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HOUSE BILL 2103

State of Washington 68th Legislature 2024 Regular Session

By Representatives Orwall, Fitzgibbon, Gregerson, Santos, and Reeves Prefiled 01/03/24. Read first time 01/08/24. Referred to Committee on Local Government.

AN ACT Relating to mitigating harm and improving equity in large port districts; amending RCW 53.36.020, 53.54.010, 53.54.020, 53.54.040, and 70A.65.260; adding a new section to chapter 53.54 RCW; adding a new section to chapter 53.36 RCW; adding a new section to chapter 43.330 RCW; adding a new section to chapter 53.20 RCW; and creating a new section.

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

<u>NEW SECTION.</u> **Sec. 1.** The legislature finds that airports are an important part of Washington's economy. Airports enable travel for business or recreation, allow for the transportation of cargo, and provide thousands of jobs for the people of the state.

For those living near an airport, however, there can also be adverse environmental and health impacts from airport noise and air pollution. In King county, the majority of people identifying as Black, Hispanic, Native Hawaiian, or Pacific Islander live within 10 miles of Seattle-Tacoma international airport. A 2019 study conducted by the King county department of health found that this population faces health, resource, and risk disparities as compared to the rest of the county. Health issues within the community included a greater percentage of infants born prematurely, higher hospitalization rates for asthma, stroke, diabetes, heart disease, and chronic obstructive

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pulmonary disease, and lower life expectancy and higher rates of death when compared to the county as a whole. Many of these conditions were found at higher rates the closer the population lived to the airport.

It is the intent of the legislature that port districts operating large airports in the state dedicate a portion of the property tax they levy toward the mitigation of some of the impacts of noise and air pollution that can be faced by communities near the airport. The legislature also intends to provide additional assistance to ports in fulfilling this goal and their environmental and community-related missions. With these resources, ports can be a more responsive community partner and help to uphold the values of respect, antiracism and equity, integrity, and stewardship.

- **Sec. 2.** RCW 53.36.020 and 1973 1st ex.s. c 195 s 56 are each 15 amended to read as follows:
 - (1) A district may raise revenue by levy of an annual tax not to exceed ((forty-five cents)) \$0.45 per ((thousand dollars)) \$1,000 of assessed value against the assessed valuation of the taxable property in such port district for general port purposes, including the establishment of a capital improvement fund for future capital improvements, except that any levy for the payment of the principal and interest of the general bonded indebtedness of the port district shall be in excess of any levy made by the port district under the ((forty-five cents)) \$0.45 per ((thousand dollars)) \$1,000 of assessed value limitation. The levy shall be made and taxes collected in the manner provided for the levy and collection of taxes in school districts of the first class.
 - (2) After July 1, 2024, for any increase in the dollar amount of a district's levy revenue over the district's prior year's levy at least half of the dollar amount of such revenue increase must be utilized for mitigation programs under section 3 of this act.
 - (3) (a) After July 1, 2025, at least one percent of a port districts annual tax levy revenue must be utilized for mitigation programs under section 3 of this act.
 - (b) For each year subsequent to the first year that a port district becomes subject to (a) of this subsection, an additional one percent of the port district's annual tax levy revenue must be utilized for mitigation programs under section 3 of this act, to a maximum of 10 percent.

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- 1 (4) Revenue subject to the requirements in subsections (2) and (3) of this section must be maintained by the port district in a separate account.
- (5) The requirements in subsections (2), (3), and (4) of this section only apply to port districts authorized to undertake programs for the abatement of aircraft noise under RCW 53.54.010. If a port district becomes qualified to undertake such a program after July 1, 2024, then the requirements in subsections (2) and (3) of this section take effect in the fiscal year immediately following the year in which the port district becomes qualified.
- NEW SECTION. Sec. 3. A new section is added to chapter 53.54 RCW to read as follows:

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- (1) Port districts authorized to undertake programs for the abatement of aircraft noise under this chapter must additionally undertake a remedial mitigation program as provided in this section.
 - (2) Remedial mitigation programs must consist of the following:
- (a) The repair or replacement of failed mitigation equipment installed pursuant to this chapter;
- (b) The provision of sound mitigation equipment to residential, recreational, or educational facilities that will measurably reduce or mitigate the impacts of aircraft noise;
- (c) The provision of air quality mitigation equipment to residential, recreational, or educational facilities that will measurably improve air quality including, but not limited to, the provision of high particulate air purifiers designed to mitigate or eliminate ultrafine particles or other aviation-related air pollution;
- 28 (d) Programs to provide urban forests or green space within an 29 impacted area;
- 30 (e) The provision or support of indoor recreation facilities 31 available to the community within an impacted area; and
- 32 (f) The provision of indoor community greenhouses within an 33 impacted area.
- 34 (3)(a) In order for an individual property to qualify for an individual benefit under a remedial mitigation program, the property 36 must:
- 37 (i) Be determined by an inspection to have been provided 38 mitigation equipment that failed;

