



**COMMISSION  
AGENDA MEMORANDUM**

**Item No.** 10c

**ACTION ITEM**

**Date of Meeting** December 9, 2025

**DATE:** December 9, 2025

**TO:** Stephen P. Metruck, Executive Director

**FROM:** John Flanagan, Senior State Government Relations Manager

**SUBJECT:** 2026 State Legislative Agenda

<b>Amount of this request:</b>	n/a
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**ACTION REQUESTED**

Requesting Commission adoption of the Port's 2026 State Legislative Agenda and authorization for staff to advocate on the agenda during the 2026 Legislative Session.

**EXECUTIVE SUMMARY**

On January 12<sup>th</sup>, the State Legislature will officially begin the 2026 State legislative session. The 60-day 'short session' is scheduled to conclude on March 12<sup>th</sup>. Following conclusion of the 2025 session, the Port's State government relations team began engagement with internal issue-experts, the executive leadership team, the Commission office, and individual Commissioners to develop this set of priorities for the 2026 State legislative session.

Given that 2026 is a 'supplemental' session, and in recognition of the state's challenging fiscal environment, this agenda focuses on progressing successes from past years, carrying forward unfulfilled requests, and setting the stage for multi-year advocacy efforts.

**DRAFT 2025 State Legislative Agenda**

**Statement of values**

As in recent years, the Port's work in Olympia will adhere to certain values. Generally, our advocacy work will:

- Focus on responsible spending and preservation of existing Port revenues;
- Expand capacity, enhance governance, and improve delivery of capital construction;
- Ensure availability of clean energy for the future and advance decarbonization;
- Grow economic development opportunities throughout the maritime sector;
- Implement technology and facility strategies that enhance operational continuity; and

Meeting Date: December 9, 2025

- Strengthen near-port communities by maintaining a ‘Shared Vision, Shared Success’ approach.

**Approach to new revenue**

As in 2025, during the 2026 session the Port will execute an engagement strategy regarding new revenue that focuses on:

- Preservation of existing programs and funding tools;
- Retaining (i.e. not eliminating) tax preferences and incentives that support the Port’s key industries and lines of business;
- Supporting the passage of progressive revenue schemes to fund ongoing programs;
- Discouraging the creation of new taxes and fees that disproportionately impact the Port, Port-related industries, or small businesses generally;
- Prioritizing local decision-making and the autonomy of local and regional municipalities.

**Priority Agenda Items*****Economic Development & Workforce*****Tourism**

- Support legislation enacting recommendations of the Tourism industry’s self-supported assessment work group.
- Partner with Seattle FWC26 on any additional requests necessary to get the region ‘World Cup Ready’.

**Childcare**

- Continue to support policies and programming that increase access to and improve affordability of childcare for parents that work primarily at Port-owned and Port-controlled facilities.

**Supports for business, innovation, and trade**

- Advocate for the continuation or re-establishment of programs that champion innovation, aid the global competitiveness of the region, and provide critical support to international business.
- Establish a statewide economic development strategy.
- Enact legislation and provide resources to create a state-level ‘Innovation Zone’ program.
- Support efforts to preserve existing industrial lands and policies that will ensure statewide land-use and planning regulations consider industrial development and manufacturing capacity.
- Support the full package of policies and priorities that make up the joint ‘Statewide Trade Strategy’ including, but not limited to:
  - Incentives to promote development of warehousing and manufacturing infrastructure;

Meeting Date: December 9, 2025

- Improvement of state permitting processes and creation of expedited permitting under certain conditions;
- Development of a definition for ‘Trade-exposed small businesses’ and direction to relevant state agencies to establish a certification and compliance process to provide tax relief to those businesses under certain conditions;
- Updates and improvements to the existing site selection process;
- Creation of a targeted freight investment program serving currently unmet needs;
- Reinvestment in a freight and supply chain institute and program; and
- Investments and planning to increase truck parking opportunities.

### ***Aviation***

#### **Sustainable Airport Master Plan (SAMP)**

- Ensure that any policy efforts at the State level do not disproportionately impact the Port’s ability to pursue capital construction or delay ongoing environmental analysis.
- Explore legislative action to strengthen the Port’s permitting authority.

#### **Aviation fuel tax**

- Pursue an amendment to the biennial budget to allow use of ‘sales tax on aviation fuels’ revenue for environmental cleanup and mitigation efforts at airport facilities.

#### **Sustainable Aviation Fuel (SAF)**

- Support legislation to further incentivize production and use of sustainable aviation fuels including, but not limited to:
  - Property and leasehold tax exemptions for SAF facilities; and
  - Amending an existing construction sales tax deferral program to include SAF facilities.
- Ensure that existing revenue streams benefitting the sustainable aviation fuel account remain in place. Additionally, use a portion of these revenues to create a ‘SAF Infrastructure Grant Program’.

