SENATE BILL REPORT SB 5955

As of January 15, 2024

Title: An act relating to mitigating harm and improving equity in large port districts.

Brief Description: Mitigating harm and improving equity in large port districts.

Sponsors: Senators Keiser, Hasegawa, Kauffman, Nguyen and Wilson, C...

Brief History:

Committee Activity: Local Government, Land Use & Tribal Affairs: 1/16/24.

Brief Summary of Bill

- Requires a port district operating an airport serving more than 900 daily flights and authorized to undertake a noise abatement program to undertake a remedial mitigation program.
- Requires a port district that meets this criteria to utilize a portion of its annual property tax levy revenue for the purpose of administering a remedial mitigation program.
- Establishes the port district environmental equity fund for purposes of providing grants or loans to ports undertaking remedial action plans or complying with requirements related to significant port actions.
- Requires the Department of Commerce to provide management services for the port district environmental equity fund and prepare and publish an annual report detailing the grants and loans made under this program.

SENATE COMMITTEE ON LOCAL GOVERNMENT, LAND USE & TRIBAL AFFAIRS

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Senate Bill Report - 1 - SB 5955

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: Noise abatement programs generally focus on reducing the noise produced by aircraft while on the ground, during takeoffs and landings, and during flights over populated areas.

A port district that operates an airport serving more than 900 scheduled jet aircraft flights per day may undertake a program of aircraft noise abatement within impacted areas. Impacted areas are limited to:

- more than 10 miles beyond the paved north end of any runway;
- more than 13 miles beyond the south end paved end of any runway; or
- more than 2 miles from the centerline of any runway extending 6 miles north and 13 miles south from the paved end of such runway.

The port district may employ remedial programs for noise abatement. Among other items, the aircraft noise abatement program may include the purchasing of property, transaction assistance—assistance for selling a home, soundproofing structures, and mortgage insurance for private landowners who are unable to obtain mortgage insurance due to the noise impact.

A port district may establish a fund for the purposes of the noise abatement program. The fund may be financed by the proceeds of any grants or loans made by federal agencies, rentals, charges and other revenues related to the noise abatement program, airport revenues, and revenue bonds based upon such revenues.

Summary of Bill: Remedial Mitigation Program—Overview. A port district authorized to undertake noise abatement programs must also undertake a remedial mitigation program. A remedial mitigation program must include:

- the repair or replacement of failed mitigation equipment;
- the provision of sound mitigation equipment to residential, recreational, or educational facilities that will measurably reduce or mitigate the impacts of aircraft noise;
- the provision of air quality mitigation equipment to residential, recreational, or educational facilities that will measurably improve air quality;
- programs to provide urban forests or green space within an impacted area;
- provision or support of indoor recreation facilities available to the community within an impacted area; and
- the provision of indoor community greenhouses within an impacted area.

An individual property may qualify for the individual benefit under a remedial mitigation program if the property:

- has been determined, by an inspection, to have been provided mitigation equipment that failed;
- is located within ten miles of an airport and subject to levels of aircraft noise of a daynight average sound level of 55 decibels or more, regardless of whether the property previously received benefits under the noise abatement program; and

• is located within both five miles of the end of a runway used for jet landings and within a two mile radius of the landing path used by jets, regardless of whether the property previously received benefits under the noise abatement program.

A port district must prioritize remedial mitigation programs in the following order:

- properties that have failed mitigation equipment;
- sound and air quality mitigation equipment for properties located within ten miles of an airport and subject to levels of aircraft noise of a day-night average sound level of 55 decibels or more or within both five miles of the end of a runway used for jet landings and within a two mile radius of the landing path used by jets; and
- other qualifying properties.

A port district may not require, as a condition of a property receiving individual benefit under the program, the provision of an unconditional right of easement for the operation of aircraft and for noise or noise conditions associated with aircraft.

