



# WASHINGTON STATE LEGISLATURE



## Legislative Digest No. 57

SIXTY-FIFTH LEGISLATURE

Thursday, April 6, 2017

88th Day - 2017 Regular Session

<b>SENATE</b>	SB 5260-S SB 5920	SB 5642-S	SB 5799-S	SB 5914-S	SB 5915-S	SB 5916-S	SB 5919
<b>HOUSE</b>	HB 1611-S2 HB 2200	HB 2138-S HJM 4012	HB 2165-S	HB 2196	HB 2197	HB 2198	HB 2199

This publication includes digest and history for bills, joint memorials, joint resolutions, concurrent resolutions, initiatives, and substitutes. Engrossed measures may be republished if the amendment makes a substantive change.

Electronic versions of Legislative Digests are available at <http://apps.leg.wa.gov/billinfo/digests.aspx?year=2017>.

### House Bills

**HB 1611-S2** by House Committee on Finance (originally sponsored by Representatives Farrell, Fitzgibbon, Fey, Peterson, Slatter, Tharinger, Pollet, Stonier, Senn, Appleton, Chapman, Goodman, Robinson, Pettigrew, Bergquist, Hudgins, McBride, Cody, Macri, Doglio, Stanford, Jinkins, Tarleton, and Kagi)

Concerning oil transportation safety.

(DIGEST OF PROPOSED 2ND SUBSTITUTE)

Addresses oil transportation safety to: (1) Enhance safety measures that protect against the risk of oil spills occurring on land and water;

(2) Provide a sustainable source of funding for the state's oil spill preparedness and response program; and

(3) Ensure the state's ability to recover from a large oil spill.

-- 2017 REGULAR SESSION --

Feb 6 Public hearing in the House Committee on Environment at 1:30 PM.

Feb 16 Executive action taken in the House Committee on Environment at 8:00 AM.

Feb 23 Public hearing in the House Committee on Finance at 8:00 AM.

Mar 3 Executive session scheduled, but no action was taken in the House Committee on Finance at 8:00 AM.

Mar 30 FIN - Majority; 2nd substitute bill be substituted, do pass. Minority; do not pass.

Minority; without recommendation. Executive action taken in the House Committee on Finance at 8:00 AM.

Apr 4 Referred to Rules 2 Review.

**HB 2138-S** by House Committee on Finance (originally sponsored by Representatives Kraft, Kirby, Lovick, Klippert, Smith, Haler, and McDonald)

Concerning tax relief for the construction of adapted housing for disabled veterans.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Provides a sales and use tax exemption, in the form of a remittance, to a disabled or severely disabled veteran who has: (1) Received a specially adapted housing grant or a special housing adaptation grant from the United States department of veterans affairs; and

(2) Paid the sales and use tax on materials incorporated into, and labor and services rendered in respect to, adapted housing.

-- 2017 REGULAR SESSION --

Mar 17 Public hearing in the House Committee on Finance at 8:00 AM.

Mar 21 Executive session scheduled, but no action was taken in the House Committee on Finance at 3:30 PM.

Mar 30 FIN - Majority; 1st substitute bill be substituted, do pass. Executive action taken in the House Committee on Finance at 8:00 AM.

Apr 4 Referred to Rules 2 Review.

**HB 2165-S** by House Committee on Finance (originally sponsored by Representatives Harris, Cody, Pollet, Doglio, Kagi, Ryu, and Slatter)

Concerning vapor products, e-cigarettes, and nicotine products taxation.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Addresses requirements for and the sale and taxation of vapor products, e-cigarettes, and nicotine products.

-- 2017 REGULAR SESSION --

Mar 21 Public hearing in the House Committee on Finance at 3:30 PM.

Mar 30 FIN - Majority; 1st substitute bill be substituted, do pass.

Executive action taken in the House Committee on Finance at 8:00 AM.

Apr 4 Referred to Rules 2 Review.

**HB 2196** by Representatives Harmsworth, MacEwen, Stokesbary, Kraft, Caldier, Hargrove, Young, Wilcox, Stambaugh, Rodne, Barkis, Muri, and McDonald

Nullifying the imposition of certain taxes within regional transit authority boundaries.