#### **StART agenda**

Support the full set of shared policy priorities developed by the Port and community representatives of the SEA Stakeholder Advisory Round Table (StART) Committee. That list includes:

- Pursuing legislation (as necessary) to ensure that the State’s aircraft noise and mitigation program are complementary to Federal and Port programs and funding;
- Restoring State funding for noise mitigation that was eliminated during the 2025 session;
- Assigning deadlines for the Commercial Aviation Working Group (CAWG) to achieve clear recommendations for action, and reestablishing a specified leadership role for the Governor’s office on the CAWG;
- Directing the CAWG to study and produce reports on policy measures to incentivize the siting of new commercial airports, and about airports that operate as joint military & commercial facilities;

Meeting Date: December 9, 2025

- Sustaining existing programs to enhance air qualities; and
- Broadly supporting efforts to decarbonize ground transportation, reduce emissions, boost renewable energy and clean fuels production, and support electrification.

### ***Maritime***

#### **Sustainable Maritime Fuel (SMF) and maritime emissions**

- Generally, support all efforts to incentivize the production and use of SMFs in Washington.
- Explore and pursue all necessary legislative or administrative actions to ensure that SMFs generate credits under the State’s Clean Fuel Standard.
- Pursue capital budget funding for a demonstration project showcasing SMFs and other clean maritime technologies.
- Continue to work with the proponents of HB 1652 / SB 5519 (Use of ‘scrubbers’ on ocean-going vessels) to find a compromise that decarbonizes maritime vessel operations and protects water quality without banning the use of technologies that reduce emissions or inadvertently harming the use of emerging sustainable and clean maritime fuels.

#### **Port electrification and shore power**

- Support dedication of additional and ongoing funding for the Port Electrification Grant Program administered by WSDOT. Ensure that any additional funding follows current program guidelines around use of shore power infrastructure as a pre-condition to accessing program funds.
- Continue to work with the proponents of HB 1689 (CA emission standards / shore power mandate) to amend the legislation. Emphasize the need to provide infrastructure funding, to create incentives for construction of shore-power-enabled vessels, and to avoid creating new mandates that could inadvertently harm ongoing decarbonization efforts at the Port and elsewhere.

#### **Statewide vessel construction strategy**

- Ensure that new and existing state ‘match funding’ programs are flexible enough to provide resources for vessel construction initiatives receiving federal funds.

#### **Blue Schools Initiative**

- Seek opportunities throughout session to highlight the Blue Schools Initiative and to set the stage for future funding.

#### **Commercial Pump Out**

- Explore options and pursue capital budget funding to construct a commercial pump out facility in the Seattle area.

Meeting Date: December 9, 2025

***Transportation*****Revenue & funding models**

As in past sessions, and in recognition of ongoing financial challenges in the State transportation budget, support revenue and funding models that:

- Benefit freight mobility;
- Enhance competitiveness of the gateway;
- Prioritize multimodal transportation; and
- Continue the work of decarbonizing our transportation system and reducing local transportation-related emissions.

**Road Usage Charge (RUC)**

- As opportunities arise, support creation of a statewide RUC program that generally adheres to the principles above.

**Major transportation projects**

Advocate for:

- Any policies necessary to ensure completion of the Puget Sound Gateway Project without additional delays;
- Funding to support mitigation efforts related to the ‘Revive I-5’ project; and
- Preservation of investments in high-speed rail.

**Increasing transit options for SEA workers**

- Continue to support extension of the State’s existing Commute Trip Reduction program.
- Explore legislative action granting the Port explicit authority to pursue all strategies to effectuate the Port’s order.

**Medium and Heavy-Duty Zero-Emission Vehicles (MHD ZEVs)**

- Protect existing investments and programming aimed at incentivizing use of MHD ZEVs by the Port, Port tenants, and throughout the state’s transportation network.

**North Airport Expressway & illegal parking**

- Continue to monitor outcomes from the joint work with WSDOT and WSP to reduce shoulder parking on the airport expressway. As design, asset, and enforcement recommendations are identified, ensure that WSDOT has the necessary resources and authority to implement.

***Environment & Energy*****Regional green economy**

- In coordination with the City of Seattle, King County, and the University of Washington, pursue a regional ‘Green Economic Development Model’ to demonstrate clean energy innovation, benefit local generation, lower costs, and create high quality jobs.

