legislature intends to remove barriers to accessing temporary, licensed shelter accommodations for youth seeking certain protected health care services.

Sec. 2. RCW 13.32A.082 and 2013 c 4 s 2 are each amended to read as follows:

(1)(a) Except as provided in (b) of this subsection, any person, unlicensed youth shelter, or runaway and homeless youth program that, without legal authorization, provides shelter to a minor and that knows at the time of providing the shelter that the minor is away from a lawfully prescribed residence or home without parental permission, shall promptly report the location of the child to the parent, the law enforcement agency of the jurisdiction in which the person lives, or the department.

(b)(i) If a licensed overnight youth shelter, or another licensed organization with a stated mission to provide services to homeless or runaway youth and their families, shelters a child and knows at the time of providing the shelter that the child is away from a lawfully prescribed residence or home without parental permission, it must contact the youth's parent within seventy-two hours, but preferably within twenty-four hours, following the time that the youth is admitted to the shelter or other licensed organization's program. The notification must include the whereabouts of the youth, a description of the youth's physical and emotional condition, and the circumstances surrounding the youth's contact with the shelter or organization. If there are compelling reasons not to notify the parent, the shelter or organization must instead notify the department.

(ii) At least once every eight hours after learning that a youth receiving services or shelter under this section is away from home without permission, the shelter or organization staff must consult the information that the Washington state patrol makes publicly available under RCW 43.43.510(2). If the youth is publicly listed as missing, the shelter or organization must immediately notify the department of its contact with the youth listed as missing. The notification must include a description of the minor's physical and emotional condition and the circumstances surrounding the youth's contact with the shelter or organization.

(c) Reports required under this section may be made by telephone or any other reasonable means.

(2) Unless the context clearly requires otherwise, the definitions in this subsection apply throughout this section.

(a) "Shelter" means the person's home or any structure over which the person has any control.

(b) "Promptly report" means to report within eight hours after the person has knowledge that the minor is away from a lawfully prescribed residence or home without parental permission.

(c) "Compelling reasons" include, but are not limited to((~~, circumstances~~)):

(i) Circumstances that indicate that notifying the parent or legal guardian will subject the minor to abuse or neglect as defined in RCW 26.44.020; or

(ii) When a minor is seeking or receiving protected health care services.

(d) "Protected health care services" means gender affirming treatment as defined in RCW 74.09.675 and reproductive health care services as defined in RCW 74.09.875.

(3)(a) When the department receives a report under subsection (1) of this section, it shall make a good faith attempt to notify the parent that a report has been received and offer services designed to resolve the conflict and accomplish a reunification of the family.

(b) When the department receives a report under subsection (1) of this section for a minor who is seeking or receiving protected health care services, it shall:

(i) Offer to make referrals on behalf of the minor for appropriate behavioral health services; and

(ii) Offer services designed to resolve the conflict and accomplish a reunification of the family.

(4) Nothing in this section prohibits any person, unlicensed youth shelter, or runaway and homeless youth program from immediately reporting the identity and location of any minor who is away from a lawfully prescribed residence or home without parental permission more promptly than required under this section.

(5) Nothing in this section limits a person's duty to report child abuse or neglect as required by RCW 26.44.030 or removes the requirement that the law enforcement agency of the jurisdiction in which the person lives be notified.

Sec. 3. RCW 74.15.020 and 2021 c 176 s 5239 are each amended to read as follows:

The definitions in this section apply throughout this chapter and RCW 74.13.031 unless the context clearly requires otherwise.

(1) "Agency" means any person, firm, partnership, association, corporation, or facility which receives children, expectant mothers, or persons with developmental disabilities for control, care, or maintenance outside their own homes, or which places, arranges the placement of, or assists in the placement of children, expectant mothers, or persons with developmental disabilities for foster care or placement of children for adoption, and shall include the following irrespective of whether there is compensation to the agency or to the children, expectant mothers, or persons with developmental disabilities for services rendered:

(a) "Child-placing agency" means an agency which places a child or children for temporary care, continued care, or for adoption;

(b) "Community facility" means a group care facility operated for the care of juveniles committed to the department under RCW 13.40.185. A county detention facility that houses juveniles committed to the department under RCW 13.40.185 pursuant to a contract with the department is not a community facility;

(c) "Crisis residential center" means an agency which is a temporary protective residential facility operated to perform the duties specified in chapter 13.32A RCW, in the manner provided in RCW 43.185C.295 through 43.185C.310;

(d) "Emergency respite center" is an agency that may be commonly known as a crisis nursery, that provides emergency and crisis care for up to seventy-two hours to children who have been admitted by their parents or guardians to prevent abuse or neglect. Emergency respite centers may operate for up to twenty-four hours a day, and for up to seven days a week. Emergency respite centers may provide care for children ages birth through seventeen, and for persons eighteen through twenty with developmental disabilities who are admitted with a sibling or siblings through age seventeen. Emergency respite centers may not substitute for crisis residential centers or HOPE centers, or any other services defined under this section, and may not substitute for services which are required under chapter 13.32A or 13.34 RCW;

(e) "Foster family home" means an agency which regularly provides care on a twenty-four hour basis to one or more children, expectant mothers, or persons with developmental disabilities in the family abode of the person or persons under whose direct care and supervision the child, expectant mother, or person with a developmental disability is placed;

(f) "Group-care facility" means an agency, other than a foster family home, which is maintained and operated for the care of a group of children on a twenty-four hour basis. "Group care facility" includes but is not limited to:

(i) Qualified residential treatment programs as defined in RCW 13.34.030;

(ii) Facilities specializing in providing prenatal, postpartum, or parenting supports for youth; and

(iii) Facilities providing high quality residential care and supportive services to children who are, or who are at risk of becoming, victims of sex trafficking;

(g) "HOPE center" means an agency licensed by the secretary to provide temporary residential placement and other services to street youth. A street youth may remain in a HOPE center for thirty days while services are arranged and permanent placement is coordinated. No street youth may stay longer than thirty days unless approved by the department and any additional days approved by the department must be based on the unavailability of a long-term placement option. A street youth whose parent wants him or her returned to home may remain in a HOPE center until his or her parent arranges return of the youth, not longer. All other street youth must have court approval under chapter 13.34 or 13.32A RCW to remain in a HOPE center up to thirty days;

(h) "Maternity service" means an agency which provides or arranges for care or services to expectant mothers, before or during confinement, or which provides care as needed to mothers and their infants after confinement;

(i) "Resource and assessment center" means an agency that provides short-term emergency and crisis care for a period up to seventy-two hours, excluding Saturdays, Sundays, and holidays to children who have been removed from their parent's or guardian's care by child protective services or law enforcement;

(j) "Responsible living skills program" means an agency licensed by the secretary that provides residential and transitional living services to persons ages sixteen to eighteen who are dependent under chapter 13.34 RCW and who have been unable to live in his or her legally authorized residence and, as a result, the minor lived outdoors or in another unsafe location not intended for occupancy by the minor. Dependent minors ages fourteen and fifteen may be eligible if no other placement alternative is available and the department approves the placement;

(k) "Service provider" means the entity that operates a community facility.

(2) "Agency" shall not include the following:

(a) Persons related to the child, expectant mother, or person with developmental disability in the following ways:

(i) Any blood relative, including those of half-blood, and including first cousins, second cousins, nephews or nieces, and persons of preceding generations as denoted by prefixes of grand, great, or great-great;

(ii) Stepfather, stepmother, stepbrother, and stepsister;

(iii) A person who legally adopts a child or the child's parent as well as the natural and other legally adopted children of such persons, and other relatives of the adoptive parents in accordance with state law;

(iv) Spouses of any persons named in (a)(i), (ii), or (iii) of this subsection (2), even after the marriage is terminated;

(v) Relatives, as named in (a)(i), (ii), (iii), or (iv) of this subsection (2), of any half sibling of the child; or

(vi) Extended family members, as defined by the law or custom of the Indian child's tribe or, in the absence of such law or custom, a person who has reached the age of eighteen and who is the Indian child's grandparent, aunt or uncle, brother or sister, brother-in-law or sister-in-law, niece or nephew, first or second cousin, or stepparent who provides care in the family abode on a twenty-four-hour basis to an Indian child as defined in 25 U.S.C. Sec. 1903(4);

(b) Persons who are legal guardians of the child, expectant mother, or persons with developmental disabilities;

(c) Persons who care for a neighbor's or friend's child or children, with or without compensation, where the parent and person providing care on a twenty-four-hour basis have agreed to the placement in writing and the state is not providing any

payment for the care;

(d) A person, partnership, corporation, or other entity that provides placement or similar services to exchange students or international student exchange visitors or persons who have the care of an exchange student in their home;

(e) A person, partnership, corporation, or other entity that provides placement or similar services to international children who have entered the country by obtaining visas that meet the criteria for medical care as established by the United States citizenship and immigration services, or persons who have the care of such an international child in their home;

(f) Schools, including boarding schools, which are engaged primarily in education, operate on a definite school year schedule, follow a stated academic curriculum, accept only school-age children and do not accept custody of children;

(g) Hospitals licensed pursuant to chapter 70.41 RCW when performing functions defined in chapter 70.41 RCW, nursing homes licensed under chapter 18.51 RCW and assisted living facilities licensed under chapter 18.20 RCW;

(h) Licensed physicians or lawyers;

(i) Facilities approved and certified under chapter 71A.22 RCW;

(j) Any agency having been in operation in this state ten years prior to June 8, 1967, and not seeking or accepting moneys or assistance from any state or federal agency, and is supported in part by an endowment or trust fund;

(k) Persons who have a child in their home for purposes of adoption, if the child was placed in such home by a licensed child-placing agency, an authorized public or tribal agency or court or if a replacement report has been filed under chapter 26.33 RCW and the placement has been approved by the court;

(l) An agency operated by any unit of local, state, or federal government or an agency licensed by an Indian tribe pursuant to RCW 74.15.190;

(m) A maximum or medium security program for juvenile offenders operated by or under contract with the department;

(n) An agency located on a federal military reservation, except where the military authorities request that such agency be subject to the licensing requirements of this chapter;

(o)(i) A host home program, and host home, operated by a tax exempt organization for youth not in the care of or receiving services from the department except as provided in subsection (2)(o)(iii) of this section, if that program: (A) Recruits and screens potential homes in the program, including performing background checks on individuals over the age of eighteen residing in the home through the Washington state patrol or equivalent law enforcement agency and performing physical inspections of the home; (B) screens and provides case management services to youth in the program; (C) obtains a notarized permission slip or limited power of attorney from the parent or legal guardian of the youth authorizing the youth to participate in the program and the authorization is updated every six months when a youth remains in a host home longer than six months, unless there is a compelling reason to not contact the parent or guardian; (D) obtains insurance for the program through an insurance provider authorized under Title 48 RCW; (E) provides mandatory reporter and confidentiality training; and (F) registers with the secretary of state under RCW 74.15.315.

(ii) If a host home program serves a child without parental authorization who is seeking or receiving protected health care services, the host home program must:

(A) Report to the department within 72 hours of the youth's participation in the program and following this report the department shall make a good faith attempt to notify the parent of this report and offer services designed to resolve the conflict and accomplish a reunification of the family;

(B) Report to the department the youth's participation in the host home program at least once every month when the youth remains in the host home longer than one month; and

(C) Provide case management outside of the host home and away from any individuals residing in the home at least once per month.

(iii) A host home program and host home that meets the other requirements of subsection (2)(o) of this section may provide care for a youth who is receiving services from the department if the youth is:

(A) Not subject to a dependency proceeding under chapter 13.34 RCW; and

(B) Seeking or receiving protected health care services.

(iv) For purposes of this section, ((~~a "host~~)) the following definitions apply:

(A) "Host home" ((~~is~~)) means a private home that volunteers to host youth in need of temporary placement that is associated with a host home program.

(((~~iii) For purposes of this section, a "host~~)) (B) "Host home program" is a program that provides support to individual host homes and meets the requirements of (o)(i) of this subsection.

(((~~iv~~))) (C) "Compelling reason" means the youth is in the host home or seeking placement in a host home while seeking or receiving protected health care services.

(D) "Protected health care services" means gender affirming treatment as defined in RCW 74.09.675 and reproductive health care services as defined in RCW 74.09.875.

(v) Any host home program that receives local, state, or government funding shall report the following information to the office of homeless youth prevention and protection programs annually by December 1st of each year: The number of children the program served, why the child was placed with a host home, and where the child went after leaving the host home, including but not limited to returning to the parents, running away, reaching the age of majority, or becoming a dependent of the state;

(p) Receiving centers as defined in RCW 7.68.380.

(3) "Department" means the department of children, youth, and families.

(4) "Juvenile" means a person under the age of twenty-one who has been sentenced to a term of confinement under the supervision of the department under RCW 13.40.185.

(5) "Performance-based contracts" or "contracting" means the structuring of all aspects of the procurement of services around the purpose of the work to be performed and the desired results with the contract requirements set forth in clear, specific, and objective terms with measurable outcomes. Contracts may also include provisions that link the performance of the contractor to the level and timing of the reimbursement.

(6) "Probationary license" means a license issued as a disciplinary measure to an agency that has previously been issued a full license but is out of compliance with licensing standards.

(7) "Requirement" means any rule, regulation, or standard of care to be maintained by an agency.

(8) "Secretary" means the secretary of the department.

(9) "Street youth" means a person under the age of eighteen who lives outdoors or in another unsafe location not intended for occupancy by the minor and who is not residing with his or her parent or at his or her legally authorized residence.

(10) "Transitional living services" means at a minimum, to the extent funds are available, the following:

(a) Educational services, including basic literacy and computational skills training, either in local alternative or public high schools or in a high school equivalency program that leads to obtaining a high school equivalency degree;

(b) Assistance and counseling related to obtaining vocational training or higher education, job readiness, job search assistance, and placement programs;

(c) Counseling and instruction in life skills such as money management, home management, consumer skills, parenting, health care, access to community resources, and transportation and housing options;

(d) Individual and group counseling; and

(e) Establishing networks with federal agencies and state and local organizations such as the United States department of labor, employment and training administration programs including the workforce innovation and opportunity act which administers private industry councils and the job corps; vocational rehabilitation; and volunteer programs.

NEW SECTION. **Sec. 4.** (1) The office of homeless youth prevention and protection programs shall contract with an outside entity to:

(a) Gather data regarding the number of unsheltered homeless youth under age 18 in Washington state; and

(b) Develop recommendations for supporting unsheltered homeless youth under age 18 in Washington state.

(2) By July 1, 2024, and in compliance with RCW 43.01.036, the office of homeless youth prevention and protection programs shall submit the information and recommendations described in subsection (1) of this section to the appropriate committees of the legislature."

Correct the title.

and the same are herewith transmitted.

BERNARD DEAN, Chief Clerk

MOTION

Senator Liias moved that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 5599.

Senators Liias and Boehnke spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Liias that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 5599.

The motion by Senator Liias carried and the Senate concurred in the House amendment(s) to Engrossed Substitute Senate Bill No. 5599 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5599, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5599, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 29; Nays, 20; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Cleveland, Conway, Dhingra, Frame, Hasegawa, Hunt, Kauffman, Keiser, Kuderer, Liias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Shewmake, Stanford, Trudeau, Valdez, Van De Wege, Wellman and Wilson, C.

Voting nay: Senators Boehnke, Braun, Dozier, Fortunato, Gildon, Hawkins, Holy, King, MacEwen, McCune, Muzzall, Padden, Rivers, Schoesler, Short, Torres, Wagoner, Warnick, Wilson, J. and Wilson, L.

ENGROSSED SUBSTITUTE SENATE BILL NO. 5599, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

March 29, 2023

MR. PRESIDENT:
The House passed SUBSTITUTE SENATE BILL NO. 5617 with the following amendment(s): 5617-S AMH ED H1667.1

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 28A.245 RCW to read as follows:

(1) An interdistrict cooperative agreement between all participating school districts in a skill center under RCW 28A.245.010 must stipulate that any approved state and local equivalency courses offered by the host school district must be honored as equivalency courses by all school districts participating in the skill center.

(2) The list of approved local and state equivalency courses of the host school district must be provided by the host district to participating districts on an annual basis by September 1st.

(3) Students served at any core, branch, or satellite skill center campus must have access to academic credit for any approved local or state equivalency courses offered at those sites and in accordance with transcription requirements in RCW 28A.230.097.

Sec. 2. RCW 28A.230.097 and 2019 c 221 s 2 are each amended to read as follows:

(1) Each high school or school district board of directors shall adopt course equivalencies for career and technical high school courses offered to students in high schools and skill centers. A career and technical course equivalency may be for whole or partial credit. Each school district board of directors shall develop a course equivalency approval procedure. Boards of directors must approve AP computer science courses as equivalent to high school mathematics or science, and must denote on a student's transcript that AP computer science qualifies as a math-based quantitative course for students who take the course in their senior year.

(2) ((~~Until September 1, 2021, a school~~)) School district boards of directors must, at a minimum, grant academic course equivalency for at least one statewide equivalency high school career and technical course from the list of courses approved by the superintendent of public instruction under RCW 28A.700.070.

(3)(a) If the list of courses is revised after the 2015-16 school year, the school district board of directors must grant academic course equivalency based on the revised list beginning with the school year immediately following the revision.

(b) Each high school or school district board of directors may additionally adopt local course equivalencies for career and technical education courses that are not on the list of courses approved by the superintendent of public instruction under RCW 28A.700.070 as local equivalency courses in support of RCW 28A.700.070.

(c) Approved local or state equivalency courses at any core, branch, or satellite skill center must be offered for academic credit to all students participating in courses at those sites.

(4) On and after September 1, 2021, any statewide equivalency course offered by a school district or accessed at a skill center must be offered for academic credit.

(5) Career and technical courses determined to be equivalent to

academic core courses, in full or in part, by the high school or school district shall be accepted as meeting core requirements, including graduation requirements, if the courses are recorded on the student's transcript using the equivalent academic high school department designation and title. Full or partial credit shall be recorded as appropriate. The high school or school district shall also issue and keep record of course completion certificates that demonstrate that the career and technical courses were successfully completed as needed for industry certification, college credit, or preapprenticeship, as applicable. The certificate shall be part of the student's high school and beyond plan. The office of the superintendent of public instruction shall develop and make available electronic samples of certificates of course completion.

(6) Prior to course scheduling or course registration for the next school term, each public school that serves students in any of grades nine through 12 must provide all students and their parents or legal guardians with information about the opportunities for meeting credit-based graduation requirements through equivalency courses, including those available within the school district or at a skill center.

Sec. 3. RCW 28A.300.236 and 2018 c 177 s 303 are each amended to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, the office of the superintendent of public instruction must create methodologies for implementing equivalency crediting on a broader scale across the state and facilitate its implementation including, but not limited to, the following:

(a) Implementing statewide career and technical education course equivalency frameworks authorized under RCW 28A.700.070 and 28A.230.097 for high schools and skill centers ((~~in science, technology, engineering, and mathematics~~)). This may include development of additional equivalency course frameworks in core subject areas, course performance assessments, and development and delivery of professional development for districts and skill centers implementing the career and technical education frameworks; ((~~and~~))

(b) Providing competitive grant funds to school districts to increase the integration and rigor of academic instruction in career and technical education equivalency courses. The grant funds must be used to support teams of general education and career and technical education teachers to convene and design course performance assessments, deepen the understanding of integrating academic and career and technical education in student instruction, and develop professional learning modules for school districts to plan implementation of equivalency crediting; and

(c) Conducting a review of implementation requirements of RCW 28A.230.097 and providing technical assistance to districts to ensure state course equivalencies are being consistently offered for academic credit for students at high schools and skill centers.

(2) Beginning in the 2017-18 school year, school districts shall annually report to the office of the superintendent of public instruction the following information:

(a) The annual number of students participating in state-approved equivalency courses; and

(b) The annual number of state approved equivalency credit courses offered in school districts and skill centers.

(3) Beginning December 1, 2018, and every December 1st thereafter, the office of the superintendent of public instruction shall annually submit the following information to the office of the governor, the state board of education, and the appropriate committees of the legislature:

(a) The selected list of equivalent career and technical education courses and their curriculum frameworks that the superintendent of public instruction has approved under RCW 28A.700.070; ((~~and~~))

(b) A summary of the school district information reported under subsection (2) of this section; and

(c) A summary of implementation efforts and review findings determined under subsection (1) of this section, including recommendations for increasing access to equivalency coursework.