Authorizes taxes approved by regional transit authority voters on or after January 1, 2015, to be nullified within the complete boundaries of a city or county within a regional transit authority if: (1) A majority of the city or county legislative authority votes to nullify the taxes; or

(2) A proposition to nullify the taxes is approved by voters.

Prohibits the nullified regional transit authority taxes from being imposed within the boundaries of the affected city or county.

-- 2017 REGULAR SESSION --

Apr 5 First reading, referred to Transportation (Not Officially read and referred until adoption of Introduction report).

**HB 2197** by Representatives Harmsworth, MacEwen, Stokesbary, Graves, Caldier, Hargrove, Young, Wilcox, Stambaugh, Rodne, Barkis, Muri, and McDonald

Concerning regional transit authority taxes approved after January 1, 2015, being used only to retire debt.

Requires the proceeds of a tax imposed by a regional transit authority, that was approved after January 1, 2015, to only be used to retire debt issued by that regional transit authority.

Provides that the requirement above expires when the debt issued by a regional transit authority that imposed a tax after January 1, 2015, is retired and the required notice mentioned below is received.

Requires a regional transit authority, that includes a county with a population of more than one million five hundred thousand, to provide notice to the chief clerk of the house of representatives, the secretary of the senate, and the office of the code reviser when the debt issued by that regional transit authority is retired.

-- 2017 REGULAR SESSION --

Apr 5 First reading, referred to Transportation (Not Officially read and referred until adoption of Introduction report).

**HB 2198** by Representatives Harmsworth, MacEwen, Stokesbary, Graves, Caldier, Hargrove, Young, Stambaugh, Rodne, Wilcox, Barkis, Muri, and McDonald

Concerning the administration of motor vehicle excise taxes by regional transit authorities.

Authorizes a regional transit authority to contract with the department of licensing for the collection of a motor vehicle excise tax only if the tax is based solely on the vehicle valuation method mentioned below.

Requires the value of a motor vehicle to be based on base model Kelly blue book values or national automobile dealers association values, whichever is lower.

Specifies that RCW 82.44.035 (section 3 of this act) applies only to the motor vehicle excise tax imposed by a

regional transit authority in RCW 81.104.160(1)(a)(i) (section 2(1)(a)(i) of this act).

-- 2017 REGULAR SESSION --

Apr 5 First reading, referred to Transportation (Not Officially read and referred until adoption of Introduction report).

**HB 2199** by Representatives Harmsworth, MacEwen, Stokesbary, Graves, Caldier, Hargrove, Young, Wilcox, Stambaugh, Rodne, Barkis, Muri, and McDonald

Modifying the election and authority of regional transit authority board members.

Revises provisions regarding the election and authority of the board members of a regional transit authority.

-- 2017 REGULAR SESSION --

Apr 5 First reading, referred to Transportation (Not Officially read and referred until adoption of Introduction report).

**HB 2200** by Representatives Hansen, Taylor, Smith, Buys, Harmsworth, Graves, Maycumber, J. Walsh, Kraft, Haler, Condotta, Nealey, Bergquist, Steele, Van Werven, Stonier, Macri, Farrell, Cody, Slatter, Tarleton, Senn, Kagi, Pollet, Frame, Chapman, Dye, Hudgins, Stanford, Reeves, Dent, Hayes, Ryu, Peterson, Sells, Kloba, Santos, Johnson, Fitzgibbon, Holy, Ormsby, Caldier, Sawyer, Wylie, Hargrove, Kilduff, Blake, Orcutt, Gregerson, Young, Appleton, Shea, Koster, Morris, Tharinger, Irwin, Muri, Schmick, Volz, Goodman, Clibborn, McCaslin, Pellicciotti, Doglio, Jinkins, Dolan, Kirby, Sullivan, Lytton, Kretz, Riccelli, Rodne, McBride, and McCabe

Protecting the privacy and security of internet users.

Requires a broadband internet access service provider to: (1) Notify its customers of its privacy policies;

(2) Provide existing customers with advance notice of one or more material changes to the carrier's privacy policies;

(3) Obtain opt-out approval from a customer to use, disclose, or permit access to the customer's nonsensitive customer proprietary information; and

(4) Take reasonable measures to protect customer personal information from unauthorized use, disclosure, or access.