Meeting Date: December 9, 2025

**Siting of clean energy, renewables, & transmission infrastructure**

- Continue to broadly support efforts to site clean energy facilities, enact associated incentives, and to assess the feasibility of constructing and maintaining clean energy production facilities for the Port's own use.
- Support the various recommendations of the Interagency Clean Energy Siting Coordinating Council published in October.
- Advocate for legislation benefitting the construction of transmission infrastructure.
- Streamline the site certification process.

**Mitigation banking**

- Pursue legislation to clarify how mitigation banking projects impact regulatory constraints on adjacent sites and to ensure that the Department of Ecology's interpretation of statute matches intent.

**Environmental justice (EJ)**

- Continue to work with the proponents of HB 1303 / SB 5380 (Local governments & environmental justice) to craft a policy that is complementary to the Port's ongoing EJ work, and that focuses on a holistic system-wide approach to EJ rather than a project-by-project analysis.

**Clean building performance standards**

- Continue to monitor and participate in rulemaking related to HB 1543 (Clean buildings performance standard compliance) and to work with the Department of Commerce to ensure that essential public facilities are granted additional compliance pathways, expanded exemption criteria, and extensions for covered buildings.
- Explore legislative opportunities to create distinct compliance standards for publicly-owned and operated essential public facilities.

***Taxes & Revenue***

**Property tax levy cap**

- Support efforts by other local governments to reform state and local property tax, including efforts to raise or eliminate the local property tax levy cap.

**Tax increment financing (TIF)**

- Continue to seek improvements to the state's TIF framework, including support for consensus legislation pursued in coordination with other ports, cities, and various special purpose district associations.
- In addition to consensus legislation, seek to establish a reasonable limitations on the overall number of TIFs drawing from the Port's underlying tax revenue, or a limitation on the amount of tax revenue that may be dedicated to TIF projects each year.

Meeting Date: December 9, 2025

***General Government***

**Public Records Act**

- Support joint efforts by the Public Ports Association, Association of Cities, and Association of Counties to limit Public Records Act violations by local governments and special purpose districts that are engaged in ‘good faith efforts’ to respond to records requests.

**Artificial Intelligence**

- Continue to work with the proponents of HB 1622 / SB 5422 (Collective bargaining / AI use by local government) to mitigate impacts to port districts.

**Port Commissioners & PERS**

- Continue to pursue legislation intended to allow new port commissioners that are already in the Public Employee Retirement System (PERS) to accrue service hours for time spent in service of their official duties.

**Healthcare**

- Advocate for legislation requiring certain SEA tenants to provide workers with healthcare benefits at a specified threshold with implementation and compliance to be managed by a relevant state agency (likely LNI).

**Legacy Agenda Items**

***Legacy Issue Area 1: Economic and Workforce Development***

Continue to support economic and workforce development proposals that are consistent with Goals 1, 2, 3, 5, and 6 of the Port’s Century Agenda with a focus on policies and programs that prioritize equity, foster innovation, and create quality and sustainable jobs in the region.

Advocacy will include support for:

- Partnerships that benefit the growth of port-related industries and expansion of state-level worker training programs in those industries;
- Career-connected learning and work-based learning programs that seek to expose K-12 students to professions in port-related industries, including ongoing support for CORE PLUS programming and preservation of funding for programs at the State’s various Career and Technical Colleges;
- Continuation and expansion of pre-apprentice and apprenticeship programs;
- Efforts to expand the trucking and logistics workforce, including increasing the supply of Commercial Driver’s License (CDL) holders and drivers, with a specific focus on those serving port operations;
- Programs that prioritize equitable recruitment, training, and retention of workers representing diverse populations;
- Policy solutions that connect port-adjacent communities to economic opportunity and ‘prosperity-in-place’;
- The continued enforcement of responsible labor standards;

Meeting Date: December 9, 2025

- Increased state-level investments to promote and grow the tourism industry in Washington;
- Investments in broadband infrastructure and digital equity programming, including the use of state funds as ‘match dollars’ for federal programs;
- Rural economic development initiatives, including those that benefit small manufacturers and domestic manufacturing generally, investments in freight corridors serving rural areas, rural tourism, and support for associate development organizations;
- Proposals that reduce structural barriers, prioritize equitable working conditions, promote the success of small businesses, and benefit minority and women-owned enterprises;
- The repeal of I-200, efforts to implement Executive Order 22-02, and outcomes resulting from the ongoing work of the Governor’s Statewide Diversity, Equity, and Inclusion Council;
- Statewide contracting practices and programs that increase flexibility for public owners while also supporting small, minority, and women-owned businesses, and increasing opportunity and access for those businesses;
- Creating state-level programs geared towards assisting businesses owned by woman, minority, and veteran populations and rural small businesses that traditionally struggle to access available public resources.
- Continue to monitor and engage in legislative efforts regarding use of project labor agreements, ‘prompt pay’ requirements, and other emerging trends in labor relations.

