HOUSE BILL REPORT
HB 1302

As Reported by House Committee On:
Environment & Energy

Title: An act relating to allowing local governments to encourage sustainable technology and resiliency by waiving utility connection charges for organizations utilizing industrial symbiosis.

Brief Description: Concerning utility connection charge waivers.

Sponsors: Representatives Cortes, Barnard, Simmons, Reed, Springer and Timmons.

Brief History:
Committee Activity:
Environment & Energy: 1/27/25, 1/30/25 [DPS].

Brief Summary of Substitute Bill

- Authorizes municipalities to adopt programs to waive utility connection charges for properties owned by organizations that utilize the property for industrial symbiosis.

HOUSE COMMITTEE ON ENVIRONMENT & ENERGY

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 20 members: Representatives Doglio, Chair; Hunt, Vice Chair; Dye, Ranking Minority Member; Klicker, Assistant Ranking Member; Abbarno, Abell, Barnard, Berry, Duerr, Fey, Kloba, Ley, Mena, Mendoza, Ramel, Stearns, Street, Stuebe, Wylie and Ybarra.

Staff: Srinandan Ramachandran (786-7291) and Matt Sterling (786-7289).

Background:

Municipalities have the authority to:

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- acquire, build, operate, and regulate utility systems to provide services like gas, electricity, and lighting;
- charge property owners a reasonable connection charge to cover their equitable share of the costs of constructing or rehabilitating a municipal water or sewer system; and
- create programs by ordinance to waive or delay utility connection charges for certain individuals, groups, or entities.

Municipal Utility Waiver Programs.
The individuals, groups, and entities eligible for waivers or delays of utility connection charges under a program created by a municipality includes:

- low-income individuals and groups;
- nonprofit organizations;
- public development authorities;
- housing authorities; and
- local agencies that provide emergency shelter, transitional housing, permanent supportive housing, or affordable housing.

Connection charges are one-time fees charged by a utility to cover the cost of connecting a property to its service infrastructure, including expenses for labor, materials, and administrative processing. The waived connection charges must be funded through general funds, grants, or other designated revenue sources, and if the property no longer qualifies under the program's criteria, the waived charges must be repaid to continue utility service.

Summary of Substitute Bill:

Municipal utilities are authorized to create programs by ordinance to waive connection charges for properties owned or developed by organizations that utilize the property for industrial symbiosis.

Industrial symbiosis means collaboration between organizations and enhancements of environmental, economic, and social outcomes for projects that demonstrate measurable reductions in resource consumption or greenhouse gas emissions.

Substitute Bill Compared to Original Bill:

The substitute bill establishes a new definition of "industrial symbiosis" that requires collaboration between organizations and enhancements of environmental, economic, and social outcomes for projects that demonstrate measurable reductions in resource consumption or greenhouse gas emissions.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of the session in which the bill is passed.

Staff Summary of Public Testimony:

(In support) Industrial symbiosis brings various industries together to generate economic value from waste. Public ports are interested in promoting economic development by managing industrial ports with multiple uses. Industrial symbiosis is successfully used in Denmark to save energy, resources, and money. One concern from stakeholders is that the bill does not have a threshold for what constitutes an organization utilizing a property for industrial symbiosis. Stakeholders suggest that an organization should have some meaningful amount or percentage requirement for utilization of the property for industrial symbiosis in order to qualify for a waiver or delay of connection charges.

(Opposed) None.

Persons Testifying: Representative Julio Cortes, prime sponsor; Heather Trim, Zero Waste Washington; Isaac Kastama, Center for Sustainable Infrastructure; and Eric ffitch, Washington Public Ports Association.

Persons Signed In To Testify But Not Testifying: None.