Sec. 4. RCW 28A.700.070 and 2018 c 191 s 1 and 2018 c 177 s 304 are each reenacted and amended to read as follows:

(1) The office of the superintendent of public instruction shall support school district efforts under RCW 28A.230.097 to adopt course equivalencies for career and technical courses by:

(a) Recommending career and technical curriculum suitable for course equivalencies;

(b) Publicizing best practices for high schools and school districts in developing and adopting course equivalencies; and

(c) In consultation with the Washington association for career and technical education, providing professional development, technical assistance, and guidance for school districts seeking to expand their lists of equivalent courses.

(2) The office of the superintendent of public instruction shall provide professional development, technical assistance, and guidance for school districts to develop career and technical course equivalencies that also qualify as advanced placement courses.

(3) The superintendent of public instruction, in consultation with one or more technical working groups convened for this purpose, shall develop and, after an opportunity for public comment, approve curriculum frameworks for a selected list of career and technical courses that may be offered by high schools or skill centers whose academic standards content is considered equivalent in full or in part to the academic courses that meet high school graduation requirements. These courses may include equivalency to English language arts, mathematics, science, social studies, arts, world languages, or health and physical education. The content of the courses must be aligned with the most current Washington K-12 learning standards in English language arts, mathematics, science, arts, world languages, health and physical education, social studies, and required industry standards. The first list of courses under this subsection must be developed and approved before the 2015-16 school year. Thereafter, the superintendent of public instruction may periodically update or revise the list of courses using the process in this subsection.

(4) Subject to funds appropriated for this purpose, the superintendent of public instruction shall allocate grant funds to school districts to increase the integration and rigor of academic instruction in career and technical courses. Grant recipients are encouraged to use grant funds to support teams of academic and technical teachers. The superintendent of public instruction may require that grant recipients provide matching resources using federal Carl Perkins funds or other fund sources.

(5) Subject to funds appropriated for this purpose, the superintendent of public instruction shall convene a technical working group to develop a course equivalency crosswalk for technology-based competitive student activities that complies with the equivalency and content requirements established in subsection (3) of this section. This technical working group shall include educators from school districts or educational service districts that have experience with technology-based competitive student activities. The superintendent of public instruction shall develop and approve course equivalencies to include in the updated list established in subsection (3) of this section based on

the work of the technical working group."

Correct the title.

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

Senator Wellman moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5617.

Senators Wellman and Hawkins spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Wellman that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5617.

The motion by Senator Wellman carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 5617 by voice vote.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5617, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5617, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

SUBSTITUTE SENATE BILL NO. 5617, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SIGNED BY THE PRESIDENT

Pursuant to Article 2, Section 32 of the State Constitution and Senate Rule 1(5), the President announced the signing of and thereupon did sign in open session:

SECOND SUBSTITUTE SENATE BILL NO. 5048,
SENATE BILL NO. 5069,
SUBSTITUTE SENATE BILL NO. 5078,
SUBSTITUTE SENATE BILL NO. 5256,
ENGROSSED SECOND SUBSTITUTE
SENATE BILL NO. 5278,
SENATE BILL NO. 5282,
SENATE BILL NO. 5283,
SENATE BILL NO. 5287,
SECOND SUBSTITUTE SENATE BILL NO. 5290,
SUBSTITUTE SENATE BILL NO. 5300,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5301,
SUBSTITUTE SENATE BILL NO. 5317,
SENATE BILL NO. 5324,
ENGROSSED SENATE BILL NO. 5352,
ENGROSSED SENATE BILL NO. 5355,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5365,
ENGROSSED SECOND SUBSTITUTE
SENATE BILL NO. 5367,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5371,
and SUBSTITUTE SENATE BILL NO. 5386.

MESSAGE FROM THE HOUSE

April 5, 2023

MR. PRESIDENT:
The House passed ENGROSSED SUBSTITUTE SENATE BILL NO. 5702 with the following amendment(s): 5702-S.E AMH APP H1695.1

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 28B.50.916 and 2021 c 62 s 1 are each amended to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, ((~~the college board shall select eight college districts, with no less than four located outside of the Puget Sound region to participate in a pilot~~)) each community and technical college may implement a program to provide assistance to students experiencing homelessness and to students who were in the foster care system when they graduated high school. The ((~~college districts chosen to participate in the pilot~~)) program must provide certain accommodations to these students that may include, but are not limited to, the following:

(a) Access to laundry facilities;

(b) Access to storage;

(c) Access to locker room and shower facilities;

(d) Reduced-price meals or meal plans, and access to food banks;

(e) Access to technology;

(f) Access to short-term housing or housing assistance, especially during seasonal breaks; and

(g) Case management services.

(2) The ((~~college districts~~)) community and technical colleges may also establish plans to develop surplus property for affordable housing to accommodate the needs of students experiencing homelessness and students who were in the foster care system when they graduated high school.

(3) The ((~~college districts participating in the pilot program~~)) community and technical colleges shall leverage existing community resources by making available to students in the ((~~pilot~~)) program information that is available for individuals experiencing homelessness, including through not-for-profit organizations, the local housing authority, and the department of commerce's office of homeless youth.

(4) The ((~~college districts~~)) community and technical colleges participating in the ((~~pilot~~)) program shall annually provide a joint report to the appropriate committees of the legislature ((~~by~~)) in accordance with RCW 43.01.036 beginning December 1, 2023, that includes at least the following information:

(a) The number of students experiencing homelessness or food insecurity, and the number of students who were in the foster care system when they graduated high school who ((~~were attending~~)) attended a community or technical college during the ((~~pilot~~)) program. The college board shall coordinate with all of the community and technical colleges to collect voluntary data on how many students experiencing homelessness or food insecurity are attending the community and technical colleges;

(b) The number of students assisted by the ((~~pilot~~)) program;

(c) Strategies for accommodating students experiencing homelessness or food insecurity, and former foster care students; and

(d) Legislative recommendations for how students

experiencing homelessness or food insecurity, and former foster care students could be better served.

(5) ((~~The college districts not selected to participate in the pilot program are:~~

~~(a) Invited to participate voluntarily; and~~

~~(b) Encouraged to submit the data required of the pilot program participants under subsection (4) of this section, regardless of participation status.~~

~~(6) The pilot program expires July 1, 2024.~~

~~(7) This section expires January 1, 2025~~)) For purposes of this section, "program" means the students experiencing homelessness and foster youth program.

Sec. 2. RCW 28B.77.850 and 2021 c 62 s 2 are each amended to read as follows:

(1) Subject to the availability of amounts appropriated for this specific purpose, ((~~the council shall select four public four-year institutions of higher education, two on each side of the crest of the Cascade mountain range, to participate in a pilot~~)) each public four-year institution of higher education may implement a program to provide assistance to students experiencing homelessness and to students who were in the foster care system when they graduated high school. The ((~~four-year institutions of higher education chosen to participate in the pilot~~)) program must provide certain accommodations to these students that may include, but are not limited to, the following:

(a) Access to laundry facilities;

(b) Access to storage;

(c) Access to locker room and shower facilities;

(d) Reduced-price meals or meal plans, and access to food banks;

(e) Access to technology;

(f) Access to short-term housing or housing assistance, especially during seasonal breaks; and

(g) Case management services.

(2) The four-year institutions of higher education may also establish plans to develop surplus property for affordable housing to accommodate the needs of students experiencing homelessness and students who were in the foster care system when they graduated high school.

(3) The four-year institutions of higher education participating in the ((~~pilot~~)) program shall leverage existing community resources by making available to students in the ((~~pilot~~)) program information that is available for individuals experiencing homelessness, including through not-for-profit organizations, the local housing authority, and the department of commerce's office of homeless youth.

(4) The four-year institutions of higher education participating in the ((~~pilot~~)) program shall annually provide a joint report to the appropriate committees of the legislature ((~~by~~)) in accordance with RCW 43.01.036 beginning December 1, 2023, that includes at least the following information:

(a) The number of students experiencing homelessness or food insecurity, and the number of students who were in the foster care system when they graduated high school who ((~~were attending~~)) attended a four-year institution of higher education during the ((~~pilot~~)) program. The council shall coordinate with all of the four-year institutions of higher education to collect voluntary data on how many students experiencing homelessness or food insecurity are attending the four-year institutions of higher education;

(b) The number of students assisted by the ((~~pilot~~)) program;

(c) Strategies for accommodating students experiencing homelessness or food insecurity, and former foster care students; and

(d) Legislative recommendations for how students experiencing homelessness or food insecurity, and former foster care students could be better served.

(5) ((~~The four-year institutions of higher education not selected to participate in the pilot program are:~~

~~(a) Invited to participate voluntarily; and~~

~~(b) Encouraged to submit the data required of the pilot program participants under subsection (4) of this section, regardless of participation status.~~

~~(6) The pilot program expires July 1, 2024.~~

~~(7) This section expires January 1, 2025~~)) For purposes of this section, "program" means the students experiencing homelessness and foster youth program.

NEW SECTION. **Sec. 3.** If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2023, in the omnibus appropriations act, this act is null and void."

Correct the title.

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

Senator Trudeau moved that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 5702.

Senators Trudeau and Holy spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Trudeau that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 5702.

The motion by Senator Trudeau carried and the Senate concurred in the House amendment(s) to Engrossed Substitute Senate Bill No. 5702 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5702, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5702, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 42; Nays, 7; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, Mullet, Muzzall, Nguyen, Nobles, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Shewmake, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senators Fortunato, McCune, Padden, Schoesler, Short, Wagoner and Warnick

ENGROSSED SUBSTITUTE SENATE BILL NO. 5702, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

April 10, 2023

MR. PRESIDENT:
The House passed SUBSTITUTE SENATE BILL NO. 5714 with the following amendment(s): 5714-S AMH LG H1746.1

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 84.56.020 and 2022 c 143 s 1 are each amended to read as follows:

Treasurers' tax collection duties.

(1) The county treasurer must be the receiver and collector of all taxes extended upon the tax rolls of the county, whether levied for state, county, school, bridge, road, municipal or other purposes, and also of all fines, forfeitures or penalties received by any person or officer for the use of his or her county. No treasurer may accept tax payments or issue receipts for the same until the treasurer has completed the tax roll for the current year's collection and provided notification of the completion of the roll. Notification may be accomplished electronically, by posting a notice in the office, or through other written communication as determined by the treasurer. All real and personal property taxes and assessments made payable by the provisions of this title are due and payable to the county treasurer on or before the ((~~thirtieth~~)) 30th day of April and, except as provided in this section, are delinquent after that date.

Tax statements.

(2)(a) Tax statements for the current year's collection must be distributed to each taxpayer on or before March 15th provided that:

(i) All city and other taxing district budgets have been submitted to county legislative authorities by November 30th per RCW 84.52.020;

(ii) The county legislative authority in turn has certified taxes levied to the county assessor in accordance with RCW 84.52.070; and

(iii) The county assessor has delivered the tax roll to the county treasurer by January 15th per RCW 84.52.080.

(b) Each tax statement must include a notice that checks for payment of taxes may be made payable to "Treasurer of . . . . . County" or other appropriate office, but tax statements may not include any suggestion that checks may be made payable to the name of the individual holding the office of treasurer nor any other individual.

(c) Each tax statement distributed to an address must include a notice with information describing the:

(i) Property tax exemption program pursuant to RCW 84.36.379 through 84.36.389; and

(ii) Property tax deferral program pursuant to chapter 84.38 RCW.

Tax payment due dates.

On-time tax payments: First-half taxes paid by April 30th and second-half taxes paid by October 31st.

(3)(a) When the total amount of tax or special assessments on personal property or on any lot, block or tract of real property payable by one person is ((~~fifty dollars~~)) $50 or more, and if one-half of such tax is paid on or before the ((~~thirtieth~~)) 30th day of April, the remainder of such tax is due and payable on or before the following ((~~thirty-first~~)) 31st day of October and is delinquent after that date.

(b) Payments generated by an automated check processing service or payments sent via United States mail with no discernable postmark date and received within three business days of the 30th day of April or the 31st day of October, as required under (a) of this subsection, are not delinquent.

Delinquent tax payments for current year: First-half taxes paid after April 30th.

(4)(a) When the total amount of tax or special assessments on any lot, block or tract of real property, personal property, or on any mobile home payable by one person is ((~~fifty dollars~~)) $50 or more, and if one-half of such tax is paid after the ((~~thirtieth~~)) 30th day of April but before the ((~~thirty-first~~)) 31st day of October, together with the applicable interest and penalty on the full amount of tax payable for that year, the remainder of such tax is due and payable on or before the following ((~~thirty-first~~)) 31st day of October and is delinquent after that date.

(b) Payments generated by an automated check processing service or payments sent via United States mail with no discernable postmark date and received within three business days of the 30th day of April or the 31st day of October, as required under (a) of this subsection, are not delinquent.

Delinquent tax payments: Interest, penalties, and treasurer duties.

(5)(a) Except as provided in (c) of this subsection, delinquent taxes under this section are subject to interest as provided in this subsection computed on a monthly basis on the amount of tax delinquent from the date of delinquency until paid. Interest must be calculated at the rate as described below.

(i) Until December 31, 2022, the interest rate is 12 percent per annum for all nonresidential real property, residential real property, and personal property.

(ii) Beginning January 1, 2023, interest rates are as follows:

(A) Nine percent per annum for all residential real property with four or fewer units per taxable parcel, including manufactured/mobile homes as defined in RCW 59.20.030 for taxes levied in 2023 or after; or

(B) Twelve percent per annum for all other property.

(b)(i) Penalties on delinquent taxes under this section may not be assessed beginning January 1, 2022, and through December 31, 2022.

(ii) Beginning January 1, 2023, delinquent taxes under this section are subject to penalties for nonresidential real property, residential real property with greater than four units per taxable parcel, and for personal property as follows:

(A) A penalty of three percent of the amount of tax delinquent is assessed on the tax delinquent on June 1st of the year in which the tax is due.

(B) An additional penalty of eight percent is assessed on the delinquent tax amount on December 1st of the year in which the tax is due.

(iii) Penalties may not be assessed on residential real property with four or fewer units per taxable parcel, including manufactured/mobile homes as defined in RCW 59.20.030.

(c)(i) If a taxpayer is successfully participating in a payment agreement under subsection (15)(b) of this section or a partial payment program pursuant to subsection (15)(c) of this section, the county treasurer may not assess additional penalties on delinquent taxes that are included within the payment agreement. Interest and penalties that have been assessed prior to the payment agreement remain due and payable as provided in the payment agreement.

(ii) The following remain due and payable as provided in any payment agreement:

(A) Interest that has been assessed prior to the payment agreement; and

(B) Penalties assessed prior to January 1, 2022, that have been assessed prior to the payment agreement.

(6) A county treasurer must provide notification to each taxpayer whose taxes have become delinquent under subsections (4) and (5) of this section. The delinquency notice must specify where the taxpayer can obtain information regarding:

(a) Any current tax or special assessments due as of the date of the notice;

(b) Any delinquent tax or special assessments due, including any penalties and interest, as of the date of the notice; and

(c) Where the taxpayer can pay his or her property taxes directly and contact information, including but not limited to the phone number, for the statewide foreclosure hotline recommended by the Washington state housing finance commission.

(7) Within ((~~ninety~~)) 90 days after the expiration of two years from the date of delinquency (when a taxpayer's taxes have become delinquent), the county treasurer must provide the name and property address of the delinquent taxpayer to a homeownership resource center or any other designated local or state entity recommended by the Washington state housing finance commission.

Collection of foreclosure costs.

(8)(a) When real property taxes become delinquent and prior to the filing of the certificate of delinquency, the treasurer is authorized to assess and collect tax foreclosure avoidance costs.

(b) When tax foreclosure avoidance costs are collected, such costs must be credited to the county treasurer service fund account, except as otherwise directed.

(c) For purposes of chapter 84.64 RCW, any taxes, interest, or penalties deemed delinquent under this section remain delinquent until such time as all taxes, interest, and penalties for the tax year in which the taxes were first due and payable have been paid in full.

Periods of armed conflict.

(9) Subsection (5) of this section notwithstanding, no interest or penalties may be assessed during any period of armed conflict regarding delinquent taxes imposed on the personal residences owned by active duty military personnel who are participating as part of one of the branches of the military involved in the conflict and assigned to a duty station outside the territorial boundaries of the United States.

State of emergency.

(10) During a state of emergency declared under RCW 43.06.010(12), the county treasurer, on his or her own motion or at the request of any taxpayer affected by the emergency, may grant extensions of the due date of any taxes payable under this section as the treasurer deems proper.

Retention of funds from interest.

(11) All collections of interest on delinquent taxes must be credited to the county current expense fund.

(12) For purposes of this chapter, "interest" means both interest and penalties.

Retention of funds from property foreclosures and sales.

(13) The direct cost of foreclosure and sale of real property, and the direct fees and costs of distraint and sale of personal property, for delinquent taxes, must, when collected, be credited to the operation and maintenance fund of the county treasurer prosecuting the foreclosure or distraint or sale; and must be used by the county treasurer as a revolving fund to defray the cost of further foreclosure, distraint, and sale because of delinquent taxes without regard to budget limitations and not subject to indirect costs of other charges.

Tax due dates and options for tax payment collections.

Electronic billings and payments.

(14) For purposes of this chapter, and in accordance with this section and RCW 36.29.190, the treasurer may collect taxes, assessments, fees, rates, interest, and charges by electronic billing and payment. Electronic billing and payment may be used as an option by the taxpayer, but the treasurer may not require the use of electronic billing and payment. Electronic bill presentment and payment may be on a monthly or other periodic basis as the treasurer deems proper for:

(a) Delinquent tax year payments; and

(b) Prepayments of current tax.

Tax payments.

Prepayment for current taxes.

(15)(a) The treasurer may accept prepayments for current year taxes by any means authorized. All prepayments must be paid in full by the due date specified in subsection (16) of this section.

Payment agreements for current year taxes.

(b)(i) The treasurer may provide, by electronic means or otherwise, a payment agreement that provides for payment of current year taxes, inclusive of prepayment collection charges. The payment agreement must be signed by the taxpayer and treasurer or the treasurer's deputy prior to the sending of an electronic or alternative bill, which includes a payment plan for current year taxes.

Payment agreements for delinquent year taxes.

(ii)(A) The treasurer may provide, by electronic means or otherwise, a payment agreement for payment of past due delinquencies. The payment agreement must be signed by the taxpayer and treasurer or the treasurer's deputy prior to the sending of an electronic or alternative bill, which includes a payment plan for past due delinquent taxes and charges.

(B) Tax payments received by a treasurer for delinquent year taxes from a taxpayer participating on a payment agreement must be applied first to the oldest delinquent year unless such taxpayer requests otherwise.

Partial payments: Acceptance of partial payments for current and delinquent taxes.

(c)(i) In addition to the payment agreement program in (b) of this subsection, the treasurer may accept partial payment of any current and delinquent taxes including interest and penalties by any means authorized including electronic bill presentment and payments.

(ii) All tax payments received by a treasurer for delinquent year taxes from a taxpayer paying a partial payment must be applied first to the oldest delinquent year unless such taxpayer requests otherwise.

Payment for delinquent taxes.

(d) Payments on past due taxes must include collection of the oldest delinquent year, which includes interest, penalties, and taxes within an eighteen-month period, prior to filing a certificate of delinquency under chapter 84.64 RCW or distraint pursuant to RCW 84.56.070.

Due date for tax payments.

(16) All taxes upon real and personal property made payable by the provisions of this title are due and payable to the treasurer on or before the ((~~thirtieth~~)) 30th day of April and are delinquent after that date. The remainder of the tax is due and payable on or before the following ((~~thirty-first~~)) 31st of October and is delinquent after that date. All other assessments, fees, rates, and charges are delinquent after the due date.

Electronic funds transfers.

(17) A county treasurer may authorize payment of:

(a) Any current property taxes due under this chapter by electronic funds transfers on a monthly or other periodic basis; and

(b) Any past due property taxes, penalties, and interest under this chapter by electronic funds transfers on a monthly or other periodic basis. Delinquent taxes are subject to interest and penalties, as provided in subsection (5) of this section. All tax payments received by a treasurer from a taxpayer paying delinquent year taxes must be applied first to the oldest delinquent year unless such taxpayer requests otherwise.

Payment for administering prepayment collections.

(18) The treasurer must pay any collection costs, investment earnings, or both on past due payments or prepayments to the credit of a county treasurer service fund account to be created and

used only for the payment of expenses incurred by the treasurer, without limitation, in administering the system for collecting prepayments.