***Legacy Issue Area 2: Energy, Climate, Environment, and Habitat***

Continue to support state-level policies regarding energy, environment, sustainability, climate, and habitat that serve Goals 4 and 5 of the Port’s Century Agenda. Advocate for policy and budgetary solutions that promote the adoption and implementation of clean energy, phase-down the State’s reliance on fossil fuels, reduce emissions, and improve environmental outcomes.

Advocacy will include support for:

- Promotion of the use of low- and zero-carbon fuels for transportation, providing low or zero emission transit options, and otherwise aiding the continued reduction in the cost of low- and zero-carbon energy sources;
- Policies that promote the use of clean energy technology, promote the development of in-state renewable energy, build energy efficiency, and support a statewide reduction in greenhouse gas emissions while enforcing 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 social equity in the private sector;
- Proliferation of sustainable aviation fuels, including support for SAF infrastructure programs and any necessary adjustments to existing incentives;



Meeting Date: December 9, 2025

- Likewise, programs to support the proliferation of sustainable maritime fuels and other non-emitting maritime technologies, including support for all necessary storage, bunkering, and other infrastructure;
- On-dock decarbonization programs and incentives;
- Programs and policies geared towards ‘Scope 3 emissions’;
- Programs benefitting Puget Sound health, including water quality, habitat restoration, cleanups, stormwater, underwater noise reduction, and programs related to Southern Resident Killer Whale (SRKW) recovery, including support for additional Quiet Sound funding;
- Legislative solutions aimed at increasing compliance with the updated industrial stormwater general permit;
- Maintaining funding for programs associated with the Model Toxics Control Act (MTCA) that assist the Port in its efforts to promote environmental stewardship, including cleanup grants, public participation grants to community organizations, and benefitting voluntary, expeditious cleanup of habitat restoration and/or shoreline public access projects in underserved communities;
- Streamlining and providing robust state funding for the Department of Ecology’s wetland mitigation banking program so that cost-effective and large-scale compensatory mitigation projects can be built in advance of permitted impacts;
- Programs and legislative solutions to address derelict vessels on port and port-adjacent properties;
- Efforts to increase climate resiliency, including through implementation of recommendations in the State’s recently published Climate Resilience Strategy and investments in resilience in the transportation network serving ports, in collaboration and partnership with local governments;
- Policies that reduce air emissions and pollution for passengers and employees traveling to and from Port facilities, including promoting and improving the efficiency of public transportation and public transit;
- Continuing state partnerships to reduce emissions from waterfront operations while maintaining an international competitive edge, including partnerships to support electric transmission infrastructure development, regarding innovation in the clean maritime sector, and in the State’s ongoing Maritime Blue 2050 initiative;
- Responsible and thoughtful implementation of statewide environmental justice standards, including support for state-agency efforts to build intersectionality directly into programming, advocacy to ensure that state agencies adhere to standards for investment in overburdened communities and vulnerable populations that are set in current law, establishing adequate enforcement mechanisms, and providing necessary resources; and
- the Washington Conservation Corps (WCC) program, including creating opportunities to integrate WCC staff into Port operations and programs.

Meeting Date: December 9, 2025

***Legacy Issue Area 3: Transportation***

Support transportation policy that is consistent with Goals 1, 2, and 4 of the Port's Century Agenda, emphasizing the importance of proposals supporting freight mobility, enhancing competitiveness, aiding multimodal transportation, and continuing to decarbonize.

Advocacy will include support for:

- Investments in transportation networks serving essential public facilities with specific emphasis on funding needed for upgrades to near-port facilities;
- Proposals speeding the movement of freight and passengers from origin to destination through seaport and airport facilities, and improving trade competitiveness of the state and the Port's gateway;
- Ongoing efforts to address the major deficit of truck parking in the region and to expand the number of areas set aside for the needs of commercial truck operators;
- Continued promotion of Washington as an international trading partner, including support for the state's exporters and ensuring that transportation facilities supporting trade are modern, world-class, and operate efficiently;
- Proposals to 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 promoting fairness and equity among transportation service providers, in support of responsible operation in all areas of regulation, including insurance, monitoring, safety, and environmental standards;
- State engagement relating to increasing passenger vessel routes operating in Puget Sound, provided that any increased vessel traffic is accompanied by mitigation;
- Regional conversations related to innovative transportation partnerships that will help alleviate congestion on roadways and in airports, and reduce emissions associated with the transportation sector;
- Continuation of programs that incentivize the adoption and use of electric vehicles;
- Coordinated approaches to regional transportation planning, including aviation planning;
- Continued progress regarding airport siting or expansion and the efforts of the Commercial Aviation Work Group (CAWG);
- State-level actions to advance planning for major transportation projects, provided that planning efforts account for impacts to the broader transportation network and consider effects to adjacent areas;
- Investments in multimodal and active transportation infrastructure that prioritize safety, increased choice, and efficient movement of freight and all users; and
- Promotion of state agency efforts benefitting REAL ID compliance.
- Participate in, and monitor, conversations regarding transportation revenue and revenue-generating policies, advocating that policies prioritize and uphold economic competitiveness and do not disadvantage the efficient movement of goods.
- Likewise, the Port will continue to advocate that broader transportation implications continue to be a central consideration of major transportation projects.

