NINTH DAY

AFTERNOON SESSION

Senate Chamber, Olympia Tuesday, January 16, 2024

The Senate was called to order at 12:30 p.m. by the President of the Senate, Lt. Governor Heck presiding. No roll call was taken.

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 third order of business.

MESSAGE FROM THE GOVERNOR GUBERNATORIAL APPOINTMENTS

January 8, 2024 TO THE HONORABLE, THE SENATE OF THE STATE OF WASHINGTON

Ladies and Gentlemen:

I have the honor to submit the following appointment, subject to your confirmation.

ROBERT M. BUGERT, appointed January 9, 2024, for the term ending December 31, 2026, as Member of the Recreation and Conservation Funding Board.

Sincerely,

JAY INSLEE, Governor

Referred to Committee on Agriculture, Water, Natural Resources & Parks as Senate Gubernatorial Appointment No. 9444.

January 8, 2024 TO THE HONORABLE, THE SENATE OF THE STATE OF WASHINGTON

Ladies and Gentlemen:

I have the honor to submit the following appointment, subject to your confirmation.

JOSEPH TIMMONS, appointed January 8, 2024, for the term ending October 1, 2026, as Member of the Small Business Export Finance Assistance Center Board of Directors.

Sincerely,

JAY INSLEE, Governor

Referred to Committee on Business, Financial Services, Gaming & Trade as Senate Gubernatorial Appointment No. 9445.

MOTION

On motion of Senator Pedersen, all appointees listed on the Gubernatorial Appointments report were referred to the committees as designated.

MESSAGE FROM THE SECRETARY OF STATE

CERTIFICATION OF INITIATIVE TO THE LEGISLATURE I-2117

Pursuant to Article II, Section 1 of the Washington State Constitution, RCW 29A.72.230, and WAC 434- 379-010, the Office of the Secretary of State has caused the signatures submitted in support of Initiative to the Legislature No. 2117 to be examined in the following manner:

- 1. It was determined that 466,072 signatures were submitted by the sponsors of the initiative. A random sample of 13,983 signatures was taken from those submitted;
- 2. Each sampled signature was examined to determine if the signer was a registered voter of the state, if the signature was reasonably similar to the one appearing on the record of that voter, and if the same signature appeared more than once in the sample. We found 10,863 valid signatures, 3,105 signatures that were invalid and 15 pairs of duplicated signatures in the sample;
- 3. We calculated an allowance for the chance error of sampling (84) by multiplying the square root of the number of invalid signatures by 1.5;
- 4. We estimated the upper limit of the number of signatures on the initiative petition which were invalid (106,280) by dividing the sum of the number of invalid signatures in the sample and allowance for the chance of error of sampling by the sampling ratio;
- 5. We determined the maximum allowable number of duplicate pairs of signatures on the petition (35,276) by subtracting the sum of the number of signatures required by Article II, Section 1 of the Washington State Constitution (324,516) and the estimate of the upper limit of the number of invalid signatures on the petition from the number of signatures submitted;
- 6. We determined the expected number of duplicate pairs of signatures in the sample (32) by multiplying the square of the sampling ratio by the maximum allowable number of pairs of signatures on the initiative petition;
- 7. We determined the acceptable number of duplicate pairs of signatures in the sample (22) by subtracting 1.65 times the square root of the expected number of pairs of signatures in the sample from the expected number of pairs of signatures in the sample; and
- 8. The number of duplicate pairs of signatures in the sample is less than the acceptable number of duplicate pairs of signatures in the sample.

Therefore, I hereby declare Initiative to the Legislature No. 2117 to contain sufficient signatures.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Seal of the State of Washington this 16th day of January, 2024

[Seal]

/s/ STEVE HOBBS Secretary of State

Bob Ferguson ATTORNEY GENERAL OF WASHINGTON Administration Division PO Box 40100 Olympia, WA 98504-0100 (360) 753-6200

June 20, 2023

The Honorable Steve Hobbs Elections Division ATTN: Initiative and Referendum POBox40220 Olympia, WA 98504-0220

Re: Initiative No. 2117

Dear Secretary Hobbs:

Pursuant to RCW 29A.72.060, we supply herewith the ballot title and ballot measure summary for Initiative No. 2117 to the Legislature (an act relating to prohibiting all state agencies, counties, and cities from implementing any type of carbon tax credit trading, also known as "cap and trade" or "cap and tax" scheme).

BALLOT TITLE

<u>Statement of Subject:</u> Initiative Measure No. 2117 concerns carbon tax credit trading.

