CERTIFICATION OF ENROLLMENT

SENATE BILL 6207

65th Legislature 2018 Regular Session

Passed by the Senate February 9, 2018 Yeas 47 Nays 0

President of the Senate

Passed by the House February 27, 2018 Yeas 63 Nays 35

Speaker of the House of Representatives Approved CERTIFICATE

I, Brad Hendrickson, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 6207** as passed by Senate and the House of Representatives on the dates hereon set forth.

Secretary

FILED

Secretary of State State of Washington

Governor of the State of Washington

## SENATE BILL 6207

Passed Legislature - 2018 Regular Session

State of Washington 65th Legislature 2018 Regular Session

By Senators Palumbo, Short, and Sheldon

Read first time 01/10/18. Referred to Committee on Local Government.

AN ACT Relating to clarifying the authority of port districts to offer programs relating to air quality improvement equipment and fuel programs that provide emission reductions for engines, vehicles, and vessels; amending RCW 53.08.040; and creating a new section.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 <u>NEW SECTION.</u> Sec. 1. (1) The legislature finds that clean fuels 7 and vehicles protect public health by reducing toxic air and climate 8 change emissions.

9 (2) The legislature also finds that to encourage clean fuels and 10 vehicles, the state should develop policies and incentives that help 11 businesses gain greater access to affordable clean fuels and 12 vehicles. These policies and incentives should include incentives for 13 replacement of the most polluting diesel engines, especially in 14 trucks calling on the state's largest seaports.

15 (3) The legislature also finds that while the state, in 2007, 16 sought to allow port districts to use tax revenue to support this 17 type of equipment, the statute is confusing and further clarification 18 is needed for port districts to avoid litigation and audit risk.

19 Sec. 2. RCW 53.08.040 and 2007 c 348 s 103 are each amended to 20 read as follows:

1 (1) A district may improve its lands by dredging, filling, bulkheading, providing waterways or otherwise developing such lands 2 for industrial and commercial purposes. A district may also acquire, 3 construct, install, improve, and operate sewer and water utilities to 4 serve its own property and other property owners under terms, 5 6 conditions, and rates to be fixed and approved by the port commission. A district may also acquire, by purchase, construction, 7 lease, or in any other manner, and may maintain and operate other 8 facilities for the control or elimination of air, water, or other 9 pollution, including, but not limited to, facilities for the 10 treatment and/or disposal of industrial wastes, and may make such 11 12 facilities available to others under terms, conditions and rates to be fixed and approved by the port commission. 13

14 (2) Such conditions and rates shall be sufficient to reimburse 15 the port for all costs, including reasonable amortization of capital 16 outlays caused by or incidental to providing such other pollution 17 control facilities. ((However,))

18 <u>(3) No</u> part of such costs of providing any pollution control 19 facility to others shall be paid out of any tax revenues of the port. 20 ((and))

21 (4) No port shall enter into an agreement or contract to provide 22 sewer and/or water utilities or pollution control facilities if 23 substantially similar utilities or facilities are available from 24 another source (or sources) which is able and willing to provide such 25 utilities or facilities on a reasonable and nondiscriminatory basis 26 unless such other source (or sources) consents thereto.

(((2))) (5) In the event that a port elects to make such other 27 pollution control facilities available to others, it shall do so by 28 29 lease, lease purchase agreement, or other agreement binding such user to pay for the use of said facilities for the full term of the 30 revenue bonds issued by the port for the acquisition of said 31 facilities, and said payments shall at least fully reimburse the port 32 for all principal and interest paid by it on said bonds and for all 33 operating or other costs, if any, incurred by the port in connection 34 with said facilities. However, where there is more than one user of 35 any such facilities, each user shall be responsible for its pro rata 36 share of such costs and payment of principal and interest. Any port 37 intending to provide pollution control facilities to others shall 38 39 first survey the port district to ascertain the potential users of 40 such facilities and the extent of their needs. The port shall conduct

p. 2

1 a public hearing upon the proposal and shall give each potential user 2 an opportunity to participate in the use of such facilities upon 3 equal terms and conditions.

(((<del>(3)</del>)) <u>(6)</u> "Pollution control facility," as used in this section 4 53.08.041, ((does not include air quality improvement 5 and RCW б equipment that provides emission reductions for engines, vehicles, and vessels)) includes programs and activities that are intended to 7 reduce air pollution from vehicles used in cargo transport to, from, 8 and within district facilities; and programs and activities that are 9 intended to reduce air pollution from cargo vessels within the 10 district. Use of district funds for these purposes are deemed a 11 governmental and public function, exercised for a public purpose and 12 as a public necessity for promoting cleaner air; provided however, 13 the provisions of subsections (2), (3), (4), and (5) of this section 14 relating to condition, rates, other providers, and cost recovery do 15 not apply to this subsection's subset of port pollution control 16 17 facilities.

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