<u>Inspections.</u> A port district required to undertake a remedial mitigation program must enter into an interlocal agreement with the county in which the port is located for the provision of a qualified building inspector or inspectors to conduct inspections as required by the program.

If the port district cannot enter an interlocal agreement with the county, it must contract with independent qualified building inspectors to conduct the required inspections and publish a report detailing the aggregate results of the inspections of the year prior no later than February 1st of each year.

Inspections, whether provided by the county or by contract, must be provided at no cost upon request of the owner of a residential or educational facility located within the impacted area. An inspection may not be provided more than once every five years to an individual property unless, following an inspection, the inspector recommends inspections occur at a shorter interval.

<u>Publications.</u> A port district required to undertake a remedial mitigation program must prepare a pamphlet or document detailing government assistance programs available to assist property owners with maintenance, repairs, energy assistance, or updating electrical systems within an impacted area. The document must be provided to a property owner should an inspector find any deficiencies on a property unrelated to failed mitigation equipment.

Beginning February 1, 2026 and every year thereafter, a port district must produce and make publicly available a report detailing the funds required to be used on remedial mitigation programs and significant port actions and, if the port district has provided a building inspector by contract, the funds made available to the port district in the form of loans or grants for the provision of a building inspector.

<u>Significant Port Actions.</u> When considering a significant port action initiated after July 1, 2025, a port district required to undertake a remedial mitigation program must, prior to approving the action:

- conduct an assessment on the likely adverse cumulative impact of the proposed action on overburdened communities and vulnerable populations;
- provide a written explanation of actions the district is taking to minimize the likely adverse impacts or, if the port is unable to minimize the adverse action, provide a clear explanation of why it has made that determination; and
- consult with overburdened communities and vulnerable populations about the proposed action.

A significant port action is defined as any action involving a capital improvement project, purchase, or construction of more than \$12 million in value.

<u>Noise Abatement Fund.</u> A port district is authorized to finance its noise abatement fund with the proceeds of the property tax levy revenue to be utilized for remedial mitigation programs and any grants or loans made by the port district environmental equity fund, in addition to the existing authorized financing of the fund.

<u>Property Tax Levy Revenue</u>. A port district subject to this act must, after July 1, 2024, utilize at least half of the dollar amount of the district's levy revenue over the prior year's levy for its remedial mitigation program. After July 1, 2025, at least one percent of a port district's annual tax levy revenue must be utilized for the program. A port district must dedicate an additional 1 percent of its annual tax levy revenue per year, for a maximum of 10 percent. The additional annual tax levy revenue must be maintained by the port district in a separate account.

<u>Port District Environmental Equity Fund.</u> The port district environmental equity fund is created in the state treasury. Funds may be supplemented by monies from the Climate Commitment Account and may be used to make loans or grants to port districts to undertake remedial mitigation programs or to comply with requirements related to significant port actions.

The Department of Commerce (Commerce) must:

- provide management services for the fund;
- establish procedures for fund management;
- develop and monitor the grant or loan criteria and select grant or loan recipients; and
- prepare and publish an annual report on its website detailing:
 - 1. the grants and loans made under the fund;
 - 2. the uses to which the grants and loans have been put; and
 - 3. the benefits that have been realized.

Grants for Qualifying Port Districts. In addition to grants provided through the port district

environmental equity fund, Commerce must administer a grant program to provide financial assistance to qualifying port districts for the provision of a building inspector to conduct inspections related to the remedial mitigation program. Funds may be used to hire or contract a building inspector or inspectors, or for entering into an interlocal agreement with the county for the provision of a building inspector or inspectors.

Commerce must prepare and publish an annual report detailing grants made under the grant program. The report must include:

- the number of inspectors hired or contracted with because of the grants;
- the number of inspections conducted by the inspectors; and
- the number of remedial mitigation packages provided as part of the remedial mitigation program subsequent to an inspection.

Appropriation: None.

Fiscal Note: Requested on January 12, 2024.

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

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