Meeting Date: December 9, 2025

***Legacy Issue Area 4: Land Use***

Continue to advocate for land use policies benefitting goals 1, 3, 4, and 5 of the Port's Century Agenda, with a specific focus on zoning issues that may affect port competitiveness.

Advocacy will include support for:

- 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;
- Proposals that aim to reduce pressure on critical industrial lands by focusing dense residential development into existing residential areas that have typically been characterized by low-density single-family development;
- Efforts to acknowledge and define Manufacturing and Industrial Centers (MICs) as resource lands of statewide economic significance;
- Proposals that recognize the role industrial resource lands play in global port competitiveness and in supporting job retention in diverse economic sectors;
- Policies that give the Port flexibility in the conveyance and use of surplus property; and
- Proposals that seek to strengthen the Container Ports Element of the Growth Management Act.
- Monitor actions related to the Department of Commerce’s Interbay Public Development Advisory Committee, and any other legislative changes that may impact the efficient functioning of statewide essential public facilities.
- Ensure that ongoing efforts to update the Growth Management Act do not inadvertently result in the imposition of new or expanded planning requirements for Ports without providing adequate resources to implement.

***Other Legacy Issue Areas: Tax, Revenue, Governance, Technology, Trafficking, Civil Asset Forfeiture******Taxation:***

Support state-level tax policies that foster the economic health of port-related businesses and activities, including:

- Policies that promote the efficient movement of freight and support communities that contain warehousing and distribution infrastructure, especially those facilities and communities benefitting agriculture, manufacturing, and trade sectors; and
- Policies that reduce manufacturing costs in port-related sectors, including businesses that support the efficient functioning of SEA International Airport, and incentivizing construction of fishing vessels within Washington State.
- Legislative solutions to clarify the application of Leasehold Excise Tax to certain port-related businesses, and continue to monitor stalled Leasehold Excise Tax rule making.
- Monitoring developments and policies that divert Port revenues to other uses, opposing changes that further increase diversion of Port revenue, or are otherwise inconsistent with underlying tax law.

Meeting Date: December 9, 2025

***Revenue:***

Continued support for grant & loan programs that aim to maximize the use and availability of federal resources for Port infrastructure and initiatives.

***Governance:***

- Oppose legislation that would create an imbalance of representatives between the two homeports in the governance of the Northwest Seaport Alliance.
- Monitor legislative proposals that would alter the governance structure of either NWSA homeport, and if proposed, advocate for ratification by citizen vote within the respective homeport district(s).

***Technology:***

- Monitor proposals related to the use of biometric technology, such as facial recognition, with particular attention to those that address protection of individual privacy, equity, and compliance with federal and state regulations.
- Continue to monitor proposals related to establishing a Washington State Digital ID intended for general use including at airport facilities.
- Monitor state-level regulation of artificial intelligence (AI), and seek to form relevant partnerships with state and local government agencies regarding the use of AI.

***Trafficking:***

- Continue to engage state agencies, the legislature, and external partners in Port-sponsored efforts to combat human trafficking and forced labor at port facilities, including the airport, seaport, cruise terminals, and marina properties. Explore additional opportunities to deepen partnerships and align ongoing efforts happening elsewhere. As the region hosts major large-scale events (like the World Cup), ensure that the State supports anti-trafficking programs.

**ATTACHMENTS TO THIS BRIEFING**

- (1) Presentation slides

**PREVIOUS COMMISSION ACTIONS OR BRIEFINGS**

December 10, 2024 - The Commission voted to adopt the Final 2025 State Legislative Agenda

November 19, 2024 - The Commission was briefed on the Draft 2025 State Legislative Agenda

January 9, 2024 – The Commission voted to adopt the Final 2024 State Legislative Agenda

December 12, 2023 – The Commission was briefed on the Draft 2024 State Legislative Agenda