<u>Concise Description:</u> This measure would prohibit state agencies from imposing any type of carbon tax credit trading, and repeal legislation establishing a cap and invest program to reduce greenhouse gas emissions.

Should this measure be enacted into law? Yes [] No []

BALLOT MEASURE SUMMARY

This measure would prohibit state agencies from imposing any type of carbon tax credit trading, including "cap and trade" or ' cap and tax' programs, regardless of whether the resulting increased costs are imposed on fuel recipients or fuel suppliers. It would repeal sections of the 2021 Washington Climate Commitment Act as amended, including repealing the creation and modification of a \cdot cap and invest" program to reduce greenhouse gas emissions by specific entities.

Sincerely, /s/ ALICIA 0. YOUNG Deputy Solicitor General (360) 586-2697

Initiative Measure No. 2117 Filed May 30, 2023

AN ACT Relating to prohibiting all state agencies, counties, and cities from implementing any type of carbon tax credit trading, also known as "cap and trade" or "cap and tax" scheme; adding a new section to chapter 70A.65 RCW; creating a new section; and repealing RCW 43.21C.520, 70A.15.1100, 70A.45.110, 70A.65.005, 70A.65.010, 70A.65.020, 70A.65.030, 70A.65.040, 70A.65.050, 70A.65.060, 70A.65.070, 70A.65.080, 70A.65.090, 70A.65.100, 70A.65.110, 70A.65.120, 70A.65.130, 70A.65.140, 70A.65.150, 70A.65.160, 70A.65.170, 70A.65.180, 70A.65.200, 70A.65.210, 70A.65.220, 70A.65.230, 70A.65.240, 70A.65.250, 70A.65.260, 70A.65.270, 70A.65.280, 70A.65.290, 70A.65.300, 70A.65.305, 70A.65.310, 70A.65.900, and 70A.65.901.

BE IT ENACTED BY THE PEOPLE OF THE STATE OF WASHINGTON:

<u>NEW SECTION.</u> Sec. 1. A new section is added to chapter 70A.65 RCW to read as follows:

All state agencies are prohibited from implementing any type of carbon tax credit trading, also known as "cap and trade" or "cap and tax" scheme, including the climate commitment act previously codified as chapter 70A.65 RCW. This prohibition applies whether the resulting increased costs are imposed on fuel recipients or fuel suppliers.

<u>NEW SECTION.</u> Sec. 2. The following acts or parts of acts are each repealed:

(1) RCW 43.21C.520 (Review of greenhouse gas emissions from a new or expanded facility) and 2021 c 316 s 34;

(2) RCW 70A.15.1100 (Issuance of enforceable order-Overburdened communities) and 2021 c 316 s 35;

(3) RCW 70A.45.110 (Siting of certain facilities) and 2021 c 316 s 36;

(4) RCW 70A.65.005 (Findings-Intent) and 2021 c 316 s 1;

(5) RCW 70A.65.010 (Definitions) and 2022 c 181 s 10 & 2021 c 316 s 2;

(6) RCW 70A.65.020 (Environmental justice review) and 2022 c 181 S 5 & 2021 C 316 S 3;

(7) RCW 70A.65.030 (Environmental justice assessment) and 2023 c 475 S 1902, 2023 C 475 S 936, 2022 C 182 S 104, 2022 C 181 S 13, & 2021 C 316 S 4;

(8) RCW 70A.65.040 (Environmental justice council-Duties) and 2022 C 182 S 105, 2022 C 181 S 14, & 2021 C 316 S 5;

(9) RCW 70A.65.050 (Governance structure) and 2021 c 316 s 7;

(10) RCW 70A.65.060 (Cap on greenhouse gas emissions) and 2021 c 316 s 8;

(11) RCW 70A.65.070 (Annual allowance budget and timelines) and 2022 C 181 S 1 & 2021 C 316 S 9;

(12) RCW 70A.65.080 (Program coverage) and 2022 c 179 s 14 & 2021 C 316 S 10;

(13) RCW 70A.65.090 (Requirements) and 2021 c 316 s 11;

(14) RCW 70A.65.100 (Auctions of allowances) and 2023 c 475 s 937, 2022 C 181 S 3, & 2021 C 316 S 12;

(15) RCW 70A.65.110 (Allocation of allowances to emissions- intensive, trade-exposed industries) and 2021 c 316 s 13;

(16) RCW 70A.65.120 (Allocation of allowances to electric utilities) and 2021 c 316 s 14;

