## SUBSTITUTE SENATE BILL 5955

State of Washington 68th Legislature 2024 Regular Session

**By** Senate Local Government, Land Use & Tribal Affairs (originally sponsored by Senators Keiser, Hasegawa, Kauffman, Nguyen, and C. Wilson)

READ FIRST TIME 01/31/24.

AN ACT Relating to mitigating harm and improving equity in large 1 2 port districts; amending RCW 53.54.020, 53.54.030, and 53.54.040; 3 adding a new section to chapter 43.330 RCW; adding a new section to RCW; creating a new 4 chapter 53.20 section; and making an 5 appropriation.

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

7 <u>NEW SECTION.</u> Sec. 1. Airports are an important part of 8 Washington's economy. Airports enable travel for business or 9 recreation, allow for the transportation of cargo, and provide 10 thousands of jobs for the people of the state.

For those living near an airport, there can also be adverse environmental and health impacts from aircraft operations. 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.

Large port districts operating commercial service airports that administer aircraft noise mitigation programming have expressed a desire and intention to repair or replace aircraft noise mitigation equipment that has been found to be no longer working as intended or is reported to have caused additional hazards or structural damage to the property. Large port districts are restricted to use local, nonairport resources to address such equipment due to limitations
 imposed by federal regulations.

Ensuring the efficacy of existing noise mitigation equipment, and the repair or replacement of equipment that has caused hazards or structural damage to the property serves a fundamental public health purpose and thereby provides wider public benefit to the citizens of Washington.

8 The legislature intends to partner with port districts operating 9 large airports in the state and impacted areas to provide resources 10 to repair or replace noise mitigation equipment that has been found 11 to be no longer working as intended, or is found to have caused 12 additional hazards or structural damage to the property, and to 13 address the impacts of aircraft operations that are faced by impacted 14 areas.

15 With this partnership and resources large airports can be more 16 responsive, more effectively and quickly address relevant noise 17 mitigation equipment, and help uphold the values of respect, 18 antiracism, equity, and stewardship.

19 Sec. 2. RCW 53.54.020 and 2020 c 105 s 2 are each amended to 20 read as follows:

21 (1) Prior to initiating programs as authorized in this chapter, the port commission shall undertake the investigation and monitoring 22 of aircraft noise impact to determine the nature and extent of the 23 24 impact. The port commission shall adopt a program of noise impact 25 abatement based upon the investigations and as amended periodically 26 to conform to needs demonstrated by the monitoring programs. In no 27 case may the port district undertake any of the programs prescribed in this chapter in an area that is: 28

29 (a) More than ((ten)) <u>10</u> miles beyond the paved north end of any 30 runway;

31 (b) More than ((thirteen)) <u>13</u> miles beyond the paved south end of 32 any runway; or

33 (c) More than two miles from the centerline of any runway ((ten)) 34 <u>10</u> miles north and ((thirteen)) <u>13</u> miles south from the paved end of 35 such runway.

36 (2) ((Such areas as determined in this section,)) Areas within 37 which a port district may undertake a program authorized in this 38 chapter shall be known as "impacted areas."

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1 Sec. 3. RCW 53.54.030 and 2021 c 65 s 3 are each amended to read 2 as follows:

3 (1) For the purposes of this chapter, in developing a remedial
4 program, the port commission may take steps as appropriate including,
5 but not limited to, one or more of the following programs:

6 (a) Acquisition of property or property rights within the 7 impacted area, which shall be deemed necessary to accomplish a port 8 purpose. The port district may purchase such property or property 9 rights by time payment notwithstanding the time limitations provided 10 for in RCW 53.08.010. The port district may mortgage or otherwise 11 pledge any such properties acquired to secure such transactions. The 12 port district may assume any outstanding mortgages.

(b) Transaction assistance programs, including assistance with real estate fees and mortgage assistance, and other neighborhood remedial programs as compensation for impacts due to aircraft noise and noise associated conditions. Any such programs shall be in connection with properties located within an impacted area and shall be provided upon terms and conditions as the port district shall determine appropriate.

20 (c) Programs of soundproofing structures located within an 21 impacted area. Such programs may be executed without regard to the 22 ownership, provided the owner waives damages and conveys an easement 23 for the operation of aircraft, and for noise and noise associated 24 conditions therewith, to the port district.

25 (d) Mortgage insurance of private owners of lands or improvements 26 within such noise impacted area where such private owners are unable to obtain mortgage insurance solely because of noise impact. In this 27 regard, the port district may establish reasonable regulations and 28 may impose reasonable conditions and charges upon the granting of 29 such mortgage insurance. Such mortgage insurance fees and charges 30 31 shall at no time exceed fees established for federal mortgage 32 insurance programs for like service.

33 (e) Management of all lands, easements, or development rights 34 acquired, including but not limited to the following:

(i) Rental of any or all lands or structures acquired;

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36 (ii) Redevelopment of any such lands for any economic use 37 consistent with airport operations, local zoning and the state 38 environmental policy;

39 (iii) Sale of such properties for cash or for time payment and 40 subjection of such property to mortgage or other security

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1 transaction: PROVIDED, That any such sale shall reserve to the port 2 district by covenant an unconditional right of easement for the 3 operation of all aircraft and for all noise or noise conditions 4 associated therewith.

5 (2)(a) An individual property may be provided benefits by the 6 port district under each of the programs described in subsection (1) 7 of this section. However, an individual property may not be provided 8 benefits under any one of these programs more than once, unless the 9 property:

10 (i) Is subjected to increased aircraft noise or differing 11 aircraft noise impacts that would have afforded different levels of 12 mitigation, even if the property owner had waived all damages and 13 conveyed a full and unrestricted easement; or

(ii) Contains a soundproofing installation, structure, or other type of sound mitigation equipment product or benefit previously installed pursuant to the remedial program under this chapter by the port district that is determined through inspection to be in need of a repair or replacement.