Waiver of interest and penalties for qualified taxpayers subject to foreclosure.

(19) No earlier than ((~~sixty~~)) 60 days prior to the date that is three years after the date of delinquency, the treasurer must waive all outstanding interest and penalties on delinquent taxes due from a taxpayer if the property is subject to an action for foreclosure under chapter 84.64 RCW and the following requirements are met:

(a) The taxpayer is income-qualified under RCW 84.36.381(5)(a), as verified by the county assessor;

(b) The taxpayer occupies the property as their principal place of residence; and

(c) The taxpayer has not previously received a waiver on the property as provided under this subsection.

Definitions.

(20) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Electronic billing and payment" means statements, invoices, or bills that are created, delivered, and paid using the internet. The term includes an automatic electronic payment from a person's checking account, debit account, or credit card.

(b) "Internet" has the same meaning as provided in RCW 19.270.010.

(c) "Tax foreclosure avoidance costs" means those direct costs associated with the administration of properties subject to and prior to foreclosure. Tax foreclosure avoidance costs include:

(i) Compensation of employees for the time devoted to administering the avoidance of property foreclosure; and

(ii) The cost of materials, services, or equipment acquired, consumed, or expended in administering tax foreclosure avoidance prior to the filing of a certificate of delinquency."

Correct the title.

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

Senator Wagoner moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5714.

Senator Wagoner spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Wagoner that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5714.

The motion by Senator Wagoner carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 5714 by voice vote.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5714, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5714, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

SUBSTITUTE SENATE BILL NO. 5714, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

April 7, 2023

MR. PRESIDENT:
The House passed SUBSTITUTE SENATE BILL NO. 5720 with the following amendment(s): 5720-S AMH ENGR H1808.E

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 48.18.558 and 2018 c 239 s 2 are each amended to read as follows:

(1) With the prior approval of the commissioner, a property insurer may include the following either goods or services, or both, intended to reduce either the probability of loss, or the extent of loss, or both, from a covered event as part of a policy of property insurance((~~, except commercial property insurance~~)):

(a) Goods, including a water monitor;

(b) Foundation strapping to mitigate losses due to earthquake;

(c) Ongoing services, including home safety monitoring or brush clearing to mitigate losses due to wildfire; and

(d) Other either goods or services, or both, as the commissioner may identify by rule.

(2) Any goods provided are owned by the insured, even if the insurance is subsequently canceled.

(3) The value of goods and services to be provided is limited to ((~~one thousand five hundred dollars~~)) $7,500 or ten percent of the annual policy premium, whichever is greater, in value in the aggregate in any ((~~twelve-month~~)) 12-month period.

(4) In order to receive prior approval of the commissioner, and except as provided in subsection (6) of this section, the property insurer must include the following in its rate filing:

(a) A description of either the specific goods or services, or both, to be offered;

(b) A description of the method of delivering either the specific goods or services, or both, being offered; and

(c) The selection criteria for insureds receiving either the specific goods or services, or both, being offered.

(5) This section does not require the commissioner to approve any particular proposed benefit. The commissioner may disapprove any proposed noninsurance benefit that the commissioner determines may tend to promote or facilitate the violation of any other section of this title. However, if the commissioner approves the inclusion of either the goods or services, or both, in a policy of property insurance((~~, except commercial property insurance,~~)) it does not constitute a violation of RCW 48.30.140 or 48.30.150.

(6)(a) A property insurer may conduct a pilot program as either a risk mitigation or prevention, or both, strategy through which the insurer offers or provides risk mitigation and/or prevention goods and/or services identified in subsection (1) of this section in connection with an insurance policy covering property risks((~~, except commercial property insurance,~~)) in accordance with rules adopted by the commissioner.

(b) A property insurer offering or providing risk mitigation

and/or prevention goods and/or services through a pilot program under this subsection is exempt from including information about the risk mitigation and/or prevention goods and/or services in its rate filing as is otherwise required under subsection (4) of this section and RCW 48.19.530.

(c) A property insurer's pilot program may last no longer than two years.

(7) This section does not apply to disaster or emergency response activities of a property insurer.

Sec. 2. RCW 48.18.559 and 2018 c 239 s 4 are each amended to read as follows:

The commissioner may adopt rules as necessary to implement RCW 48.18.558 and 48.19.530, including but not limited to:

(1) Rules requiring a notice to insureds or potential insureds regarding their ability to opt out of receiving any risk mitigation and/or prevention goods and/or services;

(2) ((~~Rules increasing the value of either the goods or services, or both, permitted under RCW 48.18.558(1);~~

~~(3)~~)) Rules establishing requirements for pilot programs authorized under RCW 48.18.558(6); and

(((~~(4)~~))) (3) Rules identifying which insurer disaster or emergency response activities are exempt from RCW 48.18.558 and 48.19.530 and RCW 48.30.140 and 48.30.150.

Sec. 3. RCW 48.19.530 and 2018 c 239 s 3 are each amended to read as follows:

(1) Except as provided in subsection (2) of this section, in addition to other information required by this chapter, a rate filing by a property insurer for a policy((~~, except commercial property insurance,~~)) that includes risk mitigation and/or prevention goods and/or services under RCW 48.18.558, must demonstrate that its rates account for the expected costs of the goods and services and the reduction in expected claims costs resulting from either the goods or services, or both.

(2) This section does not apply to:

(a) A property insurer offering or providing risk mitigation and/or prevention goods and/or services through a pilot program established in RCW 48.18.558(6); or

(b) Disaster or emergency response activities of a property insurer."

Correct the title.

and the same are herewith transmitted.

BERNARD DEAN, Chief Clerk

MOTION

Senator Stanford moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5720.

Senators Stanford and Dozier spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Stanford that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5720.

The motion by Senator Stanford carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 5720 by voice vote.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5720, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5720, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

SUBSTITUTE SENATE BILL NO. 5720, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

April 7, 2023

MR. PRESIDENT:
The House passed SUBSTITUTE SENATE BILL NO. 5753 with the following amendment(s): 5753-S AMH ENGR H1703.E

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 47.20 RCW to read as follows:

(1) The department is authorized to enter into a cooperative agreement with the governing authority of the Lummi Nation and appropriate agencies of the United States for the location, design, construction, and maintenance of a public road beginning on Rural Avenue at the southern boundary of the Ferndale city limits, traveling across the property held in tribal trust status by the United States for the Lummi Nation, and connect to the approximate location of where the Ferndale city limits intersect Kope Road. The new road segment shall be named after construction is concluded.

(2) The definitions in this subsection apply throughout this section and sections 2 and 3 of this act unless context clearly requires otherwise.

(a) "Agreement" means the cooperative agreement between the department, the governing authority of the Lummi Nation, and agencies of the United States, as authorized by subsection (1) of this section.

(b) "Roadway" means the public road segment constructed pursuant to the agreement authorized by subsection (1) of this section.

NEW SECTION. **Sec. 2.** A new section is added to chapter 47.20 RCW to read as follows:

The department is authorized to determine the location of the roadway in consultation with and approval by the governing authority of the Lummi Nation. The department may then proceed with the design and construction of the roadway. After construction of the roadway is complete, the Lummi Nation shall be responsible for the operation and maintenance and future improvement of the roadway as a public road.

NEW SECTION. **Sec. 3.** A new section is added to chapter 47.20 RCW to read as follows:

The cooperative agreement shall allow the department to request a temporary construction easement from the Lummi Nation for the purpose of constructing the new road. The cooperative agreement shall also reserve to the governing authority of the Lummi Nation authority to construct road intersections or grade separation crossings of the roadway, in accordance with applicable laws. The agreement may also

authorize the governing authority of the Lummi Nation to convey to the United States an easement to construct, maintain, and repair roadway improvements if such an easement is required by regulations of the bureau of Indian affairs."

Correct the title.

and the same are herewith transmitted.

BERNARD DEAN, Chief Clerk

MOTION

Senator Shewmake moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5753.

Senator Shewmake spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Shewmake that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5753.

The motion by Senator Shewmake carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 5753 by voice vote.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5753, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5753, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

SUBSTITUTE SENATE BILL NO. 5753, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

At 12:07 p.m., on motion of Senator Pedersen, the Senate was declared to be at ease for the purposes of lunch and caucus until 1:30 p.m.

Senator Hasegawa announced a meeting of the Democratic Caucus.

Senator Warnick announced a meeting of the Republican Caucus.

AFTERNOON SESSION

The Senate was called to order at 1:30 p.m. by the President of the Senate, Lt. Governor Heck presiding.

MESSAGE FROM THE HOUSE

April 14, 2023

MR. PRESIDENT:

The House refuses to concur in the Senate amendment(s) to SUBSTITUTE HOUSE BILL NO. 1044 and asks the Senate to recede therefrom.

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

Senator Wellman moved that the Senate insist on its position in the Senate amendment(s) to Substitute House Bill No. 1044 and ask the House to concur thereon.

Senators Wellman and Hawkins spoke in favor of passage of the motion.

The President declared the question before the Senate to be motion by Senator Wellman that the Senate insist on its position in the Senate amendment(s) to Substitute House Bill No. 1044 and ask the House to concur thereon.

The motion by Senator Wellman carried and the Senate insisted on its position in the Senate amendment(s) to Substitute House Bill No. 1044 and asked the House to concur thereon by voice vote.

MESSAGE FROM THE HOUSE

April 18, 2023

MR. PRESIDENT:

The House insists on its position regarding the House amendment(s) to ENGROSSED SENATE BILL NO. 5175 and asks the Senate to concur thereon.

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

Senator Wellman moved that the Senate concur in the House amendment(s) to Engrossed Senate Bill No. 5175.

Senators Wellman and Hawkins spoke in favor of the motion.

INTRODUCTION OF SPECIAL GUESTS

The President welcomed and introduced Ms. Carol Trudeau who was present in the wings. Ms. Trudeau is the grandmother of Senator Trudeau.

The President declared the question before the Senate to be the motion by Senator Wellman that the Senate concur in the House amendment(s) to Engrossed Senate Bill No. 5175.

The motion by Senator Wellman carried and the Senate concurred in the House amendment(s) to Engrossed Senate Bill No. 5175 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Senate Bill No. 5175, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Senate Bill No. 5175, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 32; Nays, 17; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Cleveland, Conway, Dhingra, Frame, Gildon, Hasegawa, Hunt, Kauffman, Keiser, Kuderer, Liias, Lovelett, Lovick, MacEwen, Mullet, Nguyen, Nobles, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon,

Shewmake, Stanford, Trudeau, Valdez, Van De Wege, Wellman and Wilson, C.

Voting nay: Senators Boehnke, Braun, Dozier, Fortunato, Hawkins, Holy, King, McCune, Muzzall, Padden, Schoesler, Short, Torres, Wagoner, Warnick, Wilson, J. and Wilson, L.

ENGROSSED SENATE BILL NO. 5175, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

April 14, 2023

MR. PRESIDENT:
The House receded from its amendment(s) to SENATE BILL NO. 5369. Under suspension of the rules, the bill was returned to second reading for the purposes of amendment(s). The House adopted the following amendment(s): 5369 AMH DOGL H1920.2, and passed the bill as amended by the House.

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** (1) The legislature finds that polychlorinated biphenyls, or PCBs, are a hazardous chemical class that have been identified as carcinogenic, a developmental toxicant, toxic to aquatic organisms, and persistent and bioaccumulative. According to the United States environmental protection agency, PCBs are probable human carcinogens and may have serious and potential effects on the immune system, reproductive system, nervous system, and endocrine system.

(2) Humans and other organisms can be exposed to PCBs in a number of ways. PCBs can be released into the environment from hazardous waste sites, illegal dumping, or disposal of PCB wastes or PCB-containing products in areas or landfills not designed to handle hazardous waste, leaks, or releases from electrical transformers containing PCBs, and wastewater discharges. Once PCBs are released, the chemicals do not readily break down in the environment and can cycle for long periods between air, water, and soil. PCBs can accumulate in leaves and above-ground parts of plants and food crops, and they are also taken up into the bodies of small organisms and fish, resulting in potential exposure for people and organisms that ingest the fish.

(3) In 1979, the United States banned the production of PCBs under the toxic substances control act. However, the United States environmental protection agency's regulations implementing the toxic substances control act for PCBs allow some inadvertent generation of PCBs to occur in excluded manufacturing processes. These manufacturing by-product PCBs have been identified in wastewater, sediments, and air in numerous locations and have been positively identified in the testing of new products.

(4) The legislature finds that the state has done much to address PCB contamination, including cleanup, permitting, stormwater management, and fish advisories. In addition, the United States environmental protection agency, Washington state, and the Spokane tribe of Indians have established PCB water quality standards to protect human health and the environment. These standards are critical for addressing release and exposure from legacy and nonlegacy PCBs. However, the standards cannot be achieved with currently available water treatment technology if the waste stream continues to include new sources of PCBs allowable under the toxic substances control act at levels measured in products such as paints, inks, and pigments that are billions of times higher than applicable water quality standards. While the United States environmental protection agency has restored a human health criteria standard of seven parts per quadrillion in Washington waters, the toxic substances control act limit for PCBs in products is an annual average of 25 parts per million, with a maximum 50 parts per million adjusted total PCBs. Therefore, the legislature finds that nonlegacy PCB contamination may most effectively be managed upstream at the product and process source as opposed to downstream facilities at the end of the product life cycle. The toxic substances control act standard for inadvertent PCBs does not reflect current science on limits needed to protect human health and the environment and is overdue for revision.

(5) While previous industry analysis of toxic substances control act rule making has asserted negative impacts and infeasibility in disallowing by-product PCBs, the legislature finds that safer, feasible, and available alternatives to PCB-containing paints and printing inks now exist, as determined by the department in its June 2022 *Safer Products for Washington* report. Moreover, since safer and available products and processes to produce paints and printing inks do exist, the legislature finds that use of manufacturing processes resulting in products with PCB by-products is not inadvertent, but intentional, and constitutes a use of the chemical within the product.

(6) Therefore, the legislature intends to direct the department to petition the United States environmental protection agency to reassess its PCB regulations under the toxic substances control act and to prohibit the use of chlorine-based pigment manufacturing processes, which result in the generation of PCBs.

NEW SECTION. **Sec. 2.** The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.

(1) "Department" means the department of ecology.

(2) "Manufacturer" means any person, firm, association, partnership, corporation, governmental entity, organization, or joint venture that produces a product or is an importer or domestic distributor of a product sold or offered for sale in or into the state.

(3) "Paint and printing ink" includes, but is not limited to, building paint for indoor and outdoor use, spray paint, children's paint, road paint, and printing inks used in paper and packaging.

(4) "PCBs" or "polychlorinated biphenyls" means chemical forms that consist of two benzene rings joined together and containing one to 10 chlorine atoms attached to the benzene rings.

(5) "Retail establishment" includes any person, corporation, partnership, business, facility, vendor, organization, or individual that sells or provides merchandise, goods, or materials directly to a customer.

NEW SECTION. **Sec. 3.** (1) The department must petition the United States environmental protection agency to reassess its regulations on excluded manufacturing processes from prohibitions on manufacturing, processing, distribution in commerce, and use of PCBs and PCB items under 40 C.F.R. Sec. 761.3 for the purpose of eliminating or reducing the presence of PCBs in consumer products.

(2) In petitioning the United States environmental protection agency, the department must include legislative findings under this chapter and information on:

(a) Health effects of PCBs;

(b) Release and exposure of PCBs including, but not limited to, concentrations of PCBs measured in consumer products and in state waters, soils, and fish tissue;

(c) Safer alternatives for consumer products that contain PCBs, including the availability and feasibility of alternatives; and

(d) Other relevant data or findings as determined by the department.

(3) The department is not required to generate new data and may use previously compiled data and findings developed in the

performance of duties under this chapter.

(4) The department may consult with the department of health and other relevant state agencies in developing the petition under this section.

(5) To the extent practicable, the department must seek completion of the petition review by January 1, 2025.

NEW SECTION. **Sec. 4.** (1)(a)(i) Beginning January 1, 2025, a manufacturer or wholesaler may not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this state any paint or printing ink that contains chlorine-based pigments.

(ii) Beginning January 1, 2026, a retail establishment may not knowingly sell or knowingly offer for sale for use in this state any paint or printing ink that contains chlorine-based pigments.

(b)(i) Beginning no later than 12 months after the adoption of rules under subsection (3) of this section, a manufacturer or wholesaler may not manufacture, sell, offer for sale, distribute for sale, or distribute for use in this state a product identified under subsection (3) of this section that contains chlorine-based pigments.

(ii) Beginning no later than 24 months after the adoption of rules under subsection (3) of this section, a retail establishment may not knowingly sell or knowingly offer for sale any product identified under subsection (3) of this section that contains chlorine-based pigments.

(2) Upon a demand by the department, a person must demonstrate to the department that a product is in compliance with the requirements of subsection (1) of this section through the submission to the department of:

(a) Testing data indicating that a chlorine-based manufacturing process was not used in the manufacture of the pigments contained in the paint, printing ink, or other product; or

(b) Information pertaining to pigment manufacturing processes demonstrating that chlorine was not used in the manufacturing of pigments contained in the paint, printing ink, or other product.

(3) The department may, by rule, identify products that, as a result of the inclusion of pigments in the product, contain PCBs that were inadvertently generated in the making of the pigment. The department may require a demonstration for products identified under this subsection of the absence of chlorine-based pigments in a product in a manner consistent with subsection (2) of this section. The department must initiate a rule-making process under this subsection by October 1, 2023.

(4) The prohibitions in subsection (1) of this section do not apply to:

(a) Paint manufactured, reused, or recycled from paint collected under chapter 70A.515 RCW; or

(b) The sale of any previously owned products containing inadvertently generated PCBs made in casual or isolated sales as defined in RCW 82.04.040, or by a nonprofit organization.

(5)(a) The department may exempt a product or category of product from the prohibitions in subsection (1) of this section upon determining that a product or category of product is not capable of being manufactured in a manner that does not rely on the inclusion of chlorine-based pigments, and upon determining that allowing for the continued manufacture of the product or category of product containing a chlorine-based pigment would not result in meaningful impacts to human health, the environment, or the ability of entities regulated under chapter 90.48 RCW to comply with water quality standards.

(b) The department may, in its discretion, extend the compliance deadline in subsection (1) of this section for a product or category of product for which a person annually demonstrates to the department by October 1st of a given year that the prohibition is not technically feasible for the person to comply with.

(6) The department may not administer or enforce the requirements of this section if:

(a) A court of competent jurisdiction determines that federal regulations preempt the requirements; or

(b) The requirement does not align with any regulation established by the United States environmental protection agency adopted after the effective date of this section.

(7) If the requirements of this section are determined by a court of competent jurisdiction to be preempted by federal regulations, the department is directed to adopt a rule, within 18 months of the determination of preemption, to establish a reporting requirement for the use of chlorine-based pigment manufacturing processes or the PCB content of any combination of paints, printing inks, or products identified by the department under subsection (3) of this section.

NEW SECTION. **Sec. 5.** (1) The department may adopt rules to implement, administer, and enforce the requirements of this chapter.

(2) The department may impose a civil penalty for a violation of any requirement of this chapter in an amount not to exceed $5,000 for each violation in the case of a first offense. Persons who are repeat violators are subject to a civil penalty not to exceed $10,000 for each repeat offense. The department must issue at least one notice of violation by certified mail prior to assessing a penalty and the department may only impose a penalty on a manufacturer or retail establishment that has not met the requirements of this chapter 60 days following the date the written notification of the violation was sent. The department may not collect a penalty from a retail establishment for a product that the retail establishment demonstrates to the department was in the possession of the retail establishment as of the effective date of the restrictions on manufacture, sale, and distribution under section 4(1) (a)(i) or (b)(i) of this act.

(3) Any penalty provided for in this section, and any order issued by the department under this chapter, may be appealed to the pollution control hearings board.

(4) All penalties collected under this chapter must be deposited in the model toxics control operating account created in RCW 70A.305.180.

Sec. 6. RCW 43.21B.110 and 2022 c 180 s 812 are each amended to read as follows:

(1) The hearings board shall only have jurisdiction to hear and decide appeals from the following decisions of the department, the director, local conservation districts, the air pollution control boards or authorities as established pursuant to chapter 70A.15 RCW, local health departments, the department of natural resources, the department of fish and wildlife, the parks and recreation commission, and authorized public entities described in chapter 79.100 RCW:

(a) Civil penalties imposed pursuant to RCW 18.104.155, 70A.15.3160, 70A.300.090, 70A.20.050, 70A.530.040, 70A.350.070, 70A.515.060, 70A.245.040, 70A.245.050, 70A.245.070, 70A.245.080, 70A.65.200, 70A.455.090, section 5 of this act, 76.09.170, 77.55.440, 78.44.250, 88.46.090, 90.03.600, 90.46.270, 90.48.144, 90.56.310, 90.56.330, and 90.64.102.