Requires the office of the attorney general, in consultation with the utilities and transportation commission, the office of data and privacy protection, and the department of commerce, to review and analyze additional opportunities to increase consumer privacy transparency, control, and protection.

Creates the consumer privacy and security account.

-- 2017 REGULAR SESSION --

Apr 5 First reading, referred to Technology & Economic Development (Not Officially read and referred until adoption of Introduction report).

---

### House Joint Memorials

---

**HJM 4012** by Representatives Dent, Dye, Morris, Buys, Shea, Pettigrew, Lovick, Ryu, Smith, Tarleton, Young, and J. Walsh

Requesting Congress to reform the harbor maintenance tax.

Requests congress to reform the harbor maintenance tax.

-- 2017 REGULAR SESSION --

Apr 4 First reading, referred to Technology & Economic Development (Not Officially read and referred until adoption of Introduction report).

---

### Senate Bills

---

**SB 5260-S** by Senate Committee on Ways & Means (originally sponsored by Senator Warnick)

Concerning the continuation of tax preferences supporting the solar silicon manufacturing industry.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Delays the expiration of tax preferences supporting the solar silicon manufacturing industry.

-- 2017 REGULAR SESSION --

Mar 30 Public hearing in the Senate Committee on Ways & Means at 1:30 PM.

Apr 3 WM - Majority; 1st substitute bill be substituted, do pass.

Minority; do not pass.

Minority; without recommendation.

Executive action taken in the Senate Committee on Ways & Means at 1:30 PM.

Apr 4 Passed to Rules Committee for second reading.

**SB 5642-S** by Senate Committee on Ways & Means (originally sponsored by Senators Brown, King, Miloscia, Baumgartner, Bailey, Sheldon, Rivers, Zeiger, Honeyford, Hobbs, and Wilson)

Concerning a pilot program that provides incentives for investments in Washington state job creation and economic development.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Revises the invest in Washington act.

States that the sales and use tax deferral on the construction and expenditure costs is for up to two new manufacturing facilities per calendar year, one of which must be located in eastern Washington and one in western Washington.

Expires January 1, 2026.

-- 2017 REGULAR SESSION --

Feb 9 Public hearing in the Senate Committee on Agriculture, Water, and Trade & Economic Development at 8:00 AM.

Feb 16 Executive action taken in the Senate Committee on Agriculture, Water, and Trade & Economic Development at 8:00 AM.

Mar 30 Public hearing in the Senate Committee on Ways & Means at 1:30 PM.

Apr 3 WM - Majority; 1st substitute bill be substituted, do pass.

Minority; do not pass.

Minority; without recommendation.

Executive action taken in the Senate Committee on Ways & Means at 1:30 PM.

Apr 4 Passed to Rules Committee for second reading.

**SB 5799-S** by Senate Committee on Ways & Means (originally sponsored by Senators Ranker, Braun, and Keiser)

Extending the expiration date of the sales and use tax exemptions for certain products that impart flavor to food.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Changes the July 1, 2017, expiration date to January 1, 2028, on the sales and use tax exemptions for products sold to restaurants that impart flavor to food during the cooking process.

-- 2017 REGULAR SESSION --

Mar 30 Public hearing in the Senate Committee on Ways & Means at 1:30 PM.

Apr 3 WM - Majority; 1st substitute bill be substituted, do pass.

Minority; do not pass.

Minority; without recommendation.

Executive action taken in the Senate Committee on Ways & Means at 1:30 PM.

Apr 4 Passed to Rules Committee for second reading.

**SB 5914-S** by Senate Committee on Ways & Means (originally sponsored by Senator Braun)

Imposing a fee on labor organizations for the collection and remittance of dues, fees, and other amounts on behalf of a labor organization.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Authorizes a public employer, that collects and remits dues, fees, payments, or other amounts on behalf of a labor organization, to impose a fee of up to five percent of the amount collected to offset the cost of administration.

Requires the office of financial management to establish the fee charged to the labor organizations.

Requires fees collected by the employers to be deposited in the personnel service fund and be used for costs of the public employment relations commission.