19 (b) Port districts choosing to exercise the authority under (a) (ii) of this subsection are required to conduct inspections of 20 21 homes where mitigation improvements are no longer working as 22 intended. In those properties, port districts ((must work with a)) 23 may enter into an interlocal agreement under chapter 39.34 RCW with the county in which the port is located for the provision of state 24 25 certified building inspectors to determine whether package failure 26 resulted in additional hazards or structural damage to the property. Any expense incurred by the county for the provision of a qualified 27 28 building inspector under this subsection (2) (b) must be reimbursed by the port district. A port district may use funds from the grant 29 program created under section 5 of this act to reimburse the county 30 for expenses incurred for the provision of a qualified building 31 32 inspector.

33 (c) Port districts choosing to exercise their authority under (b) 34 of this subsection may apply to the grant program created under 35 section 5 of this act for resources to facilitate the assessment and 36 inspection of noise mitigation equipment that is no longer working as 37 intended, or is reported to have caused additional hazards or 38 structural damage to the property. 39 (d) If a certified building inspector contracted pursuant to (c)

40 of this subsection identifies that a property's noise mitigation

1 equipment is no longer working as intended, then the associated port district must apply to the grant program created under section 5 of 2 this act for resources to repair or replace existing noise mitigation 3 equipment. If an inspector confirms that installation of noise 4 mitigation equipment resulted in additional hazards or structural 5 6 damage to the property, then a port district must apply to the grant 7 program under section 5 of this act for resources to address those hazards or damages. 8

9 (3) A property shall be considered within the impacted area if 10 any part thereof is within the impacted area.

11 Sec. 4. RCW 53.54.040 and 1974 ex.s. c 121 s 4 are each amended 12 to read as follows:

13 A port district may establish a fund to be utilized in effectuating the intent of this chapter. The port district may 14 15 finance such fund by: The proceeds of any grants or loans made by 16 federal agencies; the proceeds of any grants made by the department of commerce pursuant to section 5 of this act; rentals, charges, and 17 18 other revenues as may be generated by programs authorized by this chapter, airport revenues; and revenue bonds based upon such 19 revenues. The port district may also finance such fund, as necessary, 20 21 in whole or in part, with the proceeds of general obligation bond 22 issues of not more than one-eighth of one percent of the value of taxable property in the port district: PROVIDED, That any such bond 23 24 issue shall be in addition to bonds authorized by RCW 53.36.030: 25 PROVIDED FURTHER, That any such general obligation bond issue may be subject to referendum by petition as provided by county charter, the 26 27 same as if it were a county ordinance.

28 <u>NEW SECTION.</u> Sec. 5. A new section is added to chapter 43.330
29 RCW to read as follows:

30 (1) Subject to the availability of amounts appropriated for this 31 specific purpose, the department of commerce shall administer a grant 32 program to provide assistance to qualifying port districts for 33 expenses related to noise mitigation pursuant to RCW 53.54.030(2) (c) 34 and (d).

35 (2) The department of commerce shall prepare and publish an 36 annual report on its website detailing grants made under this 37 section. The report must include: (a) The number of inspectors hired 38 or contracted; (b) the number of inspections conducted; (c) the

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number of properties provided with new or improved noise mitigation equipment subsequent to an inspection; (d) the number of properties receiving funds to address hazards or damages proven by an inspector to be associated with the installation of noise mitigation equipment; and (e) the number of inspected properties where no repairs occurred and the reasons why.

7 (3) A qualifying port district receiving funds under this section 8 may commit to matching, from port district funds, at least half of 9 the total funding provided by the legislature under section 6 of this 10 act for the purposes of noise mitigation under RCW 53.54.030(2) (c) 11 and (d) each fiscal year.

12 (4) For the purposes of this section, "qualifying port district" 13 means a port district authorized to undertake programs for the 14 abatement of aircraft noise under RCW 53.54.010.

15 <u>NEW SECTION.</u> Sec. 6. A new section is added to chapter 53.20 16 RCW to read as follows:

(1) The port district equity fund is created in the state treasury. Receipts from the retail sales tax imposed on eligible projects must be deposited into the account, as provided in subsection (4) of this section. Moneys in the fund may be spent only after appropriation. Moneys in the fund shall be used to make grants to port districts to supplement noise mitigation programming pursuant to RCW 53.54.030(2) (c) and (d).

(2) The department of commerce shall provide management services for the port district equity fund. The department shall establish procedures for fund management. The department shall develop the grant criteria, monitor the grant program, and select grant recipients.

(3) The department of commerce shall prepare and publish an annual report on its website detailing grants made under this section, the uses to which the grants have been put, and the benefits that have been realized.

33 (4)(a) Beginning February 15, 2025, and each February 15th 34 thereafter, the department of revenue, in consultation with the 35 department of commerce, must notify the economic and revenue forecast 36 council of the total amount received under RCW 82.08.020 and 37 82.14.525 from eligible projects during the prior calendar year.

38 (b) Beginning in fiscal year 2026, and each fiscal year 39 thereafter, the legislature must appropriate from the general fund to

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1 this account the amount received under RCW 82.08.020 and 82.14.525 2 from eligible projects up to \$10,000,000 each fiscal year.

3 (c) For the purposes of this subsection, "eligible projects" 4 means any capital construction project at a commercial service 5 airport operating a noise mitigation program under RCW 53.54.030.

6 <u>NEW SECTION.</u> Sec. 7. The sum of \$10,000,000, or as much thereof 7 as may be necessary, is appropriated for the fiscal year ending June 8 30, 2025, from the general fund to the port district equity fund for 9 the purposes of this act.

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