(b) Orders issued pursuant to RCW 18.104.043, 18.104.060, 43.27A.190, 70A.15.2520, 70A.15.3010, 70A.300.120, 70A.350.070, 70A.245.020, 70A.65.200, 86.16.020, 88.46.070, 90.14.130, 90.46.250, 90.48.120, and 90.56.330.

(c) Except as provided in RCW 90.03.210(2), the issuance, modification, or termination of any permit, certificate, or license by the department or any air authority in the exercise of its jurisdiction, including the issuance or termination of a waste disposal permit, the denial of an application for a waste disposal

permit, the modification of the conditions or the terms of a waste disposal permit, or a decision to approve or deny an application for a solid waste permit exemption under RCW 70A.205.260.

(d) Decisions of local health departments regarding the grant or denial of solid waste permits pursuant to chapter 70A.205 RCW.

(e) Decisions of local health departments regarding the issuance and enforcement of permits to use or dispose of biosolids under RCW 70A.226.090.

(f) Decisions of the department regarding waste-derived fertilizer or micronutrient fertilizer under RCW 15.54.820, and decisions of the department regarding waste-derived soil amendments under RCW 70A.205.145.

(g) Decisions of local conservation districts related to the denial of approval or denial of certification of a dairy nutrient management plan; conditions contained in a plan; application of any dairy nutrient management practices, standards, methods, and technologies to a particular dairy farm; and failure to adhere to the plan review and approval timelines in RCW 90.64.026.

(h) Any other decision by the department or an air authority which pursuant to law must be decided as an adjudicative proceeding under chapter 34.05 RCW.

(i) Decisions of the department of natural resources, the department of fish and wildlife, and the department that are reviewable under chapter 76.09 RCW, and the department of natural resources' appeals of county, city, or town objections under RCW 76.09.050(7).

(j) Forest health hazard orders issued by the commissioner of public lands under RCW 76.06.180.

(k) Decisions of the department of fish and wildlife to issue, deny, condition, or modify a hydraulic project approval permit under chapter 77.55 RCW, to issue a stop work order, to issue a notice to comply, to issue a civil penalty, or to issue a notice of intent to disapprove applications.

(l) Decisions of the department of natural resources that are reviewable under RCW 78.44.270.

(m) Decisions of an authorized public entity under RCW 79.100.010 to take temporary possession or custody of a vessel or to contest the amount of reimbursement owed that are reviewable by the hearings board under RCW 79.100.120.

(n) Decisions of the department of ecology that are appealable under RCW 70A.245.020 to set recycled minimum postconsumer content for covered products or to temporarily exclude types of covered products in plastic containers from minimum postconsumer recycled content requirements.

(o) Orders by the department of ecology under RCW 70A.455.080.

(2) The following hearings shall not be conducted by the hearings board:

(a) Hearings required by law to be conducted by the shorelines hearings board pursuant to chapter 90.58 RCW.

(b) Hearings conducted by the department pursuant to RCW 70A.15.3010, 70A.15.3070, 70A.15.3080, 70A.15.3090, 70A.15.3100, 70A.15.3110, and 90.44.180.

(c) Appeals of decisions by the department under RCW 90.03.110 and 90.44.220.

(d) Hearings conducted by the department to adopt, modify, or repeal rules.

(3) Review of rules and regulations adopted by the hearings board shall be subject to review in accordance with the provisions of the administrative procedure act, chapter 34.05 RCW.

NEW SECTION. **Sec. 7.** Sections 1 through 5 of this act constitute a new chapter in Title 70A RCW.

NEW SECTION. **Sec. 8.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected."

Correct the title.

and the same are herewith transmitted.

BERNARD DEAN, Chief Clerk

MOTION

Senator Billig moved that the Senate refuse to concur in the House amendment(s) to Senate Bill No. 5369 and ask the House to recede therefrom.

Senators Billig and MacEwen spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Billig that the Senate refuse to concur in the House amendment(s) to Senate Bill No. 5369 and ask the House to recede therefrom.

The motion by Senator Billig carried and the Senate refused to concur in the House amendment(s) to Senate Bill No. 5369 and asked the House to recede therefrom by voice vote.

MOTION

On motion of Senator Nobles, Senator Trudeau was excused.

MESSAGE FROM THE HOUSE

April 17, 2023

MR. PRESIDENT:
The House passed SUBSTITUTE SENATE BILL NO. 5096 with the following amendment(s): 5096-S AMH ICEV H1657.1

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature finds that:

Employee ownership in companies provides numerous benefits to both businesses and workers across all industries. Research from the national center for employee ownership found that one such structure, employee stock ownership plans, had better workforce retention, benefits and retirement security, and firm performance than nonemployee stock ownership plans companies in the same industry. In addition, the Rutgers school of management and labor relations found that employee-owned companies outperformed nonemployee-owned companies in job retention, pay, and workplace health safety throughout the COVID-19 pandemic. At their core, employee ownership structures allow employees to gain ownership stake in a business, increasing their personal wealth without the risks related to starting or purchasing their own company.

States throughout the nation have moved to provide support for employee ownership structures. The Colorado employee ownership office has operated since 2019 to create a network of technical support and service providers considering employee ownership structures. Recently, both California and Massachusetts passed legislation to establish their own dedicated employee ownership support programs. Other states, such as Iowa, provide tax benefits and upfront costs to businesses interested in employee ownership.

Further, the federal government has recognized the benefit broad-based employee ownership structures provide to communities. The American rescue plan act included $10,000,000,000 for the state small business credit initiative. Through that act congress also directed the treasury department to allow state small business credit initiative funding to be used for transitions to employee ownership, when state small business

credit initiative funding has not been historically available for business transactions.

The legislature desires to provide a dedicated program to educate businesses on employee ownership, assist both owners and workers in navigating available resources, reduce barriers to transitioning to employee-owned structures, and provide tax support for businesses that transition to an employee ownership structure.

Therefore, it is the intent of the legislature to encourage the growth of employee ownership structures through this expanding employee ownership act.

NEW SECTION. **Sec. 2.** A new section is added to chapter 43.330 RCW to read as follows:

(1) The Washington employee ownership program is created to support the efforts of businesses considering a sale to an employee ownership structure. The Washington employee ownership program must be administered by the department and overseen by the Washington employee ownership commission established in section 3 of this act.

(2)(a) In implementing the Washington employee ownership program, the director must:

(i) Create a network of technical support and service providers for businesses considering employee ownership structures;

(ii) Work with state agencies whose regulations and programs affect employee-owned businesses, and businesses with the potential to become employee owned, to enhance opportunities and reduce barriers;

(iii) Partner with relevant private, nonprofit, and public organizations including, but not limited to, professional and trade associations, financial institutions, unions, small business development centers, economic and workforce development organizations, and nonprofit entities to promote employee ownership benefits and succession models;

(iv) Develop and make available materials regarding employee ownership benefits and succession models;

(v) Provide a referral service to help qualified business owners find appropriate legal, financial, and technical employee ownership resources and services;

(vi) Work with the department of financial institutions and appropriate state, private, and nonprofit entities to shape and implement guidance on lending to broad-based employee ownership vehicles;

(vii) Create an inventory of employee-owned businesses in the state including employee stock ownership plans, worker cooperatives, and employee ownership trusts; and

(viii) Subject to the successful award of federal funding for this purpose, establish a revolving loan program to assist existing small businesses to finance a transition to employee ownership.

(b) Loans offered by the revolving loan program must be used to help facilitate the purchase of an interest in an employee stock ownership plan or worker-owned cooperative from the owner or owners of a qualified business, provided that:

(i) The transaction results in the employee stock ownership plan or worker cooperative holding a majority interest in the business, on a fully diluted basis; and

(ii) If used to assist in the purchase of an interest in an employee stock ownership plan, the employee stock ownership plan: (A) Has appointed an independent trustee; or (B) has, as a trustee, person, or entity, completed education on best practices for employee stock ownership plans.

(c) Loans financing the sale of an interest to a worker cooperative shall be extended based on repayment ability and shall not require a personal or entity guarantee. In meeting the requirement in (b) of this subsection, lending guidelines must be established for worker cooperatives not based on any personal or entity guarantees provided by the member owners or the selling business owner. These guidelines may include but are not limited to cash flow-based underwriting, character-based lending, and reliance on business assets.

(d) In order to support the revolving loan program, the director or the director's designee must apply for federal funding opportunities that:

(i) Support capitalization of state revolving loan programs; and

(ii) Support businesses that seek to transition to employee ownership.

(e) Amounts from the repayment of loans offered by the revolving loan program must be deposited in the employee ownership revolving loan program account established in section 6 of this act.

(3) The director or the director's designee may contract with consultants, agents, or advisors necessary to further the purposes of this section.

(4) By December 1st each year, the department must submit a report to the appropriate committees of the legislature on program activities and the number of employee-owned businesses and employee-owned trusts in the state, including recommendations for improvement and barriers for businesses considering employee ownership structures in Washington state. The first report must include rules and guidelines for the administration of the program, as established by the Washington employee ownership commission.

(5) For the purposes of this section:

(a) "Employee-owned business" means:

(i) An employee cooperative established under chapter 23.78, 23.86, 23.100, or 24.06 RCW that has at least 50 percent of its board of directors consisting of, and elected by, its employees; or

(ii) An entity owned in whole or in part by employee stock ownership plans as defined in 26 U.S.C. Sec. 4975(e)(7).

(b) "Qualified business" means a person subject to tax under Title 82 RCW, including but not limited to a C corporation, S corporation, limited liability company, partnership, limited liability partnership, sole proprietorship, or other similar pass-through entity, that is not owned in whole or in part by an employee ownership trust, that does not have an employee stock ownership plan, or that is not, in whole or in part, a worker-owned cooperative.

(6) Program support shall only be made available to businesses headquartered in Washington state. For the purposes of this section, "headquartered in Washington state" means that Washington state is its principal place of business or the state where it is incorporated.

(7) The director shall adopt rules as necessary to implement this section.

NEW SECTION. **Sec. 3.** A new section is added to chapter 43.330 RCW to read as follows:

(1) The Washington employee ownership commission is hereby created to exercise the powers in developing and supervising the program created in section 2 of this act.

(2) The commission shall consist of:

(a) One member from each of the two major caucuses of the house of representatives to be appointed by the speaker of the house and one member from each of the two major caucuses of the senate to be appointed by the president of the senate. The initial term shall be two years; and

(b) The following members appointed by the governor:

(i) Five members who represent the private sector or professional organizations as follows:

(A) One representative of a worker cooperative business. The initial term shall be four years;

(B) One representative of an employee stock ownership plan

business. The initial term shall be four years;

(C) One representative from a statewide business association. The initial term shall be two years;

(D) One economic development expert, from the private sector, with employee ownership knowledge and experience. The initial term shall be four years; and

(E) One representative from a financial institution with expertise in assisting businesses transitioning into an employee ownership structure. The initial term shall be two years; and

(ii) Two members who represent the public sector as follows:

(A) One economic development expert, from the public sector. The initial term shall be four years; and

(B) One representative from the department of commerce, who will chair the first meeting prior to the election of the chair. The initial term shall be four years.

(3) After the initial term of appointment, all members shall serve terms of four years and shall hold office until successors are appointed.

(4) The commission shall be led by a chair selected and voted on by members of the commission. The chair shall serve a one-year term but may serve more than one term if selected to do so by members of the commission.

(5) The commission shall develop, in consultation with the director, rules and guidelines to administer the program. Rules and guidelines for the administration of the program must be included in the first report to the legislature required in section 2 of this act.

(6) Before making any appointments to the commission, the governor must seek nominations from recognized organizations that represent the entities or interests identified in this section. The governor must select appointees to represent private sector industries from a list of three nominations provided by the trade associations representing the industry, unless no names are put forth by the trade associations.

(7) The commission shall conduct market research for the purposes of, or to support, a future application to the federal government for a program to assist in the purchase of an interest in an employee stock ownership plan qualifying under section 401 of the internal revenue code, worker cooperative, or related broad-based employee ownership vehicle.

(8) For purposes of this section, a "professional organization" includes an entity whose members are engaged in a particular lawful vocation, occupation, or field of activity of a specialized nature including, but not limited to, associations, boards, educational institutions, and nonprofit organizations.

NEW SECTION. **Sec. 4.** (1) This section is the tax preference performance statement for the tax preference contained in section 5, chapter . . ., Laws of 2023 (section 5 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes this tax preference as one intended to induce certain designated behavior by taxpayers, as indicated in RCW 82.32.808(2)(a).

(3) It is the legislature's specific public policy objective to encourage business owners to create an employee stock ownership plan or employee ownership trust, or to convert to a worker-owned cooperative, that allows the company to share ownership with their employees without requiring employees to invest their own money.

(4) If a review finds that the number of businesses in this state offering employee stock ownership plans, employee ownership trusts, or ones that have converted to a worker-owned cooperative, has increased because of the tax credit under this act, then the legislature intends for the legislative auditor to recommend extending the expiration date of the tax preference.

(5) In order to obtain the data necessary to perform the review in subsection (4) of this section, the joint legislative audit and review committee may access and use any relevant data collected by the state.

NEW SECTION. **Sec. 5.** A new section is added to chapter 82.04 RCW to read as follows:

(1) Beginning July 1, 2024, in computing the tax imposed under this chapter, a credit is allowed for costs related to converting a qualifying business to a worker-owned cooperative, employee ownership trust, or an employee stock ownership plan, as provided in this section.

(2) The credit is equal to:

(a) Up to 50 percent of the conversion costs, not to exceed $25,000, incurred by a qualified business for converting the qualified business to a worker-owned cooperative or an employee ownership trust; or

(b) Up to 50 percent of the conversion costs, not to exceed $100,000, incurred by a qualified business for converting the qualified business to an employee stock ownership plan.

(3)(a) Credit under this section is earned, and claimed against taxes due under this chapter, for the tax reporting period in which the conversion to a worker-owned cooperative, employee ownership trust, or an employee stock ownership plan is complete, or subsequent tax reporting periods as provided in (c) of this subsection.

(b) The credit must not exceed the tax otherwise due under this chapter for the tax reporting period.

(c) Unused credit may be carried over and used in subsequent tax reporting periods, except that no credit may be claimed more than 12 months from the end of the tax reporting period in which the credit was earned.

(d) No refunds may be granted for credits under this section.

(4)(a) The total amount of credits authorized under this section may not exceed an annual statewide limit of $2,000,000.

(b) Credits must be authorized on a first-in-time basis.

(c) No credit may be earned, during any calendar year, on or after the last day of the calendar month immediately following the month the department has determined that $2,000,000 in credit has been earned.

(5)(a) The department may require persons claiming a credit under this section to provide appropriate documentation, in a manner as determined by the department, for the purposes of determining eligibility under this section.

(b) Every person claiming a credit under this section must preserve, for a period of five years, any documentation to substantiate the amount of credit claimed.

(6) For the purposes of this section:

(a) "Conversion costs" means professional services, including accounting, legal, and business advisory services, as detailed in the guidelines issued by the department, for: (i) A feasibility study or other preliminary assessments regarding a transition of a business to an employee stock ownership plan, a worker-owned cooperative, or an employee ownership trust; or (ii) the transition of a business to an employee stock ownership plan, a worker-owned cooperative, or an employee ownership trust.

(b) "Employee ownership trust" means an indirect form of employee ownership in which a trust holds a controlling stake in a qualified business and benefits all employees on an equal basis.

(c) "Employee stock ownership plan" has the same meaning as set forth in 26 U.S.C. Sec. 4975(e)(7), as of the effective date of this section.

(d) "Qualified business" means a person subject to tax under this chapter, including but not limited to a C corporation, S

corporation, limited liability company, partnership, limited liability partnership, sole proprietorship, or other similar pass-through entity, that is not owned in whole or in part by an employee ownership trust, that does not have an employee stock ownership plan, or that is not, in whole or in part, a worker-owned cooperative, and that is approved by the department for the tax credit in this section.

(e) "Worker-owned cooperative" has the same meaning as set forth in 26 U.S.C. Sec. 1042(c)(2), as of the effective date of this section, or such subsequent dates as may be provided by rule by the department, consistent with the purposes of this section.

(7) Credits allowed under this section can be earned for tax reporting periods starting on or before June 30, 2029. No credits can be claimed on returns filed for tax periods starting on or after July 1, 2030.

(8) This section expires July 1, 2030.

NEW SECTION. **Sec. 6.** A new section is added to chapter 43.330 RCW to read as follows:

The employee ownership revolving loan program account is created in the custody of the state treasury. All transfers and appropriations by the legislature, repayments of loans, private contributions, and all other sources must be deposited into the account. Expenditures from the account may be used only for the purposes of the Washington employee ownership program created in section 2 of this act. Only the director or the director's designee may authorize expenditures from the account. The account is subject to allotment procedures under chapter 43.88 RCW, but an appropriation is not required for expenditures.

NEW SECTION. **Sec. 7.** Sections 4 and 5 of this act take effect July 1, 2024.

NEW SECTION. **Sec. 8.** This act may be known and cited as the expanding employee ownership act."

Correct the title.

and the same are herewith transmitted.

BERNARD DEAN, Chief Clerk

MOTION

Senator Padden moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5096.

Senators Padden and Stanford spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Padden that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5096.

The motion by Senator Padden carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 5096 by voice vote.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5096, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5096, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senator Trudeau

SUBSTITUTE SENATE BILL NO. 5096, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

April 18, 2023

MR. PRESIDENT:

The House receded from its amendment(s) to ENGROSSED SUBSTITUTE SENATE BILL NO. 5123. Under suspension of the rules, the bill was returned to second reading for the purposes of amendment(s). The House adopted the following amendment(s): 5123-S.E AMH ROBE LEON 840, and passed the bill as amended by the House.

On page 2, beginning on line 20, after "applicant" strike "applying for a position that requires" and insert "seeking:

(a) A position requiring"

On page 2, line 22, after "clearance" strike "or" and insert ";

(b) A position with a general authority Washington law enforcement agency as defined in RCW 10.93.020;

(c) A position with a fire department, fire protection district, or regional fire protection service authority;

(d) A position as a first responder not included under (b) or (c) of this subsection, including a dispatcher position with a public or private 911 emergency communications system or a position responsible for the provision of emergency medical services;

(e) A position as a corrections officer with a jail, detention facility, or the department of corrections, including any position directly responsible for the custody, safety, and security of persons confined in those facilities;

(f) A position"

On page 2, beginning on line 22, after "industries" strike ", or any other" and insert "; or

(g) A"

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

Senator Keiser moved that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 5123.

Senators Keiser and King spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Keiser that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 5123.

The motion by Senator Keiser carried and the Senate concurred in the House amendment(s) to Engrossed Substitute Senate Bill No. 5123 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5123, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5123, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 30; Nays, 18; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Cleveland, Conway, Dhingra, Frame, Hasegawa, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Shewmake, Stanford, Valdez, Van De Wege, Wellman, Wilson, C. and Wilson, J.

Voting nay: Senators Boehnke, Braun, Dozier, Fortunato, Gildon, Hawkins, Holy, MacEwen, McCune, Muzzall, Padden, Rivers, Schoesler, Short, Torres, Wagoner, Warnick and Wilson, L.

Excused: Senator Trudeau

ENGROSSED SUBSTITUTE SENATE BILL NO. 5123, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SIGNED BY THE PRESIDENT

Pursuant to Article 2, Section 32 of the State Constitution and Senate Rule 1(5), the President announced the signing of and thereupon did sign in open session:

ENGROSSED SUBSTITUTE SENATE BILL NO. 5294,
SUBSTITUTE SENATE BILL NO. 5389,
SUBSTITUTE SENATE BILL NO. 5396,
SUBSTITUTE SENATE BILL NO. 5398,
SUBSTITUTE SENATE BILL NO. 5399,
SENATE BILL NO. 5403,
SECOND SUBSTITUTE SENATE BILL NO. 5425,
SUBSTITUTE SENATE BILL NO. 5436,
SUBSTITUTE SENATE BILL NO. 5437,
SUBSTITUTE SENATE BILL NO. 5448,
SECOND SUBSTITUTE SENATE BILL NO. 5454,
SUBSTITUTE SENATE BILL NO. 5460,
SUBSTITUTE SENATE BILL NO. 5491,
SENATE BILL NO. 5497,
SECOND SUBSTITUTE SENATE BILL NO. 5502,
SUBSTITUTE SENATE BILL NO. 5504,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5515,
SUBSTITUTE SENATE BILL NO. 5523,
ENGROSSED SUBSTITUTE SENATE BILL NO. 5528,
SECOND SUBSTITUTE SENATE BILL NO. 5532,
SECOND SUBSTITUTE SENATE BILL NO. 5555,
SUBSTITUTE SENATE BILL NO. 5565,
and SUBSTITUTE SENATE BILL NO. 5581.

