SENATE BILL REPORT SB 6114

As Reported by Senate Committee On: Transportation, February 5, 2024

Title: An act relating to requiring local airport operators to provide sustainable aviation fuel for use in private jets.

Brief Description: Requiring local airport operators to provide sustainable aviation fuel for use in private jets. [**Revised for 1st Substitute:** Requiring certain operators to provide sustainable aviation fuel for use in private jets.]

Sponsors: Senators Liias, Billig, Dhingra, Frame, Hasegawa, Lovick, Nguyen, Nobles, Saldaña and Shewmake.

Brief History:

Committee Activity: Transportation: 1/23/24, 2/05/24 [DPS, DNP, w/oRec].

Brief Summary of First Substitute Bill

- Requires airport operators to provide fuel blends with a minimum of 10 percent sustainable aviation fuel for private jet aircraft by July 1, 2028.
- Enables the Washington State Department of Transportation to provide technical assistance.
- Authorizes the Governor to suspend via executive order any elements that are determined to be infeasible.
- Instructs the Washington State Department of Agriculture to adopt rules for enforcement.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 6114 be substituted therefor, and the substitute bill do pass.

Senate Bill Report - 1 - SB 6114

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.

Signed by Senators Liias, Chair; Lovick, Vice Chair; Shewmake, Vice Chair; Cleveland, Hansen, Kauffman, Lovelett, Nobles, Valdez and Wilson, C..

Minority Report: Do not pass.

Signed by Senators Fortunato, Hawkins, MacEwen, Padden and Wilson, J..

Minority Report: That it be referred without recommendation.

Signed by Senators King, Ranking Member; Holy, Assistant Ranking Member.

Staff: Jenna Forty (786-7755)

Background: <u>Sustainable Aviation Fuel.</u> According to the U.S. Department of Energy, sustainable aviation fuel (SAF), made from nonpetroleum feedstocks, is an alternative fuel that reduces emissions from air transportation.

The Federal Aviation Administration (FAA) has overseen and supported research and qualification for various types of SAF for over 15 years. SAF can be used safely in jet aircraft, without modification, and is produced from wastes, residues, biomass, sugar, oils and gaseous sources of carbon. The FAA, in partnership with industry, has worked for more than a decade to develop SAF through the Commercial Aviation Alternative Fuel Initiative (CAAFI).

At the federal level, the U.S. departments of Energy, Transportation, and Agriculture launched the Sustainable Aviation Fuel Grand Challenge in 2021, with the goal of reducing life cycle greenhouse gas emission compared to conventional fuel by a minimum of 50 percent by 2030 and 100 percent of aviation jet fuel use by 2050. The goals of the Sustainable Aviation Fuel Grand challenge are to expand SAF supply and end use, reduce cost of SAF and enhance sustainability of SAF through feedstock innovation, conversion technology innovation, building supply chains, policy and valuation analysis, enabling end use, and communicating progress and building support.

Washington State Law. Under the state's Climate Commitment Act and Clean Fuels Program, aviation fuels and its respective emissions are exempt. However, in December of 2023, the Department of Ecology began rulemaking to create pathways for sustainable aviation fuel credit generation under the Clean Fuels Standard to align with legislation passed in the 2023 legislative session—ESSB 5447, Alternative Jet Fuel—and to harmonize with existing rules in the Oregon and California low carbon or clean fuel programs.

Washington State law is silent on minimum utilization of sustainable aviation fuels in aircraft.

Summary of Bill (First Substitute): Airport operators and fixed based operators are required to provide fuel blends of a minimum of 10 percent sustainable aviation fuel for private, noncommercial jet aircraft 24 months following certification by the Department of

Ecology of 20 million gallon production capacity of alternative jet fuel. The Washington State Department of Transportation may provide technical assistance for implementation. Sustainable aviation fuel is defined.

The Department of Agriculture must complete a feasibility study for enforcement by November 1, 2027 and is authorized to adopt rules within 12 months.

EFFECT OF CHANGES MADE BY TRANSPORTATION COMMITTEE (First Substitute):

- 10 percent SAF blends are required 24 months following Department of Ecology certification of 20 million gallon cumulative production capacity of alternative jet fuel.
- Requires airport operators and fixed based-operators to provide the 10 percent SAF blends.
- Updates role for Deptment of Agriculture, requiring them to complete a feasibility study and report results to the legislature by November 1, 2027. They are then authorized to adopt rules for enforcement within 12 months.

Appropriation: None.

Fiscal Note: Available.

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 on Original Bill: *The committee recommended a different version of the bill than what was heard*.PRO: It is important to take the first steps to begin to decarbonize our aviation sector.

CON: The Association of Washington Business is supportive of intent, but currently does not have the infrastructure to support this at airports.

OTHER: Port of Seattle is supportive of SAF production and usage. Supply is an issue with SAF, suggest tying implementation to legislation passed last year.

Washington Public Ports Association is supportive of SAF, but fewer than 5 port districts purchase and control their own fuel. Would like to see clarification on fuel requirements to take into account fixed base operators (FBO). The 2028 timeline is very optimistic, and would like to see other offramps apart from executive order.

Persons Testifying: PRO: Senator Marko Liias, Prime Sponsor.

CON: Morgan Irwin, Association of Washington Business.

OTHER: John Flanagan, Port of Seattle; Chris Herman, WPPA.

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