



**COMMISSION
AGENDA MEMORANDUM**

Item No. 8b

CORRECTED ACTION ITEM

Date of Meeting December 11, 2018

DATE: December 3, 2018 (Memo revised December 10, 2018)
TO: Executive Director Stephen P. Metruck
FROM: Eric ffitch, State Government Relations Manager, External Relations
Eric Schinfeld, Acting Director, Government Relations, External Relations
SUBJECT: State Legislative Agenda for 2019

ACTION REQUESTED

Request Commission authorization to pursue the legislative priorities as described in this memorandum during the 2019 state legislative session, convening January 14, 2019, in Olympia, Washington.

EXECUTIVE SUMMARY

This request for adoption follows a briefing to the Commission on November 27, 2018, and meetings with staff and commissioners both prior to that meeting and in the two weeks following.

Since the end of the 2018 state legislative session in Olympia, Washington, staff from the Government Affairs team has been working with subject-matter experts across the Port, members of the Executive Leadership Team, staff from the Commission office, and the Commissioners themselves to develop a draft legislative agenda for 2019.

The policy statements included in this memo, and set for discussion at the November 27, 2018, commission meeting, reflect work that is ongoing at the port, core priorities laid out by our Commission, or high-profile issues on which we may be asked to take a position. It includes changes that reflect suggested amendments from commissioners.

DRAFT State Legislative Agenda for 2019

1) *Priority Agenda Items:*

- a) **Clean Fuels Standard:** Support enactment of legislation that will incent the implementation of transportation fuels that reduce emissions related to port operations. Specifically, support adoption of a clean fuels standard that supports the deployment of clean transportation fuel technologies and reduces the carbon intensity of fuels sold in Washington, and that can promote price competitiveness between the

Meeting Date: December 11, 2018

market for sustainable transportation fuels in Oregon, California, and Washington states.

- b) Workforce development:** Support proposals to enhance public investment in workforce development in the maritime, manufacturing, and industrial sectors. This includes proposed amendments to port statute to clarify the authority of port districts to continue to play a role in workforce development in these sectors.
- c) Transportation access to Sea-Tac Airport:** Continued state support for funding of transportation networks that serve essential public facilities, including funding to follow up on a study underway at the Washington State Department of Transportation consider potential upgrades State Route 518; and funding for potential early implementation of the Puget Sound Gateway program upgrades to these critical freight corridors seek to address current and future demand related to increased regional development, including airport growth, that will affect transportation demand on that corridor and transportation impacts to residents.
- d) Maritime Innovation Center:** Support Department of Commerce budget request that helps fund development of Maritime Innovation Center. The facility will help sustain and accelerate Washington’s key maritime industries.
- e) Land use:** Continue to advocate on land use issues facing Washington ports, with a specific focus on zoning issues that may affect port competitiveness. This may include:
 - i)** Proposals that are consistent with, but not limited to, the recommendations from the state legislature’s Spring 2016 Joint Task Force on the Economic Resilience of Maritime and Manufacturing report;
 - ii)** Proposals that reflect the “Guiding Principles: Stewardship, Enhancement, and Protection of Maritime and Manufacturing Lands” document that was adopted by the Northwest Seaport Alliance on November 1, 2016;
 - iii) Proposals that reflect the Port's commitment to environmental sustainability, including promoting Puget Sound health and resource stewardship, and reflect the Commission view that areas designated under the Growth Management Act are resource lands that are irreplaceable; and**
 - iv)** Any legislative changes that may impact the efficient functioning of statewide essential public facilities

2) Priority Issue Areas:

a) Quality Jobs and Small Business

- i) Quality Jobs:** Support proposals that are consistent with the Port’s focus on bringing quality, sustainable jobs to the region, including proposals that:

Meeting Date: December 11, 2018

- (1) Clarify the authority of port districts to pursue creative approaches to workforce, and advocate for any efforts to expand state-level support for worker training programs in the aviation, maritime, and manufacturing trades, and programs that seek to foster maritime innovation and provide incentives to incorporate new technology into port-related sectors.
 - (2) Support career-connected and work-based learning programs that seek to expose middle- and high-school age students to professions in port-related industries.
 - (3) Expand and strengthen state support for apprenticeship programs
 - (4) Ensure responsible enforcement of labor standards.
 - (5) Support rural economic development: Partner with the state and other ports and economic development actors to promote rural economic development initiatives, including rural broadband deployment, tourism promotion, support for small manufacturers in rural Washington, investments in freight corridors in rural areas, and other actions to support economic growth across Washington state.
- ii) **Small Business:** Support proposals that seek to provide equity in the workplace for disadvantaged groups, and promote inclusion of small businesses, including disadvantaged, minority, and women owned business enterprises (SMWBEs). This includes:
- (1) Continued support for the repeal of Initiative 200, and other policy proposals that seek to achieve similar objectives.
 - (2) Support for proposals that provide flexibility in contracting to public owners, including alternative public works, while ensuring that contracting practices enfranchise SMWBEs.
 - (3) Support proposals that enhance the opportunities for SMWBEs to more effectively compete for small works projects.
 - (4) Support business assistance programs at the state-level that are focused on small business capacity building and help SMWBEs to compete in the government marketplace.

b) Transportation:

- i) Closely monitor, and support continued funding of, state transportation projects that are critical to Port of Seattle and Northwest Seaport Alliance operations, including the Puget Sound Gateway Program (SR509/SR167), the Alaskan Way Viaduct Replacement Program, State Route 518, and others. This includes support for efforts to speed delivering of the Puget Sound Gateway program, and potential