MESSAGE FROM THE HOUSE

April 14, 2023

MR. PRESIDENT:
The House passed ENGROSSED SUBSTITUTE SENATE BILL NO. 5447 with the following amendment(s): 5447-S.E AMH ENGR H1845.E

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** The legislature intends to use funds from the climate commitment act to promote the production and use of sustainable aviation fuels, thereby growing the clean energy sector, addressing greenhouse gas emissions, and creating family wage manufacturing jobs in Washington. Sustainable aviation fuels represent the most significant near and midterm opportunity for aviation to reduce its greenhouse gas emissions. The use of sustainable aviation fuels will also improve air quality for airport workers and communities surrounding airports. While many efforts are underway to advance the use of sustainable aviation fuels, this act is intended to assist and accelerate those efforts.

PART I
TREATMENT OF ALTERNATIVE JET FUELS

Sec. 2. RCW 70A.535.010 and 2022 c 182 s 409 are each amended to read as follows:

The definitions in this section apply throughout this chapter unless the context clearly indicates otherwise.

(1) "Carbon dioxide equivalents" has the same meaning as defined in RCW 70A.45.010.

(2) "Carbon intensity" means the quantity of life-cycle greenhouse gas emissions, per unit of fuel energy, expressed in grams of carbon dioxide equivalent per megajoule (gCO2e/MJ).

(3) "Clean fuels program" means the requirements established under this chapter.

(4) "Cost" means an expense connected to the manufacture, distribution, or other aspects of the provision of a transportation fuel product.

(5) "Credit" means a unit of measure generated when a transportation fuel with a carbon intensity that is less than the applicable standard adopted by the department under RCW 70A.535.025 is produced, imported, or dispensed for use in Washington, such that one credit is equal to one metric ton of carbon dioxide equivalents. A credit may also be generated through other activities consistent with this chapter.

(6) "Deficit" means a unit of measure generated when a transportation fuel with a carbon intensity that is greater than the applicable standard adopted by the department under RCW 70A.535.025 is produced, imported, or dispensed for use in Washington, such that one deficit is equal to one metric ton of carbon dioxide equivalents.

(7) "Department" means the department of ecology.

(8) "Electric utility" means a consumer-owned utility or investor-owned utility, as those terms are defined in RCW 19.29A.010.

(9) "Greenhouse gas" has the same meaning as defined in RCW 70A.45.010.

(10) "Military tactical vehicle" means a motor vehicle owned by the United States department of defense or the United States military services and that is used in combat, combat support, combat service support, tactical or relief operations, or training for such operations.

(11) "Motor vehicle" has the same meaning as defined in RCW 46.04.320.

(12) "Price" means the amount of payment or compensation provided as consideration for a specified quantity of transportation fuel by a consumer or end user of the transportation fuel.

(13) "Regulated party" means a producer or importer of any amount of a transportation fuel that is ineligible to generate credits under this chapter.

(14)(a) "Tactical support equipment" means equipment using a portable engine, including turbines, that meets military specifications, owned by the United States military services or its allies, and that is used in combat, combat support, combat service support, tactical or relief operations, or training for such operations.

(b) "Tactical support equipment" includes, but is not limited to, engines associated with portable generators, aircraft start carts, heaters, and lighting carts.

(15) "Transportation fuel" means electricity and any liquid or gaseous fuel sold, supplied, offered for sale, or used for the

propulsion of a motor vehicle or that is intended for use for transportation purposes.

(16) "Alternative jet fuel" means a fuel that can be blended and used with conventional petroleum jet fuels without the need to modify aircraft engines and existing fuel distribution infrastructure, and that have a lower carbon intensity than the applicable annual carbon intensity standard in Table 2 of WAC 173-424-900, as it existed on the effective date of this section. Alternative jet fuel includes jet fuels derived from coprocessed feedstocks at a conventional petroleum refinery.

NEW SECTION. **Sec. 3.** A new section is added to chapter 70A.535 RCW to read as follows:

(1) By no later than December 31, 2023, the department must allow one or more carbon intensity pathways for alternative jet fuel.

(2) The department must allow biomethane to be claimed as the feedstock for renewable diesel and alternative jet fuel consistent with that allowable for compressed natural gas, liquified natural gas, liquified compressed natural gas, or hydrogen production. The department must include in the report required by RCW 70A.535.090(1) information that includes the amount, generation date, and geographic origin of renewable thermal certificates representing the biomethane environmental attributes claimed by each reporting entity for the fuels described in this subsection.

(3) The department must notify the department of revenue within 30 days when one or more facilities capable of producing a cumulative production capacity of at least 20,000,000 gallons of alternative jet fuel each year are operating in this state.

NEW SECTION. **Sec. 4.** A new section is added to chapter 28B.30 RCW to read as follows:

(1) Washington State University must convene an alternative jet fuels work group to further the development of alternative jet fuel as a productive industry in Washington. The work group must include members from the legislature and sectors involved in alternative jet fuel research, development, production, and utilization. The work group must provide a report including any pertinent recommendations to the governor and appropriate committees of the legislature by December 1, 2024, and December 1st of every even-numbered year until December 1, 2028.

(2) This section expires January 1, 2029.

Sec. 5. RCW 43.330.565 and 2022 c 292 s 102 are each amended to read as follows:

(1) The statewide office of renewable fuels is established within the department. The office shall report to the director of the department. The office may employ staff as necessary to carry out the office's duties as prescribed by chapter 292, Laws of 2022, subject to the availability of amounts appropriated for this specific purpose.

(2) The purpose of the office is to leverage, support, and integrate with other state agencies to:

(a) Accelerate comprehensive market development with assistance along the entire life cycle of renewable fuel projects;

(b) Support research into and development and deployment of renewable fuel and the production, distribution, and use of renewable and green electrolytic hydrogen and their derivatives, as well as product engineering and manufacturing relating to the production and use of such hydrogen and its derivatives;

(c) Drive job creation, improve economic vitality, and support the transition to clean energy;

(d) Further the development and use of alternative jet fuels as a productive industry in Washington;

(e) Enhance resiliency by using renewable fuels, alternative jet fuels, and green electrolytic hydrogen to support climate change mitigation and adaptations; and

(((~~(e)~~))) (f) Partner with overburdened communities to ensure communities equitably benefit from renewable and clean fuels efforts.

Sec. 6. RCW 43.330.570 and 2022 c 292 s 103 are each amended to read as follows:

(1) The office shall:

(a) Coordinate with federally recognized tribes, local government, state agencies, federal agencies, private entities, the state's public four-year institutions of higher education, labor unions, and others to facilitate and promote multi-institution collaborations to drive research, development, and deployment efforts in the production, distribution, and use of alternative jet fuels and renewable fuels including, but not limited to, green electrolytic hydrogen;

(b) Review existing renewable fuels, alternative jet fuels, and green electrolytic hydrogen initiatives, policies, and public and private investments, and tax and regulatory incentives, including assessment of adequacy of feedstock supply and in-state feedstock, renewable fuels, and alternative jet fuels production;

(c) Consider funding opportunities that provide for the coordination of public and private funds for the purposes of developing and deploying renewable fuels, alternative jet fuels, and green electrolytic hydrogen;

(d) Assess opportunities for and barriers to deployment of renewable fuels, alternative jet fuels, and green electrolytic hydrogen in hard to decarbonize sectors of the state economy;

(e) Request recommendations from the Washington state association of fire marshals regarding fire and other safety standards adopted by the United States department of energy and recognized national and international fire and safety code development authorities regarding renewable fuels, alternative jet fuels, and green electrolytic hydrogen;

(f) By December 1, 2023, develop a plan and recommendations for consideration by the legislature and governor on renewable fuels and green electrolytic hydrogen policy and public funding including, but not limited to, project permitting, state procurement, and pilot projects; and

(g) Encourage new and support existing public-private partnerships to increase coordinated planning and deployment of renewable fuels, alternative jet fuels, and green electrolytic hydrogen.

(2) The office may take all appropriate steps to seek and apply for federal funds for which the office is eligible, and other grants, and accept donations, and must deposit these funds in the renewable fuels accelerator account created in RCW 43.330.575.

(3) In carrying out its duties, the office must collaborate with the department, the department of ecology, the department of transportation, the utilities and transportation commission, electric utilities in Washington state, the Washington State University extension energy program, the alternative jet fuel work group established in section 4 of this act, and all other relevant state agencies. The office must also consult with and seek to involve federally recognized tribes, project developers, labor and industry trade groups, and other interested parties, in the development of policy analysis and recommended programs or projects.

(4) The office may cooperate with other state agencies in compiling data regarding the use of renewable fuels and green electrolytic hydrogen in state operations, including motor vehicle fleets, the state ferry system, and nonroad equipment.

NEW SECTION. **Sec. 7.** A new section is added to chapter 28B.30 RCW to read as follows:

(1) To assess the potential cobenefits of alternative jet fuel for Washington's communities, by December 1, 2024, and December 1st of each year until such time as the joint legislative audit and

review committee has completed its final report on the tax preferences contained in sections 9 through 12 of this act, the University of Washington's department of environmental and occupational health sciences, in collaboration with Washington State University, shall calculate emissions of ultrafine and fine particulate matter and sulfur oxides from the use of alternative jet fuel as compared to conventional fossil jet fuel, including the potential regional air quality benefits of any reductions. This emissions calculation shall be conducted for alternative jet fuel used from an international airport owned by a port district in a county with a population greater than 1,500,000. The University of Washington may access and use any data necessary to complete the reporting requirements of this section.

(2) To facilitate the calculation required in subsection (1) of this section, an international airport owned by a port district in a county with a population greater than 1,500,000 must report to the University of Washington the total annual volume of conventional and alternative jet fuel used for flights departing the airport by July 1, 2024, and July 1st of each year until such time as the joint legislative audit and review committee has completed its final report on the tax preferences contained in sections 9 through 12 of this act.

PART II

ALTERNATIVE JET FUEL TAX INCENTIVES

NEW SECTION. **Sec. 8.** (1) This section is the tax preference performance statement for the tax preferences contained in sections 9 through 12, chapter . . ., Laws of 2023 (sections 9 through 12 of this act). This performance statement is only intended to be used for subsequent evaluation of the tax preferences. It is not intended to create a private right of action by any party or to be used to determine eligibility for preferential tax treatment.

(2) The legislature categorizes these tax preferences as ones intended to improve industry competitiveness as indicated in RCW 82.32.808(2)(b).

(3) It is the legislature's specific public policy objective to encourage the production and use of alternative jet fuels. It is also the legislature's intent to support the development of the alternative jet fuels industry in Washington by providing targeted tax relief for such businesses.

(4) The legislature intends to extend the expiration date of the tax preferences contained in this act if a review finds:

(a) An increase in the production and use of alternative jet fuels in Washington by persons claiming the tax preferences in this act;

(b) That the production and use of alternative jet fuels in this state does not result in additional pollution including, but not limited to, pollution from per-and polyfluoroalkyl substances, noxious gases, ultrafine particles, lead, or other metals; and

(c) That the alternative jet fuel industry has created measurable economic growth in Washington.

(5) The review conducted by the joint legislative audit and review committee must include a racial equity analysis on air travel-related pollution in communities near an international airport owned by a port district in a county with a population greater than 1,500,000.

(6) In order to obtain the data necessary to perform the review in subsection (4) of this section, the joint legislative audit and review committee may access and use data from an international airport owned by a port district in a county with a population greater than 1,500,000, the University of Washington, reports compiled by the Washington State University pursuant to section 7 of this act, and any other data collected by the state as it deems necessary.

(7) The joint legislative audit and review committee must complete a preliminary report by December 1, 2032.

NEW SECTION. **Sec. 9.** A new section is added to chapter 82.04 RCW to read as follows:

(1) Upon every person engaging within the state in the business of manufacturing alternative jet fuel; as to such persons, the amount of the tax with respect to such business is, in the case of manufacturers, equal to the value of the product manufactured, or in the case of processors for hire, equal to the gross income of the business, multiplied by the rate of 0.275 percent.

(2) Upon every person engaging in making sales, at retail or wholesale, of manufactured alternative jet fuel; as to such persons, the amount of the tax with respect to such business is equal to the gross proceeds of sales of the alternative jet fuel, multiplied by the rate of 0.275 percent.

(3) For the purposes of this section, "alternative jet fuel" means a fuel that can be blended and used with conventional petroleum jet fuels without the need to modify aircraft engines and existing fuel distribution infrastructure and that has lower greenhouse gas emissions based on a full life-cycle analysis when compared to conventional petroleum jet fuel for which it is capable as serving as a substitute, as certified by the department of ecology using the methods for determining the carbon intensity of fuels under chapter 70A.535 RCW. "Alternative jet fuel" includes jet fuels derived from coprocessed feedstocks at a conventional petroleum refinery as certified by the department of ecology using the methods for determining the carbon intensity of fuels under chapter 70A.535 RCW.

(4) A person reporting under the tax rate provided in this section must file a complete annual tax performance report with the department under RCW 82.32.534.

(5)(a) The tax rate under subsections (1) and (2) of this section takes effect on the first day of the first calendar quarter following the month in which the department receives notice from the department of ecology that there are one or more facilities operating in this state with a cumulative production capacity of at least 20,000,000 gallons of alternative jet fuel each year, as required in section 3 of this act.

(b) The tax rate expires nine calendar years after the close of the calendar year in which the tax rate under subsections (1) and (2) of this section takes effect.

NEW SECTION. **Sec. 10.** A new section is added to chapter 82.04 RCW to read as follows:

(1)(a) Subject to the limits and provisions of this section, a credit is allowed against the tax otherwise due under this chapter for persons engaged in the manufacturing of alternative jet fuel.

(b) Except as provided in (c) of this subsection, the credit under this section is equal to $1 for each gallon of alternative jet fuel that has at least 50 percent less carbon dioxide equivalent emissions than conventional petroleum jet fuel and is sold during the prior calendar year by:

(i) A business that produces alternative jet fuel and is located in a qualifying county; or

(ii) A business's designated alternative jet fuel blender that is located in this state.

(c) The credit amount under (b) of this subsection must increase by 2 cents for each additional one percent reduction in carbon dioxide equivalent emissions beyond 50 percent, not to exceed $2 for each gallon of alternative jet fuel.

(d) A person may not receive credit under both (b)(i) and (ii) of this subsection.

(e) The credit under this section is calculated only on the portion of jet fuel that is considered alternative jet fuel and does not include conventional petroleum jet fuel when such fuels are blended or otherwise used in a jet fuel mixture.

(f) A credit under this section may not be claimed until the department of ecology verifies that there are one or more facilities

operating in this state with cumulative production capacity of at least 20,000,000 gallons of alternative jet fuel each year and has provided such notice to the department.

(g) Contract pricing for sales of alternative jet fuel between a person claiming the credit under this section and the final consumer must reflect the per gallon credit under (b) and (c) of this subsection.

(h) A credit under this section may not be claimed until the department of ecology, in consultation with the department of archeology and historic preservation, verifies that the person applying for the credit is not engaged in the manufacturing of alternative jet fuel on the footprint of a structure listed with the department of archeology and historic preservation as a historic cemetery or tribal burial grounds as per chapter 27.44 or 68.60 RCW. If the department of ecology has not made a determination within 60 days of the person requesting verification under this subsection, the application is deemed to be verified.

(2) A person may not receive credit under this section for amounts claimed as credits under section 11 of this act or chapter 82.16 RCW.

(3) To claim a credit under this section a person must electronically file with the department all returns, forms, and any other information required by the department, in an electronic format as provided or approved by the department.

(4) To claim a credit under this section, the person applying must:

(a) Complete an application for the credit which must include:

(i) The name, business address, and tax identification number of the applicant;

(ii) Documentation of the total amount of alternative jet fuel manufactured and sold in the prior calendar year;

(iii) Documentation sufficient for the department to verify that the alternative jet fuel for which the credit is being claimed meets the definition in section 9(3) of this act and the carbon intensity reduction benchmarks under subsection (1)(b) and (c) of this section, as certified by the department of ecology under chapter 70A.535 RCW;

(iv) Documentation sufficient to verify compliance with subsection (1)(g) of this section; and

(v) Any other information deemed necessary by the department to support administration or reporting of the program.

(b) Obtain a carbon intensity score from the department of ecology prior to submitting an application to the department.

(5) The department must notify applicants of credit approval or denial within 60 days of receipt of a final application and documentation.

(6) If a person fails to supply the information as required in subsection (4) of this section, the department must deny the application.

(7)(a) The credit under this section may only be claimed against taxes due under section 9 of this act, less any taxable amount for which a credit is allowed under RCW 82.04.440.

(b) A credit earned during one calendar year may be carried over and claimed against taxes incurred for the next subsequent calendar year but may not be carried over for any calendar year thereafter.

(c) No refunds may be granted for credits under this section.

(8) For the purposes of this section:

(a) "Alternative jet fuel" has the same meaning as in RCW 70A.535.010.

(b) "Carbon dioxide equivalent" has the same meaning as in RCW 70A.45.010.

(c) "Qualifying county" means a county that has a population less than 650,000 at the time an application for a credit under this section is received by the department.

(9)(a) Credits may be earned beginning on the first day of the first calendar quarter following the month in which notice under subsection (1)(f) of this section was received by the department.

(b) Credits may not be earned beginning nine calendar years after the close of the calendar year in which the credit may be earned, as provided in (a) of this subsection.

(10) A person claiming the credit provided in this section must file a complete annual tax performance report with the department under RCW 82.32.534.

NEW SECTION. **Sec. 11.** A new section is added to chapter 82.04 RCW to read as follows:

(1)(a) Subject to the limits and provisions of this section, a credit is allowed against the tax otherwise due under this chapter for persons engaged in the use of alternative jet fuel.

(b) Except as provided in (c) of this subsection, the credit under this section is equal to $1 for each gallon of alternative jet fuel that has at least 50 percent less carbon dioxide equivalent emissions than conventional petroleum jet fuel and is purchased during the prior calendar year by a business for use as alternative jet fuel for flights departing in this state.

(c) The credit amount under (b) of this subsection must increase by 2 cents for each additional one percent reduction in carbon dioxide equivalent emissions beyond 50 percent, not to exceed $2 for each gallon of alternative jet fuel.

(d) The credit under this section is calculated only on the portion of jet fuel that is considered alternative jet fuel and does not include conventional petroleum jet fuel when such fuels are blended or otherwise used in a jet fuel mixture.

(e) A credit under this section may not be claimed until the department of ecology verifies that there are one or more facilities operating in this state with cumulative production capacity of at least 20,000,000 gallons of alternative jet fuel each year and has provided such notice to the department.

(2) A person may not receive credit under this section for amounts claimed as credits under section 10 of this act or chapter 82.16 RCW.

(3) To claim a credit under this section a person must electronically file with the department all returns, forms, and any other information required by the department, in an electronic format as provided or approved by the department.

(4) To claim a credit under this section, the person applying must:

(a) Complete an application for the credit which must include:

(i) The name, business address, and tax identification number of the applicant;

(ii) Documentation of the amount of alternative jet fuel purchased by the business in the prior calendar year;

(iii) Documentation sufficient for the department to verify that the alternative jet fuel for which the credit is being claimed meets the definition in section 9(3) of this act and the carbon intensity reduction benchmarks under subsection (1)(b) and (c) of this section, as certified by the department of ecology under chapter 70A.535 RCW; and

(iv) Any other information deemed necessary by the department to support administration or reporting of the program.

(b) Obtain a carbon intensity score from the department of ecology prior to submitting an application to the department.

(5) The department must notify applicants of credit approval or denial within 60 days of receipt of a final application and documentation.

(6) If a person fails to supply the information as required in subsection (4) of this section, the department must deny the application.