-- 2017 REGULAR SESSION --

Mar 30 Public hearing in the Senate Committee on Ways & Means at 1:30 PM.

Apr 4 WM - Majority; 1st substitute bill be substituted, do pass.

Minority; do not pass.

Passed to Rules Committee for second reading.

Executive action taken in the Senate  
Committee on Ways & Means at 1:30  
PM.

**SB 5915-S** by Senate Committee on Ways & Means  
(originally sponsored by Senator Braun)

Concerning central service functions, powers, and duties  
of state government.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Transfers certain powers, duties, and functions of the  
department of enterprise services to the office of financial  
management.

Requires the office of financial management to  
evaluate: (1) Opportunities for colocating and  
consolidating state facilities in the same geographic area;  
and

(2) The impact colocation would have on the cost and  
delivery of agency programs, including whether program  
delivery would be enhanced due to the centralization of  
services.

Requires agencies to report space use data for office  
facilities.

Requires current and prospective employees of and  
contractors with the state who are or may be authorized to  
access federal tax information to have a criminal history  
record check through the Washington state patrol criminal  
identification system and the federal bureau of  
investigation.

Requires the office of financial management to  
develop a state agency contract oversight and management  
program to: (1) Conduct, assist, or oversee large, complex,  
or legislatively directed procurements; and

(2) Conduct compliance reviews, including reviewing  
performance and fiscal compliance, of state agency  
contract management activities.

Creates the information technology investment  
account.

Provides funds in the account solely for information  
technology projects as provided in the omnibus  
appropriations act.

-- 2017 REGULAR SESSION --

Mar 31 Public hearing in the Senate Committee  
on Ways & Means at 1:00 PM.

Apr 3 WM - Majority; 1st substitute bill be  
substituted, do pass.  
Minority; do not pass.  
Minority; without recommendation.  
Executive action taken in the Senate  
Committee on Ways & Means at 1:30  
PM.

Apr 4 Passed to Rules Committee for second  
reading.

**SB 5916-S** by Senate Committee on Ways & Means  
(originally sponsored by Senators Rivers,  
Cleveland, and Wilson)

Concerning the continuation of tax preferences supporting  
the semiconductor materials manufacturing industry.

(DIGEST OF PROPOSED 1ST SUBSTITUTE)

Changes the December 1, 2018, expiration date to  
December 1, 2028, of the preferential tax rates for  
manufacturers and processors for hire of semiconductor

materials in order to maintain and grow jobs in the  
semiconductor cluster.

-- 2017 REGULAR SESSION --

Apr 4 WM - Majority; 1st substitute bill be  
substituted, do pass.  
Minority; do not pass.  
Minority; without recommendation.  
Passed to Rules Committee for second  
reading.  
Public hearing and executive action taken  
in the Senate Committee on Ways &  
Means at 1:30 PM.

**SB 5919** by Senators Ranker, Fain, Miloscia, Rivers,  
Rossi, Billig, Carlyle, Brown, Rolfes, Frockt,  
Hasegawa, Conway, Warnick, Darneille, Pedersen,  
Keiser, Zeiger, Baumgartner, Cleveland, Chase, Kuderer,  
Takko, McCoy, Hunt, Nelson, Saldaña, Fortunato, Liias,  
Short, Mullet, Palumbo, Wellman, Hobbs, Pearson, and  
Sheldon

Concerning consumer protection of internet privacy.

Prohibits certain telecommunications or internet  
service providers from: (1) Collecting personal  
information from a customer resulting from the customer's  
use of the telecommunications or internet service provider  
without express written approval from the customer; and

(2) Refusing to provide its services to a customer on  
the grounds that the customer has not approved collection  
of his or her personal information.

-- 2017 REGULAR SESSION --

Apr 5 First reading, referred to Energy,  
Environment & Telecommunications.

**SB 5920** by Senator Palumbo

Modifying the months in which the state economic and  
revenue forecast is submitted.

Changes the date, from June 27th to July 27th, in  
which the economic and revenue forecast supervisor must  
submit official and unofficial state economic and revenue  
forecasts to certain parties.

-- 2017 REGULAR SESSION --

Apr 5 First reading, referred to Ways & Means.