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(ii) Be within 10 miles of an airport and subject to levels of aircraft noise of a day-night average sound level of 55 decibels or more, regardless of whether the property was previously provided benefits under a program authorized in RCW 53.54.030; or

- (iii) Be within both five miles of the end of a runway used for jet landings at the airport and within a two-mile radius of the landing path used by jets, regardless of whether the property was previously provided benefits under a program authorized in RCW 53.54.030.
- 10 (b) Properties may also be provided benefits under a remedial 11 mitigation program in order to realize community benefits within an 12 impacted area.
 - (c) A port district may not require the provision of an unconditional right of easement for the operation of aircraft and for noise or noise conditions associated with aircraft as a condition of an individual property receiving an individual benefit under a remedial mitigation program.
 - (4) When administering remedial mitigation programs, port districts must prioritize remedial mitigation programs so that benefits are received:
 - (a) First, by properties that have failed mitigation equipment;
 - (b) Second, for sound mitigation equipment by properties qualifying under subsection (3)(a)(ii) of this section and for air quality mitigation equipment by properties qualifying under subsection (3)(a)(iii) of this subsection; and
 - (c) Third, for other qualifying properties.
 - (5) (a) Any port district subject to the requirements of this section must enter into an interlocal agreement under chapter 39.34 RCW with the county in which the port is located for the provision of a qualified building inspector or inspectors to conduct the inspections required under this section. The port district must contract with the county for sufficient inspectors to carry out the necessary inspections required under this section in a timely manner.
 - (b) If the port district cannot enter into an interlocal agreement with the county as required by this section, it must contract with sufficient independent qualified building inspectors to conduct the required inspections. A port district that is not utilizing county building inspectors must produce and make publicly available a report by February 1st of each year detailing the aggregate results of the inspections conducted during the prior

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calendar year and detailing the steps taken by the port district to ensure that the inspector or inspectors are conducting accurate and impartial inspections.

- (c) Inspections required under this section must be provided at no cost upon request of the owner of a residential or educational facility that qualifies under subsection (3)(a) of this section, except as provided in (d) of this subsection.
- (d) No inspection under this section may be provided more than once every five years to an individual property inspected by a building inspector provided by the county under an interlocal agreement with the port district or more than once a year by a building inspector contracted with by the port district, unless, following an inspection conducted under this section, the inspector recommends an inspection occur at a shorter interval.
- shall prepare a pamphlet or other document detailing government assistance programs available to assist property owners with maintenance, repairs, energy assistance, or updating electrical systems within an impacted area. If, during an inspection conducted under this section, a building inspector finds structural or other deficiencies on a property that are unrelated to failed mitigation equipment, the inspector shall provide the property owner with the information prepared by the port district.
- (7) Beginning February 1, 2026, and every year thereafter, port districts subject to the requirements of this section must produce a publicly available report detailing the funds used on remedial mitigation programs under this section. The report must indicate the funds required to be used on remedial mitigation programs under section 2 of this act, and funds made available to the port district under sections 8 and 10 of this act. The report must explain how the funds were used and the benefits that were provided.
 - (8) For the purposes of this section:
- (a) "Airport" means an airport serving more than 900 scheduled jet aircraft flights per day.
- (b) "Educational facilities" means any structure used by children as part of a public or private day care, kindergarten, elementary, or secondary school.
- (c) "Failed mitigation equipment" means any soundproofing installation, structure, or other type of sound mitigation equipment product or benefit provided under a program authorized in RCW