(7)(a) The credit under this section may be used against any tax due under this chapter.

(b) A credit earned during one calendar year may be carried over and claimed against taxes incurred for the next subsequent calendar year but may not be carried over for any calendar year thereafter.

(c) No refunds may be granted for credits under this section.

(8) For the purposes of this section:

(a) "Alternative jet fuel" has the same meaning as in RCW 70A.535.010.

(b) "Carbon dioxide equivalent" has the same meaning as in RCW 70A.45.010.

(9)(a) Credits may be earned beginning on the first day of the first calendar quarter following the month in which notice under subsection (1)(e) of this section was received by the department.

(b) Credits may not be earned beginning nine calendar years after the close of the calendar year in which the credit may be earned, as provided in (a) of this subsection.

(10) A person claiming the credit provided in this section must file a complete annual tax performance report with the department under RCW 82.32.534.

NEW SECTION. **Sec. 12.** A new section is added to chapter 82.16 RCW to read as follows:

(1)(a) Subject to the limits and provisions of this section, a credit is allowed against the tax otherwise due under this chapter for persons engaged in the use of alternative jet fuel.

(b) Except as provided in (c) of this subsection, the credit under this section is equal to $1 for each gallon of alternative jet fuel that has at least 50 percent less carbon dioxide equivalent emissions than conventional petroleum jet fuel and is purchased during the prior calendar year by a business for use as alternative jet fuel for flights departing in this state.

(c) The credit amount under (b) of this subsection must increase by 2 cents for each additional one percent reduction in carbon dioxide equivalent emissions beyond 50 percent, not to exceed $2 for each gallon of alternative jet fuel.

(d) The credit under this section is calculated only on the portion of jet fuel that is considered alternative jet fuel and does not include conventional petroleum jet fuel when such fuels are blended or otherwise used in a jet fuel mixture.

(e) A credit under this section may not be claimed until the department of ecology verifies that there are one or more facilities operating in this state with cumulative production capacity of at least 20,000,000 gallons of alternative jet fuel each year and has provided such notice to the department.

(2) A person may not receive credit under this section for amounts claimed as credits under chapter 82.04 RCW.

(3) To claim a credit under this section a person must electronically file with the department all returns, forms, and any other information required by the department, in an electronic format as provided or approved by the department.

(4) To claim a credit under this section, the person applying must:

(a) Complete an application for the credit which must include:

(i) The name, business address, and tax identification number of the applicant;

(ii) Documentation of the amount of alternative jet fuel purchased by the business in the prior calendar year;

(iii) Documentation sufficient for the department to verify that the alternative jet fuel for which the credit is being claimed meets the definition in section 9(3) of this act and the carbon intensity reduction benchmarks under subsection (1)(b) and (c) of this section, as certified by the department of ecology under chapter 70A.535 RCW; and

(iv) Any other information deemed necessary by the department to support administration or reporting of the program.

(b) Obtain a carbon intensity score from the department of ecology prior to submitting an application to the department.

(5) The department must notify applicants of credit approval or denial within 60 days of receipt of a final application and documentation.

(6) If a person fails to supply the information as required in subsection (4) of this section, the department must deny the application.

(7)(a) The credit under this section may be used against any tax due under this chapter.

(b) A credit earned during one calendar year may be carried over and claimed against taxes incurred for the next subsequent calendar year but may not be carried over for any calendar year thereafter.

(c) No refunds may be granted for credits under this section.

(8) The definitions in section 11 of this act apply to this section.

(9)(a) Credits may be earned beginning on the first day of the first calendar quarter following the month in which notice under subsection (1)(e) of this section was received by the department.

(b) Credits may not be earned beginning nine calendar years after the close of the calendar year in which the credit may be earned, as provided in (a) of this subsection.

(10) A person claiming the credit provided in this section must file a complete annual tax performance report with the department under RCW 82.32.534.

NEW SECTION. **Sec. 13.** If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.

NEW SECTION. **Sec. 14.** RCW 82.32.805 does not apply to this act.

NEW SECTION. **Sec. 15.** Sections 9 through 12 of this act take effect July 1, 2024.

NEW SECTION. **Sec. 16.** Sections 1 through 7 of this act are necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and take effect July 1, 2023."

Correct the title.

and the same are herewith transmitted.

MELISSA PALMER, Deputy Chief Clerk

MOTION

Senator Billig moved that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 5447.

Senators Billig and MacEwen spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Billig that the Senate concur in the House amendment(s) to Engrossed Substitute Senate Bill No. 5447.

The motion by Senator Billig carried and the Senate concurred in the House amendment(s) to Engrossed Substitute Senate Bill No. 5447 by voice vote.

The President declared the question before the Senate to be the final passage of Engrossed Substitute Senate Bill No. 5447, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed Substitute Senate Bill No. 5447, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 48; Nays, 1; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland,

Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senator Schoesler

ENGROSSED SUBSTITUTE SENATE BILL NO. 5447, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MESSAGE FROM THE HOUSE

April 17, 2023

MR. PRESIDENT:
The House passed SUBSTITUTE SENATE BILL NO. 5742 with the following amendment(s): 5742-S AMH TR H1952.1

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 47.66 RCW to read as follows:

(1) The department shall establish a paratransit and special needs grant program to sustain and expand transit service to people with disabilities.

(2) Of the amounts appropriated to the program, 23 percent shall be provided solely for grants to nonprofit providers of special needs transportation. Grants for nonprofit providers must be based on need, including the availability of other providers of service in the area, efforts to coordinate trips among providers and riders, and the cost-effectiveness of trips provided.

(3) The remaining 77 percent of amounts appropriated to the program shall be provided solely for grants to transit agencies to support persons with special transportation needs. To receive a grant, the transit agency must, to the greatest extent practicable, have a maintenance of effort for special needs transportation, in the latest calendar year for which the department publishes data in the most recent "Summary of Public Transportation" report, that is no less than the previous year's maintenance of effort for special needs transportation as shown in the report. Grants for transit agencies must be prorated based on the amount expended for demand response service and route deviated service for the latest calendar year as published in the most recent "Summary of Public Transportation" report. No transit agency shall receive more than 30 percent of the distribution.

NEW SECTION. **Sec. 2.** A new section is added to chapter 47.66 RCW to read as follows:

(1) The department shall establish a public transit ride share program. The grant program shall provide resources for:

(a) Public transit agencies to add or replace ride share vehicles; and

(b) Incentives and outreach to increase ride share use.

(2) The grant program for public transit agencies may cover capital costs only and costs for operating vanpools at public transit agencies are not eligible for funding. Awards from the grant shall not be used to supplant transit funds currently funding ride share programs, nor be used to hire additional employees.

NEW SECTION. **Sec. 3.** A new section is added to chapter 47.76 RCW to read as follows:

(1) The department shall establish a freight rail investment bank program for the purpose of supporting freight rail capital needs by providing low-interest loans to entities based on the state's interests as outlined in RCW 47.76.240.

(2) The department shall issue freight rail investment bank program loans with a repayment period of no more than 15 years, and charge only so much interest as is necessary to recoup the department's costs to administer the loans.

(3) The department shall report annually to the transportation committees of the legislature and the office of financial management on all freight rail investment bank loans issued.

(4) Projects shall be evaluated using a cost-benefit methodology. The methodology must use the following legislative priorities:

(a) Economic, safety, or environmental advantages of freight movement by rail compared to alternative modes;

(b) Self-sustaining economic development that creates family-wage jobs;

(c) Preservation of transportation corridors that would otherwise be lost;

(d) Increased access to efficient and cost-effective transport to market for Washington's agricultural and industrial products;

(e) Better integration and cooperation within the regional, national, and international systems of freight distribution; and

(f) Mitigation of impacts of increased rail traffic on communities.

NEW SECTION. **Sec. 4.** A new section is added to chapter 47.76 RCW to read as follows:

(1) The department shall establish the statewide emergent freight rail assistance program for the purpose of supporting freight rail capital needs by awarding grants based on the state's interests as outlined in RCW 47.76.240.

(2) Grants shall be selected using the cost-benefit methodology as outlined in section 3 of this act.

(3) The department shall report annually to the transportation committees of the legislature and the office of financial management on all freight rail assistance program grants issued.

NEW SECTION. **Sec. 5.** A new section is added to chapter 47.04 RCW to read as follows:

(1) The department shall create a bicyclist and pedestrian grant program to improve pedestrian and bicyclist safety and mobility and increase active transportation trips.

(2) Project types may include, but are not limited to, bicycle facilities such as buffered bike lanes, pedestrian facilities such as sidewalks, crossing improvements for people who walk and roll, and speed management.

(3) The department shall report on an annual basis the status of projects funded as part of the bicyclist and pedestrian grant and safe routes to school grant programs. The report must include, but is not limited to, a list of projects selected and a brief description of each project's status."

Correct the title.

and the same are herewith transmitted.

BERNARD DEAN, Chief Clerk

MOTION

Senator Kauffman moved that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5742.

Senators Kauffman and King spoke in favor of the motion.

The President declared the question before the Senate to be the motion by Senator Kauffman that the Senate concur in the House amendment(s) to Substitute Senate Bill No. 5742.

The motion by Senator Kauffman carried and the Senate concurred in the House amendment(s) to Substitute Senate Bill No. 5742 by voice vote.

The President declared the question before the Senate to be the final passage of Substitute Senate Bill No. 5742, as amended by the House.

ROLL CALL

The Secretary called the roll on the final passage of Substitute Senate Bill No. 5742, as amended by the House, and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

SUBSTITUTE SENATE BILL NO. 5742, as amended by the House, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

On motion of Senator Pedersen, the Senate advanced to the sixth order of business.

SECOND READING

SECOND SUBSTITUTE HOUSE BILL NO. 1425, by House Committee on Finance (originally sponsored by Berg, Low, Eslick, Ryu, Stonier, Duerr, Ortiz-Self, Cortes, Peterson, Fosse, Donaghy and Pollet)

Facilitating municipal annexations.

The measure was read the second time.

MOTION

On motion of Senator Lovelett, the rules were suspended, Second Substitute House Bill No. 1425 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Lovelett and Torres spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Second Substitute House Bill No. 1425.

ROLL CALL

The Secretary called the roll on the final passage of Second Substitute House Bill No. 1425 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

SECOND SUBSTITUTE HOUSE BILL NO. 1425, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1258, by House Committee on Appropriations (originally sponsored by Ryu, Volz, Steele, Walen, Reeves, Waters, Chambers, Reed, Christian, Cortes, Callan, Schmidt, Barkis and Fosse)

Increasing tourism to Washington state through enhancement of the statewide tourism marketing account and changing necessary match requirements.

The measure was read the second time.

MOTION

Senator Stanford moved that the following committee striking amendment by the Committee on Business, Financial Services, Gaming & Trade be not adopted:

Strike everything after the enacting clause and insert the following:

"Sec. 1. RCW 43.384.040 and 2018 c 275 s 5 are each amended to read as follows:

The statewide tourism marketing account is created in the state treasury. All receipts from tax revenues under RCW 82.08.225 must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for expenditures of the department that are related to implementation of a statewide tourism marketing program and operation of the authority. A ((two-to-one)) one-to-one nonstate or state fund, other than general fund state, match must be provided for all expenditures from the account. A match may consist of nonstate or state fund, other than general fund state, cash contributions deposited in the private local account created under RCW 43.384.020(4), the value of an advertising equivalency contribution, or an in-kind contribution. The board must determine criteria for what qualifies as an in-kind contribution.

Sec. 2. RCW 82.08.225 and 2018 c 275 s 9 are each amended to read as follows:

(((1))) Beginning ((July 1, 2018, 0.2)) on the effective date of this section, 3.0 percent of taxes collected pursuant to RCW 82.08.020(1) on retail sales of lodging, car rentals, and restaurants must be deposited into the statewide tourism marketing account created in RCW 43.384.040. ((Except as provided otherwise for fiscal year 2019 in subsection (2) of this section, future)) Future revenue collections under this section may be up to ((three million dollars)) $9,000,000 per biennium and must be deposited into the statewide tourism marketing account created in RCW 43.384.040. The deposit under this subsection to the statewide tourism marketing account may only occur if the legislature authorizes the deposit in the biennial omnibus appropriations act.

(((2) For fiscal year 2019, up to a maximum of one million five hundred thousand dollars must be deposited in the statewide tourism marketing account created in RCW 43.384.040. The deposit under this subsection to the statewide tourism marketing account may only occur if the legislature authorizes the deposit in the biennial omnibus appropriations act.))

Sec. 3. RCW 43.384.800 and 2018 c 275 s 11 are each amended to read as follows:

(1) The joint legislative audit and review committee must conduct an evaluation of the performance of the authority created in this chapter ((43.384 RCW)) and report its findings and recommendations, in compliance with RCW 43.01.036, to the governor and the economic development committees of the senate and house of representatives by December 1, ((2023)) 2028. The purpose of the evaluation is to determine the extent to which the authority has contributed to the growth of the tourism industry and economic development of the state. An interim report by the authority, submitted in compliance with RCW 43.01.036, is due to the governor and economic development committees of the house of representatives and senate by December 1, 2021. ((The report must provide an update on the authority's progress in implementing a statewide tourism marketing program.))

(2) To assist the legislature in further understanding the investment the state has made for tourism statewide, the joint legislative audit and review committee shall include in their report a high-level summary of information received from local governments on lodging tax expenditures to determine the extent to which the tax credit established under RCW 67.28.1801 has contributed to the growth of the tourism industry and economic development of the state. For this report, the joint legislative audit and review committee shall request and receive equivalent lodging tax expenditure information as deemed necessary and appropriate from any county with a population of 1,500,000 or more not currently required to provide this information to the committee under RCW 67.28.1816.

(3) The report due December 1, 2028, must provide an update on the authority's progress in implementing a statewide tourism marketing program and a summary of investments made by local governments who have enacted a lodging tax to determine the extent to which the authority and the lodging taxes have contributed to the growth of the tourism industry and economic development of the state."

On page 1, line 3 of the title, after "requirements;" strike the remainder of the title and insert "and amending RCW 43.384.040, 82.08.225, and 43.384.800."

The President declared the question before the Senate to be to not adopt the committee striking amendment by the Committee on Business, Financial Services, Gaming & Trade to Substitute House Bill No. 1258.

The motion by Senator Stanford carried and the committee striking amendment was not adopted by voice vote.

MOTION

Senator Rolfes moved that the following striking amendment no. 0460 by Senator Rolfes be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 43.384.040 and 2018 c 275 s 5 are each amended to read as follows:

The statewide tourism marketing account is created in the state treasury. All receipts from tax revenues under RCW 82.08.225 must be deposited into the account. Moneys in the account may be spent only after appropriation. Expenditures from the account may be used only for expenditures of the department that are related to implementation of a statewide tourism marketing program and operation of the authority. A ((~~two-to-one~~)) one-to-one nonstate or state fund, other than general fund state, match must be provided for all expenditures from the account. A match may consist of nonstate or state fund, other than general fund state, cash contributions deposited in the private local account created under RCW 43.384.020(4), the value of an advertising equivalency contribution, or an in-kind contribution. The board must determine criteria for what qualifies as an in-kind contribution."

On page 1, line 3 of the title, after "requirements;" strike the remainder of the title and insert "and amending RCW 43.384.040."

Senator Rolfes spoke in favor of adoption of the striking amendment.

The President declared the question before the Senate to be the adoption of striking amendment no. 0460 by Senator Rolfes to Substitute House Bill No. 1258.

The motion by Senator Rolfes carried and striking amendment no. 0460 was adopted by voice vote.

MOTION

On motion of Senator Stanford, the rules were suspended, Substitute House Bill No. 1258 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Stanford and Dozier spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1258 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1258 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

SUBSTITUTE HOUSE BILL NO. 1258, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

HOUSE BILL NO. 1018, by Representatives Tharinger, Chapman, Orcutt, Abbarno, Fey, Ryu and Wylie

Changing the expiration date for the sales and use tax exemption of hog fuel to comply with the 2045 deadline for fossil fuel-free electrical generation in Washington state and to protect jobs with health care and retirement benefits in economically distressed communities.

The measure was read the second time.

MOTION

On motion of Senator Van De Wege, the rules were suspended, House Bill No. 1018 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Van De Wege and Wilson, L. spoke in favor of passage of the bill.

Senator Schoesler spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1018.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1018 and the bill passed the Senate by the following vote: Yeas, 37; Nays, 12; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Liias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Padden, Rivers, Robinson, Rolfes, Salomon, Shewmake, Short, Torres, Valdez, Van De Wege, Wagoner, Warnick, Wilson, J. and Wilson, L.

Voting nay: Senators Dhingra, Kuderer, Nguyen, Nobles, Pedersen, Randall, Saldaña, Schoesler, Stanford, Trudeau, Wellman and Wilson, C.

HOUSE BILL NO. 1018, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1163, by House Committee on Finance (originally sponsored by Fey)

Exempting certain leasehold interests in arenas with a seating capacity of more than 2,000 from the leasehold excise tax.

The measure was read the second time.

MOTION

Senator Stanford moved that the following committee striking amendment by the Committee on Business, Financial Services, Gaming & Trade be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** (1) This section is the tax preference performance statement for the tax preference contained in section 2(23), chapter . . ., Laws of 2023 (section 2(23) of this act). The performance statement is only intended to be used for subsequent evaluation of the tax preference. It is not intended to create a private right of action by any party or be used to determine eligibility for preferential tax treatment.

(a) The legislature categorizes the tax preference contained in section 2(23), chapter . . ., Laws of 2023 (section 2(23) of this act) as one intended to induce certain designated behavior by taxpayers and provide tax parity, as indicated in RCW 82.32.808(2) (a) and (f).

(b) For the tax preference evaluation under subsection (2) of this section, the legislature's specific public policy objective is to provide tax parity resulting in leasehold excise tax relief for large arena facilities used for professional sports with the expectation that the operational entities overseeing operations at these facilities will provide substantial economic benefits to their specific region with a focus on: Providing employment opportunities for women and minority-owned businesses; fostering equity and social justice with an emphasis on arena-impacted communities; providing general community resource support; and ensuring quality access to the facilities for people across a range of income levels.

(c) For the tax preference evaluation under subsection (3) of this section, the legislature's specific public policy objectives are to provide tax parity resulting in leasehold excise tax relief with the expectation that employees employed at the facilities receive competitive wages and benefits and the facilities advance and promote diverse and inclusive voices, experiences, perspectives, and employment opportunities.

(2) To measure the effectiveness of the tax preference identified in section 2(23), chapter . . ., Laws of 2023 (section 2(23) of this act), except as provided in subsection (3) of this section, the joint legislative audit and review committee must evaluate the following:

(a) State and local fiscal impacts;

(b) To the extent data is available from the operating entity, the number of employment positions and wages at the facility for all employers, the degree to which employment positions at the facility have been filled by people residing in economically distressed regions of the county in which the facility is located, and the race and ethnicity of the employees. The evaluation must include a comparison of annual average wages at the facility and annual county average wages as published by the employment security department as part of its covered employment data;

(c) The extent to which the operational entity provides opportunities for patrons of all income levels to enjoy programming by offering seating at a range of price points that are equitably distributed throughout the facility; and

(d) The extent to which the operational entity generally contributes resources to: Organizations that serve the region; the communities surrounding the facility; and programs and services for youth, arts, music, and culture.

(3) To measure the effectiveness of the tax preference in section 2(23), chapter . . ., Laws of 2023 (section 2(23) of this act) for arenas with a seating capacity of 17,000 or less, the joint legislative audit and review committee must evaluate the following to the extent that data is available from the operating entity or public owner of the arena:

(a) State and local fiscal impacts;

(b) The number of employment positions and wages at the facility for all employers operating at the facility. The evaluation must include a comparison of annual average wages at the facility and annual county average wages as published by the employment security department as part of its covered employment data;

(c) The financial stability of the facility through an examination of revenues and expenditures specific to the facility;

(d) The types of programming and events scheduled at the facility; and

(e) The economic impact of the facility in the county in which the facility is located.

(4) In order to obtain the data necessary to perform the reviews in subsections (2) and (3) of this section, the department of revenue must provide tax-related data needed for the joint legislative audit and review committee analysis, including the annual tax performance reports provided pursuant to RCW 82.32.534. In addition to the data source described under this subsection, the joint legislative audit and review committee may use any other data it deems necessary and the legislative auditor,

or his or her designee, may contact operational entities after the effective date of this section to establish appropriate documentation to be provided by the operational entities to the joint legislative audit and review committee to facilitate its review of the tax preferences identified in this act.