(17) RCW 70A.65.130 (Allocation of allowances to natural gas utilities) and 2021 c 316 s 15;

(18) RCW 70A.65.140 (Emissions containment reserve withholding) and 2022 c 181 s 11 & 2021 c 316 s 16;

(19) RCW 70A.65.150 (Allowance price containment) and 2022 c 181 S 6 & 2021 C 316 S 17;

(20) RCW 70A.65.160 (Price ceiling) and 2022 c 181 s 7 & 2021 c 316 s 18;

(21) RCW 70A.65.170 (Offsets) and 2022 c 181 s 12 & 2021 c 316 s 19;

(22) RCW 70A.65.180 (Assistance program for offsets on tribal lands) and 2021 c 316 s 20;

(23) RCW 70A.65.200 (Enforcement-Penalty) and 2022 c 181 s 4 & 2021 C 316 S 23;

(24) RCW 70A.65.210 (Linkage with other jurisdictions) and 2021 C 316 S 24;

(25) RCW 70A.65.220 (Adoption of rules) and 2021 c 316 s 25;

(26) RCW 70A.65.230 (Investments-Legislative intent-Evaluation) and 2022 c 182 s 426, 2022 c 181 s 8, & 2021 c 316 s 26;

(27) RCW 70A.65.240 (Carbon emissions reduction account) and 2022 C 182 S 101 & 2021 C 316 S 27;

(28) RCW 70A.65.250 (Climate investment account) and 2023 c 475 S 938, 2023 C 435 S 12, 2022 C 253 S 2, & 2021 C 316 S 28;

(29) RCW 70A.65.260 (Climate commitment account) and 2023 c 475 S 939, 2022 C 179 S 17, & 2021 C 316 S 29;

(30) RCW 70A.65.270 (Natural climate solutions account) and 2021 C 316 S 30;

(31) RCW 70A.65.280 (Air quality and health disparities improvement account) and 2021 c 316 s 31;

(32) RCW 70A.65.290 (Joint legislative audit and review committee-Program implementation analysis. (*Expires June 30*, 2030.)) and 2021 c 316 s 32;

(33) RCW 70A.65.300 (Distributions of moneys-Annual report) and 2021 C 316 S 46;

(34) RCW 70A.65.305 (Tribal consultation) and 2022 c 253 s 1;

(35) RCW 70A.65.310 (Covered or opt-in entity compliance obligation) and 2022 c 181 s 2;

(36) RCW 70A.65.900 (Short title-2021 c 316) and 2021 c 316 s 37; and

(37) RCW 70A.65.901 (Suspension of certain sections and rules) and 2021 c 316 s 39.

<u>NEW SECTION</u>. Sec. 3. The provisions of this act are to be liberally construed to effectuate the policies, purposes, and intent of this act.

<u>NEW SECTION.</u> Sec. 4. 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.

MOTION

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

INTRODUCTION AND FIRST READING

SB 6242 by Senators Mullet and Lovick

AN ACT Relating to law enforcement training; reenacting and amending RCW 43.101.200; and providing an effective date.

Referred to Committee on Ways & Means.

<u>SB 6243</u> by Senator Mullet

AN ACT Relating to providing a state business and occupation tax exemption to encourage clean technology manufacturing in Washington; adding a new section to chapter 82.04 RCW; creating a new section; and providing an expiration date.

Referred to Committee on Business, Financial Services, Gaming & Trade.

<u>SB 6244</u> by Senator Rivers

AN ACT Relating to enacting the pain parity act; adding a new section to chapter 43.70 RCW; adding a new section to chapter 74.09 RCW; and adding a new section to chapter 48.43 RCW.

Referred to Committee on Health & Long-Term Care.

SB 6245 by Senator Hasegawa

AN ACT Relating to assistance for refugees and immigrants; and adding a new chapter to Title 74 RCW.

Referred to Committee on Human Services.

SB 6246 by Senator Dhingra

AN ACT Relating to the transmission of information relating to firearm prohibitions for persons committed for mental health treatment; amending RCW 9.41.049 and 70.02.260; and reenacting and amending RCW 9.41.047, 10.77.086, and 10.77.088.

Referred to Committee on Law & Justice.

SB 6247 by Senators Hunt and Randall

AN ACT Relating to public employees' retirement system plan 2 service credit for officers of labor organizations; and amending RCW 41.40.710.

Referred to Committee on Ways & Means.

