

SENATE BILL REPORT

ESB 5026

As Passed Senate, February 23, 2021

Title: An act relating to moneys available to a port district allocated for the purchase of zero and near zero emissions cargo handling equipment.

Brief Description: Concerning moneys available to a port district allocated for the purchase of zero and near zero emissions cargo handling equipment.

Sponsors: Senators Salomon, Cleveland, Conway, Das, Hasegawa, Hunt, Keiser, Lovelett, Nguyen, Nobles and Randall.

Brief History:

Committee Activity: Transportation: 1/25/21 [w/oRec-HLG].

Housing & Local Government: 2/02/21, 2/10/21 [DP, DNP].

Floor Activity: Passed Senate: 2/23/21, 34-14.

Brief Summary of Engrossed Bill

- Prohibits the use of port district funds to purchase fully automated marine container cargo handling equipment until December 31, 2031.

SENATE COMMITTEE ON HOUSING & LOCAL GOVERNMENT

Majority Report: Do pass.

Signed by Senators Kuderer, Chair; Das, Vice Chair; Cleveland, Lovelett and Salomon.

Minority Report: Do not pass.

Signed by Senators Fortunato, Ranking Member; Gildon, Assistant Ranking Member; Short, Assistant Ranking Member; Warnick.

Staff: Bonnie Kim (786-7316)

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Background: Port districts are a type of special purpose district. There are 75 port districts in Washington. Port districts can include harbors and marine transport, but can also include airports, railroads, and other facilities. Port districts are funded by property taxes, services fees, lease fees, and bonds. Ports may also receive funding from the federal government and from the state.

Marine cargo generally comes in three forms: containerized—cargo transported by container, bulk—cargo transported unpackaged, like grain or oil, and break bulk—cargo, such as a car or barrels, that is loaded individually, rather than in containers or in bulk. Most non-bulk cargo is transported by intermodal container. Such containers can be transferred between different modes of transportation, for example, from ship to rail, without removing the cargo from the container.

Summary of Engrossed Bill: Port districts and port development authorities are prohibited from using port funds to purchase fully automated marine container cargo handling equipment until December 31, 2031. Port development authority means a port public development authority created by a single port district or jointly created by two port districts in accord with state law. Container cargo handling equipment is fully automated if it is remotely operated or remotely monitored. Port districts may use funds to purchase human-operated zero, or near zero, emission equipment and the infrastructure to support the equipment.

Appropriation: None.

Fiscal Note: Not requested.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: Ports provide an avenue for good family-wage jobs. Automation in some industries is a bigger concern for job loss than sending jobs overseas. This bill prohibits marine area ports from fully automating their systems. This legislation has zero impact on market share. The equitable way to achieve green ports is by zero or near zero emission human-operated equipment. We can reduce our dependence on fossil fuels by using zero or near zero emissions equipment. Many longshore jobs would be lost by automation. Automation removes human beings from work rather than improving working conditions.

CON: Government uses automation extensively. Automation improves user experience and reduces costs. Automation is a necessary tool to keep our ports competitive and retain market share.

OTHER: Ports are economic engines that exist to be regional job creators. This bill would

inhibit our ability to improve safety and reduce greenhouse gas emissions. This bill will also inhibit our ability to remain competitive.

Persons Testifying: PRO: Senator Jesse Salomon, Prime Sponsor; Dan McKisson, International Longshore and Warehouse Union Washington Area District Council; Gabriel Prawl, International Longshore and Warehouse Union Local 52; Meghan Mason, International Longshore and Warehouse Union Local 23.

CON: Scott Hazlegrove, Pacific Merchant Shipping Association.

OTHER: Chris Herman, Washington Public Ports Association.

Persons Signed In To Testify But Not Testifying: No one.