(5) For the purpose of this section, "operational entity" means a limited liability company or any other public or private legal entity that is primarily responsible for the management and operation of a stadium or arena facility.

Sec. 2. RCW 82.29A.130 and 2022 c 147 s 1 are each amended to read as follows:

The following leasehold interests are exempt from taxes imposed pursuant to RCW 82.29A.030 and 82.29A.040:

(1) All leasehold interests constituting a part of the operating properties of any public utility that is assessed and taxed as a public utility pursuant to chapter 84.12 RCW.

(2) All leasehold interests in facilities owned or used by a school, college or university which leasehold provides housing for students and which is otherwise exempt from taxation under provisions of RCW 84.36.010 and 84.36.050.

(3) All leasehold interests of subsidized housing where the fee ownership of such property is vested in the government of the United States, or the state of Washington or any political subdivision thereof but only if income qualification exists for such housing.

(4) All leasehold interests used for fair purposes of a nonprofit fair association that sponsors or conducts a fair or fairs which receive support from revenues collected pursuant to RCW 67.16.100 and allocated by the director of the department of agriculture where the fee ownership of such property is vested in the government of the United States, the state of Washington or any of its political subdivisions. However, this exemption does not apply to the leasehold interest of any sublessee of such nonprofit fair association if such leasehold interest would be taxable if it were the primary lease.

(5) All leasehold interests in any property of any public entity used as a residence by an employee of that public entity who is required as a condition of employment to live in the publicly owned property.

(6) All leasehold interests held by enrolled Indians of lands owned or held by any Indian or Indian tribe where the fee ownership of such property is vested in or held in trust by the United States and which are not subleased to other than to a lessee which would qualify pursuant to this chapter, RCW 84.36.451 and 84.40.175.

(7) All leasehold interests in any real property of any Indian or Indian tribe, band, or community that is held in trust by the United States or is subject to a restriction against alienation imposed by the United States. However, this exemption applies only where it is determined that contract rent paid is greater than or equal to ((~~ninety~~)) 90 percent of fair market rental, to be determined by the department of revenue using the same criteria used to establish taxable rent in RCW 82.29A.020(2)(g).

(8) All leasehold interests for which annual taxable rent is less than ((~~two hundred fifty dollars~~)) $250 per year. For purposes of this subsection leasehold interests held by the same lessee in contiguous properties owned by the same lessor are deemed a single leasehold interest.

(9) All leasehold interests which give use or possession of the leased property for a continuous period of less than ((~~thirty~~)) 30 days: PROVIDED, That for purposes of this subsection, successive leases or lease renewals giving substantially continuous use of possession of the same property to the same lessee are deemed a single leasehold interest: PROVIDED FURTHER, That no leasehold interest is deemed to give use or possession for a period of less than ((~~thirty~~)) 30 days solely by virtue of the reservation by the public lessor of the right to use the property or to allow third parties to use the property on an occasional, temporary basis.

(10) All leasehold interests under month-to-month leases in residential units rented for residential purposes of the lessee pending destruction or removal for the purpose of constructing a public highway or building.

(11) All leasehold interests in any publicly owned real or personal property to the extent such leasehold interests arises solely by virtue of a contract for public improvements or work executed under the public works statutes of this state or of the United States between the public owner of the property and a contractor.

(12) All leasehold interests that give use or possession of state adult correctional facilities for the purposes of operating correctional industries under RCW 72.09.100.

(13) All leasehold interests used to provide organized and supervised recreational activities for persons with disabilities of all ages in a camp facility and for public recreational purposes by a nonprofit organization, association, or corporation that would be exempt from property tax under RCW 84.36.030(1) if it owned the property. If the publicly owned property is used for any taxable purpose, the leasehold excise taxes set forth in RCW 82.29A.030 and 82.29A.040 must be imposed and must be apportioned accordingly.

(14) All leasehold interests in the public or entertainment areas of a baseball stadium with natural turf and a retractable roof or canopy that is in a county with a population of over ((~~one million~~)) 1,000,000, that has a seating capacity of over ((~~forty thousand~~)) 40,000, and that is constructed on or after January 1, 1995. "Public or entertainment areas" include ticket sales areas, ramps and stairs, lobbies and concourses, parking areas, concession areas, restaurants, hospitality and stadium club areas, kitchens or other work areas primarily servicing other public or entertainment areas, public rest room areas, press and media areas, control booths, broadcast and production areas, retail sales areas, museum and exhibit areas, scoreboards or other public displays, storage areas, loading, staging, and servicing areas, seating areas and suites, the playing field, and any other areas to which the public has access or which are used for the production of the entertainment event or other public usage, and any other personal property used for these purposes. "Public or entertainment areas" does not include locker rooms or private offices exclusively used by the lessee.

(15) All leasehold interests in the public or entertainment areas of a stadium and exhibition center, as defined in RCW 36.102.010, that is constructed on or after January 1, 1998. For the purposes of this subsection, "public or entertainment areas" has the same meaning as in subsection (14) of this section, and includes exhibition areas.

(16) All leasehold interests in public facilities districts, as provided in chapter 36.100 or 35.57 RCW.

(17) All leasehold interests in property that is: (a) Owned by the United States government or a municipal corporation; (b) listed on any federal or state register of historical sites; and (c) wholly contained within a designated national historic reserve under 16 U.S.C. Sec. 461.

(18) All leasehold interests in the public or entertainment areas of an amphitheater if a private entity is responsible for ((~~one hundred~~)) 100 percent of the cost of constructing the amphitheater which is not reimbursed by the public owner, both the public owner and the private lessee sponsor events at the facility on a regular basis, the lessee is responsible under the lease or agreement to operate and maintain the facility, and the

amphitheater has a seating capacity of over ((~~seventeen thousand~~)) 17,000 reserved and general admission seats and is in a county that had a population of over ((~~three hundred fifty thousand~~)) 350,000, but less than ((~~four hundred twenty-five thousand~~)) 425,000 when the amphitheater first opened to the public.

For the purposes of this subsection, "public or entertainment areas" include box offices or other ticket sales areas, entrance gates, ramps and stairs, lobbies and concourses, parking areas, concession areas, restaurants, hospitality areas, kitchens or other work areas primarily servicing other public or entertainment areas, public rest room areas, press and media areas, control booths, broadcast and production areas, retail sales areas, museum and exhibit areas, scoreboards or other public displays, storage areas, loading, staging, and servicing areas, seating areas including lawn seating areas and suites, stages, and any other areas to which the public has access or which are used for the production of the entertainment event or other public usage, and any other personal property used for these purposes. "Public or entertainment areas" does not include office areas used predominately by the lessee.

(19) All leasehold interests in real property used for the placement of military housing meeting the requirements of RCW 84.36.665.

(20) All leasehold interests in facilities owned or used by a community college or technical college, which leasehold interest provides:

(a) Food services for students, faculty, and staff;

(b) The operation of a bookstore on campus; or

(c) Maintenance, operational, or administrative services to the community college or technical college.

(21)(a) All leasehold interests in the public or entertainment areas of an arena if it:

(i) Has a seating capacity of more than ((~~two thousand~~)) 2,000;

(ii) Is located on city-owned land; and

(iii) Is owned by a city with a population over ((~~two hundred thousand~~)) 200,000 within a county with a population of less than ((~~one million five hundred thousand~~)) 1,500,000.

(b) For the purposes of this subsection (21), "public or entertainment areas" has the same meaning as provided in subsection (18) of this section.

(22) All leasehold interests in facilities owned by the state parks and recreation commission that are listed on the national register of historic places or the Washington heritage register.

(23)(a) All leasehold interests in the public or entertainment areas of an arena if:

(i) The arena has a seating capacity of more than 4,000;

(ii) The arena is located on city-owned land;

(iii) The arena is located within a city with a population over 100,000; and

(iv) Private entities were responsible for 100 percent of the cost of constructing improvements to the arena, which were not reimbursed by the public owner.

(b) For the purposes of this subsection (23), "public or entertainment areas" has the same meaning as provided in subsection (18) of this section, except that it also includes office areas used predominately by the lessee.

(c) A taxpayer claiming an exemption under this subsection (23) must file a complete annual tax performance report as provided in RCW 82.32.534.

(d) This subsection (23) does not apply to leasehold interests on or after October 1, 2033.

NEW SECTION. **Sec. 3.** Sections 1 and 2 of this act take effect October 1, 2023.

NEW SECTION. **Sec. 4.** Section 2 of this act expires January 1, 2034."

On page 1, line 3 of the title, after "tax;" strike the remainder of the title and insert "amending RCW 82.29A.130; creating a new section; providing an effective date; and providing an expiration date."

Senator Stanford spoke in favor of adoption of the committee striking amendment.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Business, Financial Services, Gaming & Trade to Substitute House Bill No. 1163.

The motion by Senator Stanford carried and the committee striking amendment was adopted by voice vote.

MOTION

On motion of Senator Stanford, the rules were suspended, Substitute House Bill No. 1163 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Stanford, Dozier, Frame and Rivers spoke in favor of passage of the bill.

Senators Hasegawa, Schoesler and Fortunato spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1163 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1163 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 42; Nays, 7; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Frame, Gildon, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovick, MacEwen, Mullet, Muzzall, Nguyen, Nobles, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C. and Wilson, L.

Voting nay: Senators Fortunato, Hasegawa, Lovelett, McCune, Padden, Schoesler and Wilson, J.

SUBSTITUTE HOUSE BILL NO. 1163, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1267, by House Committee on Local Government (originally sponsored by Tharinger, Steele and Ramel)

Concerning rural public facilities sales and use tax.

The measure was read the second time.

MOTION

Senator Lovelett moved that the following committee striking amendment by the Committee on Ways & Means be not adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 82.14.370 and 2022 c 175 s 1 are each amended to read as follows:

(1) The legislative authority of a rural county may impose a sales and use tax in accordance with the terms of this chapter. The tax is in addition to other taxes authorized by law and must be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the county. The rate of tax may not exceed 0.09 percent of the selling price in the case of a sales tax or value of the article used in the case of a use tax, except that for rural counties with population densities between 60 and 100 persons per square mile, the rate shall not exceed 0.04 percent before January 1, 2000.

(2) The tax imposed under subsection (1) of this section must be deducted from the amount of tax otherwise required to be collected or paid over to the department of revenue under chapter 82.08 or 82.12 RCW. The department of revenue must perform the collection of such taxes on behalf of the county at no cost to the county.

(3)(a) Moneys collected under this section may only be used to finance public facilities serving economic development purposes in rural counties and finance personnel in economic development offices. The public facility must be listed as an item in the officially adopted county overall economic development plan, or the economic development section of the county's comprehensive plan, or the comprehensive plan of a city or town located within the county for those counties planning under RCW 36.70A.040, or provide affordable workforce housing infrastructure or facilities. For those counties that do not have an adopted overall economic development plan and do not plan under the growth management act, the public facility must be listed in the county's capital facilities plan or the capital facilities plan of a city or town located within the county, or provide affordable workforce housing infrastructure or facilities.

(b) In implementing this section, the county must consult with cities, towns, and port districts located within the county and the associate development organization serving the county to ensure that the expenditure of money collected under this section meets the goals of ((~~chapter 130, Laws of 2004~~)) creating, attracting, expanding, and retaining businesses, providing family wage jobs, and providing affordable workforce housing infrastructure or facilities and the use of money collected under this section meets the requirements of (a) of this subsection. Each county collecting money under this section must provide a report((~~, as follows,~~)) to the office of the state auditor((~~,~~)) within 150 days after the close of each fiscal year((~~: (i) A list of new projects begun during the fiscal year, showing that the county has used the funds for those projects consistent with the goals of chapter 130, Laws of 2004 and the requirements of (a) of this subsection; and (ii) expenditures during the fiscal year on projects begun in a previous year~~)) identifying in detail each new and continuing public facility project, economic development purpose project, affordable workforce housing infrastructure or facilities project, economic development staff position, and qualifying provider project funded with the tax authorized under this section and the amount of tax proceeds allocated to such project or position in the prior fiscal year. Any projects financed prior to June 10, 2004, from the proceeds of obligations to which the tax imposed under subsection (1) of this section has been pledged may not be deemed to be new projects under this subsection. No new projects funded with money collected under this section may be for justice system facilities.

(c) The definitions in this section apply throughout this section.

(i) "Public facilities" means bridges, roads, domestic and industrial water facilities, sanitary sewer facilities, earth stabilization, storm sewer facilities, railroads, electrical facilities, natural gas facilities, research, testing, training, and incubation facilities in innovation partnership zones designated under RCW 43.330.270, buildings, structures, telecommunications infrastructure, transportation infrastructure, or commercial infrastructure, port facilities in the state of Washington, or affordable workforce housing infrastructure or facilities.

(ii) "Economic development purposes" means those purposes which facilitate the creation or retention of businesses and jobs in a county, including affordable workforce housing infrastructure or facilities.

(iii) "Economic development office" means an office of a county, port districts, or an associate development organization as defined in RCW 43.330.010, which promotes economic development purposes within the county.

(iv) "Affordable workforce housing infrastructure or facilities" means housing infrastructure or facilities that a qualifying provider uses for housing for a single person, family, or unrelated persons living together whose income is no more than 120 percent of the median income, adjusted for housing size, for the county where the housing is located.

(v) "Qualifying provider" means a nonprofit entity as defined in RCW 84.36.560, a nonprofit entity or qualified cooperative association as defined in RCW 84.36.049, a housing authority created under RCW 35.82.030 or 35.82.300, a public corporation established under RCW 35.21.660 or 35.21.730, or a county or municipal corporation.

(4) No tax may be collected under this section before July 1, 1998.

(a) Except as provided in (b) of this subsection, no tax may be collected under this section by a county more than 25 years after the date that a tax is first imposed under this section.

(b) For counties imposing the tax ((~~at the rate of 0.09 percent~~)) before August 1, 2009, and meeting the definition of a rural county as of August 1, 2009, the tax expires ((~~on the date that is 25 years after the date that the 0.09 percent tax rate was first imposed by that county~~)) December 31, 2054.

(5) By July 1, 2024, the state auditor must provide a publicly accessible report on its website containing the project information and other expenditure information included in the annual report required under subsection (3)(b) of this section for each county. The publicly accessible report must also include the total amount of revenue collected by the county under this section in the prior fiscal year. The state auditor must develop a standardized expenditure report for the project information and other expenditure information included in the annual report submitted by counties. This subsection applies to reports filed beginning in 2024 based on 2023 expenditures and thereafter.

(6) For purposes of this section, "rural county" means a county with a population density of less than 100 persons per square mile or a county smaller than 225 square miles as determined by the office of financial management ((~~and published each year by the department for the period July 1st to June 30th~~)) pursuant to RCW 43.62.035."

On page 1, line 1 of the title, after "tax;" strike the remainder of the title and insert "and amending RCW 82.14.370."

Senator Lovelett spoke in favor of the motion to not adopt the committee striking amendment.

The President declared the question before the Senate to be to not adopt the committee striking amendment by the Committee on Ways & Means to Substitute House Bill No. 1267.

The motion by Senator Lovelett carried and the committee striking amendment was not adopted by voice vote.

MOTION

Senator Lovelett moved that the following striking amendment no. 0454 by Senator Lovelett be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 1.** RCW 82.14.370 and 2022 c 175 s 1 are each amended to read as follows:

(1) The legislative authority of a rural county may impose a sales and use tax in accordance with the terms of this chapter. The tax is in addition to other taxes authorized by law and must be collected from those persons who are taxable by the state under chapters 82.08 and 82.12 RCW upon the occurrence of any taxable event within the county. The rate of tax may not exceed 0.09 percent of the selling price in the case of a sales tax or value of the article used in the case of a use tax, except that for rural counties with population densities between 60 and 100 persons per square mile, the rate shall not exceed 0.04 percent before January 1, 2000.

(2) The tax imposed under subsection (1) of this section must be deducted from the amount of tax otherwise required to be collected or paid over to the department of revenue under chapter 82.08 or 82.12 RCW. The department of revenue must perform the collection of such taxes on behalf of the county at no cost to the county.

(3)(a) Moneys collected under this section may only be used to finance public facilities serving economic development purposes in rural counties and finance personnel in economic development offices. The public facility must be listed as an item in the officially adopted county overall economic development plan, or the economic development section of the county's comprehensive plan, or the comprehensive plan of a city or town located within the county for those counties planning under RCW 36.70A.040, or provide affordable workforce housing infrastructure or facilities. For those counties that do not have an adopted overall economic development plan and do not plan under the growth management act, the public facility must be listed in the county's capital facilities plan or the capital facilities plan of a city or town located within the county, or provide affordable workforce housing infrastructure or facilities.

(b) In implementing this section, the county must consult with cities, towns, and port districts located within the county and the associate development organization serving the county to ensure that the expenditure of money collected under this section meets the goals of ((~~chapter 130, Laws of 2004~~)) creating, attracting, expanding, and retaining businesses, providing family wage jobs, and providing affordable workforce housing infrastructure or facilities and the use of money collected under this section meets the requirements of (a) of this subsection. Each county collecting money under this section must provide a report((~~, as follows,~~)) to the office of the state auditor((~~,~~)) within 150 days after the close of each fiscal year((~~: (i) A list of new projects begun during the fiscal year, showing that the county has used the funds for those projects consistent with the goals of chapter 130, Laws of 2004 and the requirements of (a) of this subsection; and (ii) expenditures during the fiscal year on projects begun in a previous year~~)) identifying in detail each new and continuing public facility project, economic development purpose project, affordable workforce housing infrastructure or facilities project, economic development staff position, and qualifying provider project funded with the tax authorized under this section and the amount of tax proceeds allocated to such project or position in the prior fiscal year. Any projects financed prior to June 10, 2004, from the proceeds of obligations to which the tax imposed under subsection (1) of this section has been pledged may not be deemed to be new projects under this subsection. No new projects funded with money collected under this section may be for justice system facilities.

(c) The definitions in this section apply throughout this section.

(i) "Public facilities" means bridges, roads, domestic and industrial water facilities, sanitary sewer facilities, earth stabilization, storm sewer facilities, railroads, electrical facilities, natural gas facilities, research, testing, training, and incubation facilities in innovation partnership zones designated under RCW 43.330.270, buildings, structures, telecommunications infrastructure, transportation infrastructure, or commercial infrastructure, port facilities in the state of Washington, or affordable workforce housing infrastructure or facilities.

(ii) "Economic development purposes" means those purposes which facilitate the creation or retention of businesses and jobs in a county, including affordable workforce housing infrastructure or facilities.

(iii) "Economic development office" means an office of a county, port districts, or an associate development organization as defined in RCW 43.330.010, which promotes economic development purposes within the county.

(iv) "Affordable workforce housing infrastructure or facilities" means housing infrastructure or facilities that a qualifying provider uses for housing for a single person, family, or unrelated persons living together whose income is no more than 120 percent of the median income, adjusted for housing size, for the county where the housing is located.

(v) "Qualifying provider" means a nonprofit entity as defined in RCW 84.36.560, a nonprofit entity or qualified cooperative association as defined in RCW 84.36.049, a housing authority created under RCW 35.82.030 or 35.82.300, a public corporation established under RCW 35.21.660 or 35.21.730, or a county or municipal corporation.

(4) No tax may be collected under this section before July 1, 1998.

(a) Except as provided in (b) of this subsection, no tax may be collected under this section by a county more than 25 years after the date that a tax is first imposed under this section.

(b) For counties imposing the tax ((~~at the rate of 0.09 percent~~)) before August 1, 2009, and meeting the definition of a rural county as of August 1, 2009, the tax expires ((~~on the date that is 25 years after the date that the 0.09 percent tax rate was first imposed by that county~~)) December 31, 2054.

(5) By December 31, 2024, the state auditor must provide a publicly accessible report on its website containing the project information and other expenditure information included in the annual report required under subsection (3)(b) of this section for each county. The publicly accessible report must also include the total amount of revenue collected by the county under this section in the prior fiscal year. The state auditor must develop a standardized expenditure report for the project information and other expenditure information included in the annual report submitted by counties. This subsection applies to reports filed beginning in 2024 based on 2023 expenditures and thereafter.

(6) For purposes of this section, "rural county" means a county with a population density of less than 100 persons per square mile or a county smaller than 225 square miles as determined by the office of financial management ((~~and published each year by the department for the period July 1st to June 30th~~)) pursuant to RCW 43.62.035."