Meeting Date: December 11, 2018

- acceleration of other transportation projects that are critical to freight movement in the Puget Sound region.
- ii) Support proposals that speed the movement of freight and passengers from origin to destination through seaport and airport facilities and improve the trade competitiveness of Washington state and our gateway.
 - iii) Support proposals that allow for creative approaches to infrastructure development and funding, including potential expansion of authority of public owners to partner with private entities, provided that such proposals do not compromise public infrastructure.
 - iv) Support proposals that clarify and affirm the authority of the Port Commission to control access to port facilities by all transportation modes -- including private vehicle access, commercial ground transportation providers, and public transportation providers -- and promote fairness and equity among transportation service providers, in support of responsible operation in all areas of regulation, including insurance, monitoring, safety, and environmental standards
 - v) Support state engagement in regional conversations related to a potential increase in passenger vessel routes operating in Puget Sound.
 - vi) Support proposals promoting aviation safety while maintaining the authority of airport operators to enforce their own rules and regulations at the facilities within their control.
 - vii) Support state actions that promote resilience in the transportation network, and support collaboration with other government agencies, including on issues of climate resilience.

c) *Energy and Environment:*

Support and advocate for continued state investment in environmental cleanup programs and state-level policies that promote the adoption and implementation of clean energy sources to reduce the state's reliance on fossil fuels and seek to eliminate greenhouse gas emissions. That includes:

- i) Policies that promote the use of low-carbon fuels for transportation, low or zero emission transit options, and otherwise support the continued reduction in the cost of low-carbon energy sources to consumers in the state. This would include potential legislative changes allowing electrification of large-scale transportation infrastructure or clarifying the role of public utilities in relation to the electrification of transportation and building sectors.
- ii) Programs directed at Puget Sound health and water quality overall, including potential advocacy related to the recommendations made by the Governor's

Meeting Date: December 11, 2018

- Southern Resident Killer Whale Task Force or otherwise concerned with orca recovery in the Puget Sound.
- iii) Programs funded through the Model Toxics Control Act (MTCA) that assist ports in their efforts to promote environmental stewardship, along with efforts to stabilize the MTCA account to ensure long-term funding availability for core programs.
 - iv) Continued robust funding for the state’s Recreation and Conservation Office, and any additional state-level program or office that supports partnerships and funding on environmental cleanup, habitat restoration, and public access to the shoreline and marine resources.
 - v) Work with state and local agencies on disbursement of funds from the national Volkswagen settlement, including efforts that direct funds to regionally significant projects and projects that result in significant emissions reductions at airports and seaports across the state.
 - vi) Policies that promote use of clean energy technology, build energy efficiency, and support a statewide reduction in greenhouse gas emissions as well as statewide goals for clean power, and that can be implemented in ways that: leverage our state’s competitiveness; maintain the efficient operation of essential public facilities such as airports and seaports; and support equity between our business partners.
 - vii) State support for partnership with the Port on sustainable aviation fuels, including state-level actions intended to drive development of clean fuels within the state for use at in-state transportation facilities.
 - viii) Support state actions that promote climate change resilience, and support collaboration with other government agencies in this effort, including a focus on resilience within the transportation network.
 - ix) Policies that reduce carbon and air pollution emissions for passengers and employees traveling to and from Port facilities, including promoting and improving the efficiency of public transit transportation improvements, public transit, and increasing the availability of low carbon fuels.
 - x) Policies advanced as part of the Washington Maritime BLUE: 2050 initiative, which seeks to ensure that Washington state is home to the nation’s most sustainable maritime industry by 2050, through maritime clean tech innovation and best management practices that support living-wage jobs, a healthy environment and resilient communities.
 - xi) Close consultation and coordination with the Public Oversight Board, established by Initiative Measure Number 1631 and charged with recommending expenditures from the Clean Up Pollution Fund, regarding priority investments to reduce carbon emissions from port-related infrastructure and activities.

d) Tax, Governance, Technology:

Meeting Date: December 11, 2018

- i) Tax: Support tax policies at the state level that support the economic health of port-related businesses and activities, including:
 - (1) Policies that promote the efficient movement of freight and supports those communities that house the warehousing and distribution infrastructure necessary to enable the Port of Seattle, the Northwest Seaport Alliance, and its partners to serve Washington State businesses, including those in agriculture, manufacturing, and trade sectors.
 - (2) Policies that reduce manufacturing costs in port-related businesses, including businesses that support the efficient functioning of Seattle-Tacoma International Airport and that incentivize construction of fishing vessels in Washington State shipyards.
- ii) Governance: Oppose legislation that would create an imbalance of representatives between the two homeports in their governing of the Northwest Seaport Alliance. And further, advocate that any legislative proposal that would alter the previously voter established governance structure of either homeport include ratification by citizen vote within the respective homeport district(s).
- iii) Cybersecurity: Monitor proposals that seek to balance the importance of transparency and public disclosure with the vulnerability of public governments that manage critical infrastructure.
- iv) Broadband: Support continued state and local government efforts to bridge the digital divide and bring high-speed internet connectivity to communities around the state.

ATTACHMENTS TO THIS REQUEST

- (1) Presentation slides

PREVIOUS COMMISSION ACTIONS OR BRIEFINGS

November 27, 2018 – The Commission was briefed on the Draft 2019 State Legislative Agenda

October 24, 2017 – The Commission adopted the 2018 State Legislative Agenda

October 10, 2017 – The Commission was briefed on the Draft 2018 State Legislative Agenda