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- 1 53.54.030 that is functioning at a level that is measurably inferior
- 2 to the level at which it was intended to function or that has caused,
- 3 through improper installation or other means, mold within the 4 property.
- r Proporoj.
- 5 (d) "Impacted area" has the same meaning as in RCW 53.54.020.
- 6 (e) "Recreational facilities" means any senior center as defined
- 7 in RCW 18.29.056, or any facility used for recreation primarily by
- 8 those under the age of 21.
- 9 (f) "Residential facilities" means any residential dwelling unit,
- 10 including dwelling units in a multiunit dwelling.
- 11 **Sec. 4.** RCW 53.54.010 and 2020 c 105 s 1 are each amended to
- 12 read as follows:
- 13 A port district operating an airport serving more than ((nine
- 14 hundred)) 900 scheduled jet aircraft flights per day may undertake
- 15 any of the programs or combinations of such programs, as authorized
- 16 by this chapter, <u>and must undertake remedial mitigation programs as</u>
- 17 provided in section 3 of this act, for the purpose of alleviating and
- 18 abating the impact of jet aircraft noise <u>and other adverse impacts</u> on
- 19 areas surrounding such airport.
- 20 **Sec. 5.** RCW 53.54.020 and 2020 c 105 s 2 are each amended to
- 21 read as follows:
- 22 (1) Prior to initiating programs as authorized in this chapter,
- 23 the port commission shall undertake the investigation and monitoring
- 24 of aircraft noise impact to determine the nature and extent of the
- 25 impact. The port commission shall adopt a program of noise impact
- 26 abatement based upon the investigations and as amended periodically
- $27\,$ to conform to needs demonstrated by the monitoring programs. In no
- 28 case may the port district undertake any of the programs prescribed
- 29 in this chapter in an area that is:
- 30 (a) More than ((ten)) 10 miles beyond the paved north end of any
- 31 runway;
- 32 (b) More than ((thirteen)) 13 miles beyond the paved south end of
- 33 any runway; or
- 34 (c) More than two miles from the centerline of any runway ((ten))
- 35 $\underline{10}$ miles north and (($\frac{\text{thirteen}}{\text{theor}}$)) $\underline{13}$ miles south from the paved end of
- 36 such runway.

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- 1 (2) ((Such areas as determined in this section,)) Areas within
 2 which a port district may undertake a program authorized in this
 3 chapter shall be known as "impacted areas."
 - Sec. 6. RCW 53.54.040 and 1974 ex.s. c 121 s 4 are each amended to read as follows:

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- 6 A port district may establish a fund to be utilized in effectuating the intent of this chapter. The port district may 7 finance such fund by: The proceeds of any grants or loans made by 8 9 federal agencies; the proceeds of any grants or loans made by the department of commerce pursuant to section 10 of this act; rentals, 10 11 charges and other revenues as may be generated by programs authorized by this chapter, airport revenues; ((and)) revenue bonds based upon 12 such revenues; and tax levy revenue required by RCW 53.36.020 to be 13 utilized for remedial mitigation programs under section 3 of this 14 15 act. The port district may also finance such fund, as necessary, in 16 whole or in part, with the proceeds of general obligation bond issues of not more than one-eighth of one percent of the value of taxable 17 18 property in the port district: PROVIDED, That any such bond issue shall be in addition to bonds authorized by RCW 53.36.030: PROVIDED 19 20 FURTHER, That any such general obligation bond issue may be subject 21 to referendum by petition as provided by county charter, the same as 22 if it were a county ordinance.
- NEW SECTION. Sec. 7. A new section is added to chapter 53.36 RCW to read as follows:
 - (1) When considering a significant port action initiated after July 1, 2025, a qualifying port district must comply with the requirements of this section prior to approving the action.
 - (2) To comply with this section, a port district must:
- 29 (a) Conduct an assessment on the likely adverse cumulative 30 impacts of the proposed action on overburdened communities and 31 vulnerable populations that will be affected by the action;
 - (b) Provide a written explanation of actions the port district is taking to minimize the likely adverse impacts, or, if the port district determines it does not have the ability or authority to avoid or reduce any likely adverse impacts, including public health impacts, of the action on overburdened communities and vulnerable populations, provide a clear explanation of why it has made that determination; and

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- (c) Consult with overburdened communities and vulnerable populations about the proposed action, including by publicly providing the results of the assessment, conducting outreach within the communities or populations to raise awareness of the proposed action, and holding at least one public meeting at a location easily accessible to the communities and populations.
- 7 (3) Nothing in this section creates a right of action against a 8 port district or a right of review of an action taken by a port 9 district.
 - (4) For the purposes of this section:

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- 11 (a) "Overburdened communities" has the same meaning as in RCW 12 70A.65.010.
- 13 (b) "Qualifying port district" means a port district authorized 14 to undertake programs for the abatement of aircraft noise under RCW 15 53.54.010.
- 16 (c) "Significant port action" means any action involving a 17 capital improvement project, purchase, or construction of \$12,000,000 18 or more in value.
- 19 (d) "Vulnerable populations" has the same meaning as in RCW 20 70A.02.010.
- NEW SECTION. Sec. 8. A new section is added to chapter 43.330 RCW to read as follows:
 - (1) Subject to the availability of amounts appropriated for this specific purpose, the department of commerce shall administer a grant program to provide assistance to qualifying port districts for hiring or contracting with a building inspector or inspectors, or for entering into an interlocal agreement with the county in which the port district is located for the provision of a building inspector or inspectors, as necessary to conduct inspections required under section 3 of this act.
 - (2) The department of commerce shall prepare and publish an annual report on its website detailing grants made under this section. The report must include: (a) The number of inspectors hired or contracted with, including inspectors provided under an interlocal agreement with a county, because of the grants; (b) the number of inspections conducted by the inspectors; and (c) the number of remedial mitigation packages provided under section 3 of this act subsequent to an inspection.

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1 (3) For the purposes of this section, "qualifying port district" 2 means a port district authorized to undertake programs for the 3 abatement of aircraft noise under RCW 53.54.010.

- Sec. 9. RCW 70A.65.260 and 2023 c 475 s 939 are each amended to read as follows:
- (1) The climate commitment account is created in the state treasury. The account must receive moneys distributed to the account from the climate investment account created in RCW 70A.65.250. Moneys in the account may be spent only after appropriation. Projects, activities, and programs eligible for funding from the account must be physically located in Washington state and include, but are not limited to, the following:
- 13 (a) Implementing the working families' tax credit in RCW 14 82.08.0206;
 - (b) Supplementing the growth management planning and environmental review fund established in RCW 36.70A.490 for the purpose of making grants or loans to local governments for the purposes set forth in RCW 43.21C.240, 43.21C.031, 36.70A.500, and 36.70A.600, for costs associated with RCW 36.70A.610, and to cover costs associated with the adoption of optional elements of comprehensive plans consistent with RCW 43.21C.420;
 - (c) Programs, activities, or projects that reduce and mitigate impacts from greenhouse gases and copollutants in overburdened communities, including strengthening the air quality monitoring network to measure, track, and better understand air pollution levels and trends and to inform the analysis, monitoring, and pollution reduction measures required in RCW 70A.65.020;
 - (d) Programs, activities, or projects that deploy renewable energy resources, such as solar and wind power, and projects to deploy distributed generation, energy storage, demand-side technologies and strategies, and other grid modernization projects;
 - (e) Programs, activities, or projects that increase the energy efficiency or reduce greenhouse gas emissions of industrial facilities including, but not limited to, proposals to implement combined heat and power, district energy, or on-site renewables, such as solar and wind power, to upgrade the energy efficiency of existing equipment, to reduce process emissions, and to switch to less emissions intensive fuel sources;

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- 1 (f) Programs, activities, or projects that achieve energy 2 efficiency or emissions reductions in the agricultural sector 3 including:
 - (i) Fertilizer management;
 - (ii) Soil management;
- 6 (iii) Bioenergy;
- 7 (iv) Biofuels;

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- 8 (v) Grants, rebates, and other financial incentives for 9 agricultural harvesting equipment, heavy duty trucks, agricultural 10 pump engines, tractors, and other equipment used in agricultural 11 operations;
- 12 (vi) Grants, loans, or any financial incentives to food 13 processors to implement projects that reduce greenhouse gas 14 emissions;
 - (vii) Renewable energy projects;
- 16 (viii) Farmworker housing weatherization programs;
 - (ix) Dairy digester research and development;
- 18 (x) Alternative manure management; and
- 19 (xi) Eligible fund uses under RCW 89.08.615;
- 20 (g) Programs, activities, or projects that increase energy 21 efficiency in new and existing buildings, or that promote low carbon 22 architecture, including use of newly emerging alternative building 23 materials that result in a lower carbon footprint in the built 24 environment over the life cycle of the building and component 25 building materials;
 - (h) Programs, activities, or projects that promote the electrification and decarbonization of new and existing buildings, including residential, commercial, and industrial buildings;
 - (i) Programs, activities, or projects that improve energy efficiency, including district energy, and investments in market transformation of high efficiency electric appliances and equipment for space and water heating;
 - (j) Clean energy transition and assistance programs, activities, or projects that assist affected workers or people with lower incomes during the transition to a clean energy economy, or grow and expand clean manufacturing capacity in communities across Washington state including, but not limited to:
- 38 (i) Programs, activities, or projects that directly improve 39 energy affordability and reduce the energy burden of people with 40 lower incomes, as well as the higher transportation fuel burden of