On page 1, line 1 of the title, after "tax;" strike the remainder

of the title and insert "and amending RCW 82.14.370."

Senators Lovelett and Torres spoke in favor of adoption of the striking amendment.

The President declared the question before the Senate to be the adoption of striking amendment no. 0454 by Senator Lovelett to Substitute House Bill No. 1267.

The motion by Senator Lovelett carried and striking amendment no. 0454 was adopted by voice vote.

MOTION

On motion of Senator Lovelett, the rules were suspended, Substitute House Bill No. 1267 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Lovelett, Torres, Dozier and Hawkins spoke in favor of passage of the bill.

Senator Hasegawa spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1267 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1267 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 47; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senators Hasegawa and Trudeau

SUBSTITUTE HOUSE BILL NO. 1267, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1318, by House Committee on Finance (originally sponsored by Ormsby, Springer, Volz, Graham, Riccelli, Reeves and Leavitt)

Concerning retail sales tax exemptions for certain aircraft maintenance and repair.

The measure was read the second time.

MOTION

Senator Robinson moved that the following committee striking amendment by the Committee on Ways & Means be adopted:

Strike everything after the enacting clause and insert the following:

"**Sec. 2.** RCW 82.08.025661 and 2022 c 56 s 5 are each amended to read as follows:

(1) Subject to the requirements of this section, the tax levied by RCW 82.08.020 does not apply to:

(a) Charges for labor and services rendered in respect to the constructing of new buildings, made to: (i) An eligible maintenance repair operator engaged in the maintenance of airplanes; or (ii) a port district, political subdivision, or municipal corporation, if the new building is to be leased to an eligible maintenance repair operator engaged in the maintenance of airplanes;

(b) Sales of tangible personal property that will be incorporated as an ingredient or component of such buildings during the course of the constructing; or

(c) Charges made for labor and services rendered in respect to installing, during the course of constructing such buildings, building fixtures not otherwise eligible for the exemption under RCW 82.08.02565.

(2)(a) The exemption in this section is in the form of a remittance. A buyer claiming an exemption from the tax in the form of a remittance under this section must pay all applicable state and local sales taxes imposed under RCW 82.08.020 and chapter 82.14 RCW on all purchases qualifying for the exemption.

(b) The department must determine eligibility under this section based on information provided by the buyer and through audit and other administrative records. The buyer may on a quarterly basis submit an application, in a form and manner as required by the department by rule, specifying the amount of exempted tax claimed and the qualifying purchases or acquisitions for which the exemption is claimed. The buyer must retain, in adequate detail to enable the department to determine whether the equipment or construction meets the criteria under this section: Invoices; proof of tax paid; documents describing the location and size of new structures; and construction invoices and documents.

(c) The department must on a quarterly basis remit exempted amounts to qualifying persons who submitted applications during the previous quarter.

(d) A person may request a remittance for state sales and use taxes after the aircraft maintenance and repair station has been operationally complete for four years, but not sooner than December 1, 2021. However, the department may not remit the state portion of sales and use taxes if the person did not report at least ((~~one hundred~~)) 100 average employment positions with an average annualized wage of $80,000 to the employment security department for ((~~October 1, 2020, through September 30, 2021, with an average annualized wage of eighty thousand dollars~~)) a period of four consecutive calendar quarters, beginning with the first calendar quarter after the date the facility is issued an occupancy permit by the local permit issuing authority. A person must provide the department with the unemployment insurance number provided to the employment security department for the establishment.

(e) A person may request a remittance for local sales and use taxes on or after July 1, 2016.

(3) In order to qualify under this section before starting construction, the port district, political subdivision, or municipal corporation must have entered into an agreement with an eligible maintenance repair operator to build such a facility. A person claiming the exemption under this section is subject to all the requirements of chapter 82.32 RCW. In addition, the person must file a complete annual report with the department under RCW 82.32.534.

(4) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Eligible maintenance repair operator" means a person

classified by the federal aviation administration as a federal aviation regulation part 145 certificated repair station and located in ((~~an international~~)) a commercial services airport owned by a county with a population ((~~greater~~)) less than ((~~one million five hundred thousand~~)) 1,000,000 or a commercial services airport jointly owned by a city and county.

(b) "Operationally complete" means constructed to the point of being functionally capable of hosting the repair and maintenance of airplanes.

(5) This section expires January 1, ((~~2027~~)) 2031.

Sec. 3. RCW 82.12.025661 and 2016 c 191 s 3 are each amended to read as follows:

(1) The provisions of this chapter do not apply with respect to the use of:

(a) Tangible personal property that will be incorporated as an ingredient or component in constructing new buildings for: (i) An eligible maintenance repair operator; or (ii) a port district, political subdivision, or municipal corporation, to be leased to an eligible maintenance repair operator; or

(b) Labor and services rendered in respect to installing, during the course of constructing such buildings, building fixtures not otherwise eligible for the exemption under RCW 82.08.02565.

(2) The eligibility requirements, conditions, and definitions in RCW 82.08.025661 apply to this section, including the filing of a complete annual report with the department under RCW 82.32.534.

(3) This section expires January 1, ((~~2027~~)) 2031.

NEW SECTION. **Sec. 4.** RCW 82.32.808 does not apply to this act."

On page 1, line 2 of the title, after "repair;" strike the remainder of the title and insert "amending RCW 82.08.025661 and 82.12.025661; creating a new section; and providing expiration dates."

MOTION

On motion of Senator Wilson, C., Senator Liias was excused.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Ways & Means to Substitute House Bill No. 1318.

The motion by Senator Robinson carried and the committee striking amendment was adopted by voice vote.

MOTION

On motion of Senator Robinson, the rules were suspended, Substitute House Bill No. 1318 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Robinson and Wilson, L. spoke in favor of passage of the bill.

Senator Schoesler spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1318 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1318 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 46; Nays, 2; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senators Hasegawa and Schoesler

Excused: Senator Liias

SUBSTITUTE HOUSE BILL NO. 1318, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1431, by House Committee on Finance (originally sponsored by Timmons, Stokesbary, Springer, Corry, Stonier, Abbarno, Rule, Schmick, Street, Fitzgibbon, Jacobsen, Harris, Hutchins, Riccelli, McEntire, Maycumber, Bronoske, Ramel, Robertson, Taylor, Simmons, Tharinger, Berry, Caldier, Reeves, Ortiz-Self, Thai, Christian, Kloba, Bateman, Gregerson, Barnard, Pollet, Reed, Ormsby, Doglio and Cheney)

Clarifying that meals furnished to tenants of senior living communities as part of their rental agreement are not subject to sales and use tax.

The measure was read the second time.

MOTION

On motion of Senator Robinson, the rules were suspended, Substitute House Bill No. 1431 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Robinson and Wilson, L. spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1431.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1431 and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senator Liias

SUBSTITUTE HOUSE BILL NO. 1431, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SIGNED BY THE PRESIDENT

Pursuant to Article 2, Section 32 of the State Constitution and Senate Rule 1(5), the President announced the signing of and thereupon did sign in open session:

HOUSE BILL NO. 1020,
ENGROSSED HOUSE BILL NO. 1086,
ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1188,
ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1238,
SUBSTITUTE HOUSE BILL NO. 1250,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1260,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1335,
ENGROSSED SECOND SUBSTITUTE HOUSE BILL NO. 1357,
SECOND SUBSTITUTE HOUSE BILL NO. 1474,
SECOND SUBSTITUTE HOUSE BILL NO. 1525,
SECOND SUBSTITUTE HOUSE BILL NO. 1578,
SUBSTITUTE HOUSE BILL NO. 1701,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1731,
ENGROSSED SUBSTITUTE HOUSE BILL NO. 1791,
and ENGROSSED HOUSE BILL NO. 1846.

SECOND READING

HOUSE BILL NO. 1573, by Representatives Rule, Corry, Timmons, Leavitt, Walen, Shavers, Lekanoff, Chapman, Dye, Springer, Reeves, Barnard, Eslick and Sandlin

Extending tax preferences for dairy, fruit and vegetable, and seafood processors.

The measure was read the second time.

MOTION

On motion of Senator Robinson, the rules were suspended, House Bill No. 1573 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Robinson, Wilson, L., Muzzall and King spoke in favor of passage of the bill.

Senator Hasegawa spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of House Bill No. 1573.

ROLL CALL

The Secretary called the roll on the final passage of House Bill No. 1573 and the bill passed the Senate by the following vote: Yeas, 44; Nays, 4; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Gildon, Hawkins, Holy, Hunt, Keiser, King, Kuderer, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senators Frame, Hasegawa, Kauffman and Trudeau

Excused: Senator Liias

HOUSE BILL NO. 1573, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

INTRODUCTION OF SPECIAL GUESTS

The President welcomed and introduced students from Pinnacles Prep School in Wenatchee who were seated in the gallery and guests of Senator Hawkins.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1711, by House Committee on Finance (originally sponsored by Chapman, Tharinger, Lekanoff, Ryu, Callan, Reed, Volz, Kloba, Stearns, Stokesbary and Santos)

Providing a sales and use tax exemption related to internet and telecommunications infrastructure projects involving a federally recognized Indian tribe.

The measure was read the second time.

MOTION

Senator Robinson moved that the following committee striking amendment by the Committee on Ways & Means be adopted:

Strike everything after the enacting clause and insert the following:

"NEW SECTION. **Sec. 1.** A new section is added to chapter 82.08 RCW to read as follows:

(1) Subject to the requirements of this section, the tax levied by RCW 82.08.020 does not apply to sales of, or charges made for:

(a) Labor and services rendered in respect to the construction of a qualified infrastructure project, or the installation of any equipment or tangible personal property incorporated into a qualified infrastructure project; and

(b) Building materials, telecommunications equipment, and tangible personal property incorporated into a qualified infrastructure project.

(2) The exemption provided in subsection (1) of this section also applies to the applicable local sales taxes due on transactions exempt under this section.

(3)(a) In order to obtain an exemption certificate under this section, a qualified infrastructure project owner must submit an application to the department for an exemption certificate. The application must include the information necessary, as required by the department, to determine that the qualified infrastructure project owner qualifies for the exemption under this section. The department must issue an exemption certificate to a qualified infrastructure project owner.

(b) In order to claim an exemption under this section, a qualified infrastructure project owner must provide the seller with an exemption certificate in a form and manner prescribed by the department. The seller must retain a copy of the certificate for the seller's files.

(c) The exemption certificate is effective on the date the application is received by the department, which is the date of issuance. The exemption provided in this section does not apply to any property or services that are received by the qualified infrastructure project owner, or its agent, before the effective date of this section or on or after January 1, 2030. For the purpose of this subsection (3)(c), "received" means:

(i) Taking physical possession of, or having dominion and control over, the tangible personal property eligible for the exemption in subsection (1)(b) of this section; and

(ii) The labor and services in subsection (1)(a) of this section

have been performed.

(d) The exemption certificate expires on the date the project is certified as operationally complete by the qualified infrastructure project owner or January 1, 2030, whichever is first. The qualified infrastructure project owner must notify the department, in a form and manner as required by the department, when the project is certified as operationally complete.

(4) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.

(a) "Local sales tax" means a sales tax imposed by a local government under the authority of chapter 82.14 or 81.104 RCW.

(b) "Operationally complete" means the qualified infrastructure project is capable of being used for its intended purpose as described in the exemption certificate application.

(c) "Qualified infrastructure project" means the construction of buildings and utilities related to the deployment of a modern global internet and telecommunications infrastructure that occurs in part in a distressed area, as defined in RCW 43.168.020, that is located on the coast of Washington. The infrastructure may include, but is not limited to, cable landing stations, communications hubs, buried utility connections and extension, and any related equipment and buildings that will add broadband capacity and infrastructure to the area.

(d) "Qualified infrastructure project owner" means a wholly owned subsidiary of a federally recognized tribe located in a county that borders the Pacific Ocean that is developing a qualified infrastructure project.

(5) The total amount of state sales and use tax exempted under this section and section 2 of this act may not exceed $8,000,000. A qualified infrastructure project owner within 60 days of the expiration of the exemption certificate under subsection (3)(d) of this section must pay any tax due under this subsection. The department may not assess penalties and interest as provided in chapter 82.32 RCW on the amount due if the amount due is paid within the 60-day period, or any extension thereof. The department may require a qualified infrastructure project owner to periodically submit documentation, as specified by the department, prior to the expiration of the exemption certificate to allow the department to track the total amount of sales and use tax exempted under this section and section 2 of this act.

(6) This section expires January 1, 2030.

NEW SECTION. **Sec. 2.** A new section is added to chapter 82.12 RCW to read as follows:

(1) Provided an exemption certificate has been issued pursuant to section 1 of this act, the provisions of this chapter do not apply with respect to the use of:

(a) Labor and services rendered in respect to the installation of any equipment or other tangible personal property incorporated into a qualified infrastructure project; and

(b) Building materials, telecommunications equipment, and tangible personal property incorporated into a qualified infrastructure project.

(2) The exemption provided in subsection (1) of this section also applies to the applicable local use taxes due on transactions exempt under this section.

(3) All of the eligibility requirements, conditions, limitations, and definitions in section 1 of this act apply to this section.

(4) For purposes of this section, "local use tax" means a use tax imposed by a local government under the authority of chapter 82.14 or 81.104 RCW.

(5) This section expires January 1, 2030.

NEW SECTION. **Sec. 3.** A new section is added to chapter 82.08 RCW to read as follows:

(1) In order to obtain the exemption provided in this act, a qualified infrastructure project owner must certify to the department of labor and industries that the work performed on the qualified infrastructure project by the prime contractor and its subcontractors was performed under the terms of a community workforce agreement or project labor agreement negotiated prior to the start of the qualified infrastructure project. The agreements must include worker compensation requirements consistent with the payment of area standard prevailing wages in accordance with chapter 39.12 RCW, apprenticeship utilization requirements, and tribal employment and contracting opportunities, provided the following:

(a) The owner and the prime contractor and all of its subcontractors regardless of tier have the absolute right to select any qualified and responsible bidder for the award of contracts on a specified project without reference to the existence or nonexistence of any agreements between such bidder and any party to such project labor agreement, and only when such bidder is willing, ready, and able to become a party to, signs a letter of assent, and complies with such agreement or agreements, should it be designated the successful bidder; and

(b) It is understood that this is a self-contained, stand-alone agreement, and that by virtue of having become bound to such agreement or agreements, neither the project contractor nor the subcontractors are obligated to sign any other local, area, or national agreement.

(2) This section expires January 1, 2030.

NEW SECTION. **Sec. 4.** RCW 82.32.808 does not apply to this act.

NEW SECTION. **Sec. 5.** This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2023."

On page 1, line 3 of the title, after "tribe;" strike the remainder of the title and insert "adding new sections to chapter 82.08 RCW; adding a new section to chapter 82.12 RCW; creating a new section; providing an effective date; providing expiration dates; and declaring an emergency."

MOTION

Senator Robinson moved that the following amendment no. 0462 by Senator Rolfes be adopted:

On page 1, beginning on line 14, after "section" strike all material through "section." on line 16 and insert "does not apply to local sales taxes."

On page 3, beginning on line 21, after "section" strike all material through "section." on line 23 and insert "does not apply to local use taxes."

Senator Robinson spoke in favor of adoption of the amendment to the committee striking amendment.

The President declared the question before the Senate to be the adoption of amendment no. 0462 by Senator Rolfes on page 1, line 14 to the committee striking amendment.

The motion by Senator Robinson carried and amendment no. 0462 was adopted by voice vote.

The President declared the question before the Senate to be the adoption of the committee striking amendment by the Committee on Ways & Means as amended to Substitute House Bill No. 1711.

The motion by Senator Robinson carried and the committee striking amendment as amended was adopted by voice vote.

MOTION

On motion of Senator Robinson, the rules were suspended, Substitute House Bill No. 1711 as amended by the Senate was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Robinson and Wilson, L. spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1711 as amended by the Senate.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1711 as amended by the Senate and the bill passed the Senate by the following vote: Yeas, 48; Nays, 0; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Excused: Senator Liias

SUBSTITUTE HOUSE BILL NO. 1711, as amended by the Senate, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1756, by House Committee on Finance (originally sponsored by Ramel, Klicker, Duerr, Rude, Schmidt, Reed, Kloba, Doglio, Senn, Ryu and Macri)

Supporting clean energy through tax changes that increase revenue to local governments, schools, and impacted communities.

The measure was read the second time.

MOTION

On motion of Senator Nguyen, the rules were suspended, Substitute House Bill No. 1756 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senator Nguyen spoke in favor of passage of the bill.

Senator Wilson, L. spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1756.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1756 and the bill passed the Senate by the following vote: Yeas, 33; Nays, 15; Absent, 0; Excused, 1.

Voting yea: Senators Billig, Cleveland, Conway, Dhingra, Frame, Gildon, Hasegawa, Hawkins, Hunt, Kauffman, Keiser, King, Kuderer, Lovelett, Lovick, Mullet, Nguyen, Nobles, Pedersen, Randall, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Stanford, Trudeau, Valdez, Van De Wege, Wellman, Wilson, C. and Wilson, J.

Voting nay: Senators Boehnke, Braun, Dozier, Fortunato, Holy, MacEwen, McCune, Muzzall, Padden, Rivers, Short, Torres, Wagoner, Warnick and Wilson, L.

Excused: Senator Liias

SUBSTITUTE HOUSE BILL NO. 1756, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1764, by House Committee on Finance (originally sponsored by Wylie and Orcutt)

Establishing a method of valuing asphalt and aggregate used in public road construction for purposes of taxation.

The measure was read the second time.

MOTION

On motion of Senator Robinson, the rules were suspended, Substitute House Bill No. 1764 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Robinson and Wilson, L. spoke in favor of passage of the bill.

Senator Hasegawa spoke against passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1764.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1764 and the bill passed the Senate by the following vote: Yeas, 47; Nays, 2; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

Voting nay: Senators Hasegawa and Rolfes

SUBSTITUTE HOUSE BILL NO. 1764, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

ENGROSSED HOUSE BILL NO. 1812, by Representatives Springer, Stokesbary, Chopp and Chapman

Continuing the business and occupation tax deduction for federal funds received from a medicaid transformation or demonstration project or medicaid quality improvement program or standard.

The measure was read the second time.

MOTION

On motion of Senator Robinson, the rules were suspended, Engrossed House Bill No. 1812 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Robinson and Wilson, L. spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Engrossed House Bill No. 1812.

ROLL CALL

The Secretary called the roll on the final passage of Engrossed House Bill No. 1812 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

ENGROSSED HOUSE BILL NO. 1812, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

SECOND READING

SUBSTITUTE HOUSE BILL NO. 1850, by House Committee on Appropriations (originally sponsored by Macri, Schmick, Tharinger, Stokesbary, Ormsby, Bergquist, Schmidt, Chopp, Berg, Bronoske and Thai)

Concerning the hospital safety net program.

The measure was read the second time.

MOTION

On motion of Senator Robinson, the rules were suspended, Substitute House Bill No. 1850 was advanced to third reading, the second reading considered the third and the bill was placed on final passage.

Senators Robinson and Wilson, L. spoke in favor of passage of the bill.

The President declared the question before the Senate to be the final passage of Substitute House Bill No. 1850.

ROLL CALL

The Secretary called the roll on the final passage of Substitute House Bill No. 1850 and the bill passed the Senate by the following vote: Yeas, 49; Nays, 0; Absent, 0; Excused, 0.

Voting yea: Senators Billig, Boehnke, Braun, Cleveland, Conway, Dhingra, Dozier, Fortunato, Frame, Gildon, Hasegawa, Hawkins, Holy, Hunt, Kauffman, Keiser, King, Kuderer, Liias, Lovelett, Lovick, MacEwen, McCune, Mullet, Muzzall, Nguyen, Nobles, Padden, Pedersen, Randall, Rivers, Robinson, Rolfes, Saldaña, Salomon, Schoesler, Shewmake, Short, Stanford, Torres, Trudeau, Valdez, Van De Wege, Wagoner, Warnick, Wellman, Wilson, C., Wilson, J. and Wilson, L.

SUBSTITUTE HOUSE BILL NO. 1850, having received the constitutional majority, was declared passed. There being no objection, the title of the bill was ordered to stand as the title of the act.

MOTION

At 3:23 p.m., on motion of Senator Pedersen, the Senate adjourned until 11 o'clock a.m. Thursday, April 20, 2023.

DENNY HECK, President of the Senate

SARAH BANNISTER, Secretary of the Senate