<u>SB 6248</u> by Senator Robinson; by request of Department of Revenue

AN ACT Relating to modifying the capital gains tax under chapter 82.87 RCW and related statutes by closing loopholes, repealing and replacing the business and occupation tax credit with a capital gains tax credit, clarifying ambiguities and making technical corrections in a manner that is not estimated to affect state or local tax collections, treating spouses and domestic partners more consistently, modifying and adding definitions, creating a good faith penalty waiver, and modifying the publication schedule for inflation adjustments; amending RCW 82.04.4497, 82.87.020, 82.87.040, 82.87.050, 82.87.070, 82.87.080, 82.87.110, 82.87.120, 82.87.150, 82.32.060, 82.32.090, and 82.32.105; reenacting and amending RCW 82.32.050; adding a new section to chapter 82.87 RCW; providing an effective date; and providing an expiration date.

Referred to Committee on Ways & Means.

SB 6249 by Senator Robinson

AN ACT Relating to providing housing safety, security, and protection by creating the homeowner relief property tax exemption; amending RCW 84.48.010; adding new sections to chapter 84.36 RCW; creating new sections; and providing a contingent effective date.

Referred to Committee on Ways & Means.

SB 6250 by Senator Robinson

AN ACT Relating to increasing the working families' tax credit to reflect the economic burden of property taxes incorporated into rental amounts charged to residential tenants; reenacting and amending RCW 82.08.0206; and creating new sections.

Referred to Committee on Ways & Means.

SB 6251 by Senator Dhingra

AN ACT Relating to coordination of regional behavioral health crisis response and suicide prevention services; reenacting and amending RCW 71.24.025 and 71.24.890; and adding a new section to chapter 71.24 RCW.

Referred to Committee on Health & Long-Term Care.

SJR 8209 by Senator Robinson

Concerning a constitutional amendment providing for a residential real property exemption from property taxes levied for state purposes.

Referred to Committee on Ways & Means.

SCR 8415 by Senator Braun

Reconvening the redistricting commission to adopt revised legislative district maps for the Yakima Valley region.

Referred to Committee on State Government & Elections.

MOTIONS

On motion of Senator Pedersen, all measures listed on the Introduction and First Reading report were referred to the committees as designated.

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

Senator Hasegawa moved adoption of the following resolution:

SENATE RESOLUTION 8654

By Senator Hasegawa

WHEREAS, After earning his wings in December 1943, United States Army Air Forces veteran Captain Richard "Dick" Alan Nelms served in the European Theater during World War II as a Boeing B-17 Flying Fortress copilot and pilot, assigned to the 447th Bomb Group, 8th Air Force, based in Rattlesden, England; and

WHEREAS, Dick Nelms flew 35 missions into Germany, France, and other Nazi-occupied territories, sustaining battle damage in 25 of those missions, and helped write and plan food and supply drops to the Marquis Freedom Fighters in France and others; and

WHEREAS, Dick Nelms has earned numerous valor awards for his service, including the Distinguished Flying Cross, five Air Medals, the Presidential Unit Citation, and the French Legion of Honor Medal; and WHEREAS, Following the war, Dick Nelms established a successful freelance commercial art business, including a job with the King county library system in the 1970s, and served as an art director for the next 45 years in the Seattle area; and

WHEREAS, Dick Nelms was commissioned in 1967 to create a new Washington state seal insignia, selecting a Gilbert Stuart portrait of George Washington for the design, which was accepted and made the official state seal by the legislature; and

WHEREAS, Since starting as a Museum of Flight volunteer in March 2016, Dick Nelms has regularly engaged with thousands of museum visitors from around the world, sharing how he and his comrades dealt with fear and other realities of war and his pride for "putting a dent in Hitler's war machine;" and

WHEREAS, As a museum volunteer, Dick has gone out into the community and across the United States to share his knowledge and wartime experience with numerous organizations, including schools, museums, community centers, Joint Base Lewis-McChord, and at the Air Force Ball celebrating the 70th anniversary of the United States Air Force; and

WHEREAS, On February 17, 2023, Dick Nelms celebrated his 100th birthday at the Museum of Flight;

NOW, THEREFORE, BE IT RESOLVED, That the Washington state Senate recognize and honor Mr. Dick Nelms for his significant contributions to our state and country.

Senator Hasegawa spoke in favor of adoption of the resolution. The President declared the question before the Senate to be the adoption of Senate Resolution No. 8654.

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

MOTION

At 12:38 p.m., on motion of Senator Pedersen, the Senate adjourned until 1:30 p.m. Wednesday, January 17, 2024.

DENNY HECK, President of the Senate

SARAH BANNISTER, Secretary of the Senate

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