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rural residents, such as bill assistance, energy efficiency, and weatherization programs;

- (ii) Community renewable energy projects that allow qualifying participants to own or receive the benefits of those projects at reduced or no cost;
- (iii) Programs, activities, or other worker-support projects for bargaining unit and nonsupervisory fossil fuel workers who are affected by the transition away from fossil fuels to a clean energy economy. Worker support may include, but is not limited to: (A) Full wage replacement, health benefits, and pension contributions for every worker within five years of retirement; (B) full wage replacement, health benefits, and pension contributions for every worker with at least one year of service for each year of service up to five years of service; (C) wage insurance for up to five years for workers reemployed who have more than five years of service; (D) up to two years of retraining costs, including tuition and related costs, based on in-state community and technical college costs; (E) peer counseling services during transition; (F) employment placement services, prioritizing employment in the clean energy sector; and (G) relocation expenses;
 - (iv) Direct investment in workforce development, via technical education, community college, institutions of higher education, apprenticeships, and other programs including, but not limited to:
 - (A) Initiatives to develop a forest health workforce established under RCW 76.04.521; and
 - (B) Initiatives to develop new education programs, emerging fields, or jobs pertaining to the clean energy economy;
 - (v) Transportation, municipal service delivery, and technology investments that increase a community's capacity for clean manufacturing, with an emphasis on communities in greatest need of job creation and economic development and potential for commute reduction;
 - (k) Programs, activities, or projects that reduce emissions from landfills and waste-to-energy facilities through diversion of organic materials, methane capture or conversion strategies, installation of gas collection devices and gas control systems, monitoring and reporting of methane emissions, or other means, prioritizing funding needed for any activities by local governments to comply with chapter 70A.540 RCW;

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1 (1) Carbon dioxide removal projects, programs, and activities; 2 ((and))

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- (m) Activities to support efforts to mitigate and adapt to the effects of climate change affecting Indian tribes, including capital investments in support of the relocation of Indian tribes located in areas at heightened risk due to anticipated sea level rise, flooding, or other disturbances caused by climate change. The legislature intends to dedicate at least \$50,000,000 per biennium from the account for purposes of this subsection; and
- (n) Supplementing the port district environmental equity fund established in section 10 of this act for the purpose of making grants or loans to port districts to undertake remedial mitigation programs under section 3 of this act or to comply with requirements related to consultation with overburdened communities and vulnerable populations prior to undertaking significant port actions under section 7 of this act.
- (2) Moneys in the account may not be used for projects or activities that would violate tribal treaty rights or result in significant long-term damage to critical habitat or ecological functions. Investments from this account must result in long-term environmental benefits and increased resilience to the impacts of climate change.
- 23 (3) During the 2023-2025 fiscal biennium, the legislature may 24 appropriate moneys from the climate commitment account for activities 25 related to environmental justice, including implementation of chapter 26 314, Laws of 2021.
- NEW SECTION. Sec. 10. A new section is added to chapter 53.20 RCW to read as follows:
- (1) The port district environmental equity fund is created in the 29 30 state treasury. Moneys in the fund may be spent only after 31 appropriation. Moneys in the fund shall be used to make loans or grants to port districts to undertake remedial mitigation programs 32 under section 3 of this act or to comply with requirements related to 33 significant port actions under section 7 of this act. Any payment of 34 either principal or interest, or both, derived from loans made from 35 this fund must be deposited into the fund. 36
 - (2)(a) The department of commerce shall provide management services for the port district environmental equity fund. The department shall establish procedures for fund management. The

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department shall develop the grant or loan criteria, monitor the grant or loan program, and select grant or loan recipients.

- (b) A grant or loan may be awarded to port districts to undertake remedial mitigation programs under section 3 of this act or to comply with requirements related to significant port actions under section 7 of this act. In order to qualify for a grant or loan, a port district must demonstrate that the action or actions it proposes to take is likely to measurably improve the effectiveness of mitigation measures taken under section 3 of this act or the communication and consultation with overburdened communities and vulnerable populations required under section 7 of this act.
- (3) The department of commerce shall prepare and publish an annual report on its website detailing grants and loans made under this section, the uses to which the grants and loans have been put, and the benefits that have been realized.

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