HOUSE BILL 2103

State of Washington 68th Legislature 2024 Regular Session

By Representatives Orwall and Fitzgibbon

Prefiled 01/03/24.

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:

8 <u>NEW SECTION.</u> Sec. 1. The legislature finds that airports are an 9 important part of Washington's economy. Airports enable travel for 10 business or recreation, allow for the transportation of cargo, and 11 provide thousands of jobs for the people of the state.

12 For those living near an airport, however, there can also be adverse environmental and health impacts from airport noise and air 13 pollution. In King county, the majority of people identifying as 14 15 Black, Hispanic, Native Hawaiian, or Pacific Islander live within 10 16 miles of Seattle-Tacoma international airport. A 2019 study conducted 17 by the King county department of health found that this population 18 faces health, resource, and risk disparities as compared to the rest 19 of the county. Health issues within the community included a greater 20 percentage of infants born prematurely, higher hospitalization rates 21 for asthma, stroke, diabetes, heart disease, and chronic obstructive

1 pulmonary disease, and lower life expectancy and higher rates of 2 death when compared to the county as a whole. Many of these 3 conditions were found at higher rates the closer the population lived 4 to the airport.

It is the intent of the legislature that port districts operating 5 6 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 7 air pollution that can be faced by communities near the airport. The 8 legislature also intends to provide additional assistance to ports in 9 fulfilling this goal and their environmental and community-related 10 missions. With these resources, ports can be a more responsive 11 12 community partner and help to uphold the values of respect, antiracism and equity, integrity, and stewardship. 13

14 Sec. 2. RCW 53.36.020 and 1973 1st ex.s. c 195 s 56 are each 15 amended to read as follows:

16 (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 17 18 assessed value against the assessed valuation of the taxable property in such port district for general port purposes, including the 19 establishment of a capital improvement fund for future capital 20 21 improvements, except that any levy for the payment of the principal 22 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 23 24 ((forty-five cents)) \$0.45 per ((thousand dollars)) \$1,000 of 25 assessed value limitation. The levy shall be made and taxes collected in the manner provided for the levy and collection of taxes in school 26 27 districts of the first class.

28 (2) After July 1, 2024, for any increase in the dollar amount of 29 a district's levy revenue over the district's prior year's levy at 30 least half of the dollar amount of such revenue increase must be 31 utilized for mitigation programs under section 3 of this act.

32 <u>(3)(a) After July 1, 2025, at least one percent of a port</u> 33 <u>districts annual tax levy revenue must be utilized for mitigation</u> 34 <u>programs under section 3 of this act.</u>

35 (b) For each year subsequent to the first year that a port 36 district becomes subject to (a) of this subsection, an additional one 37 percent of the port district's annual tax levy revenue must be 38 utilized for mitigation programs under section 3 of this act, to a 39 maximum of 10 percent. 1 <u>(4) Revenue subject to the requirements in subsections (2) and</u> 2 <u>(3) of this section must be maintained by the port district in a</u> 3 <u>separate account.</u>

4 (5) The requirements in subsections (2), (3), and (4) of this 5 section only apply to port districts authorized to undertake programs 6 for the abatement of aircraft noise under RCW 53.54.010. If a port 7 district becomes qualified to undertake such a program after July 1, 8 2024, then the requirements in subsections (2) and (3) of this 9 section take effect in the fiscal year immediately following the year 10 in which the port district becomes qualified.

11 <u>NEW SECTION.</u> Sec. 3. A new section is added to chapter 53.54 12 RCW to read as follows:

(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:

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17 (a) The repair or replacement of failed mitigation equipment18 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;

(d) Programs to provide urban forests or green space within animpacted area;

30 (e) The provision or support of indoor recreation facilities31 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 35 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; 1 (ii) Be within 10 miles of an airport and subject to levels of 2 aircraft noise of a day-night average sound level of 55 decibels or 3 more, regardless of whether the property was previously provided 4 benefits under a program authorized in RCW 53.54.030; or

5 (iii) Be within both five miles of the end of a runway used for 6 jet landings at the airport and within a two-mile radius of the 7 landing path used by jets, regardless of whether the property was 8 previously provided benefits under a program authorized in RCW 9 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.

13 (c) A port district may not require the provision of an 14 unconditional right of easement for the operation of aircraft and for 15 noise or noise conditions associated with aircraft as a condition of 16 an individual property receiving an individual benefit under a 17 remedial mitigation program.

18 (4) When administering remedial mitigation programs, port 19 districts must prioritize remedial mitigation programs so that 20 benefits are received:

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(a) First, by properties that have failed mitigation equipment;

22 (b) Second, for sound mitigation equipment by properties 23 qualifying under subsection (3)(a)(ii) of this section and for air 24 quality mitigation equipment by properties qualifying under 25 subsection (3)(a)(iii) of this subsection; and

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(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.

34 (b) If the port district cannot enter into an interlocal 35 agreement with the county as required by this section, it must 36 contract with sufficient independent qualified building inspectors to 37 conduct the required inspections. A port district that is not 38 utilizing county building inspectors must produce and make publicly 39 available a report by February 1st of each year detailing the 40 aggregate results of the inspections conducted during the prior

1 calendar year and detailing the steps taken by the port district to 2 ensure that the inspector or inspectors are conducting accurate and 3 impartial inspections.

4 (c) Inspections required under this section must be provided at 5 no cost upon request of the owner of a residential or educational 6 facility that qualifies under subsection (3)(a) of this section, 7 except as provided in (d) of this subsection.

8 (d) No inspection under this section may be provided more than 9 once every five years to an individual property inspected by a 10 building inspector provided by the county under an interlocal 11 agreement with the port district or more than once a year by a 12 building inspector contracted with by the port district, unless, 13 following an inspection conducted under this section, the inspector 14 recommends an inspection occur at a shorter interval.

15 (6) A port district subject to the requirements of this section 16 shall prepare a pamphlet or other document detailing government 17 assistance programs available to assist property owners with 18 maintenance, repairs, energy assistance, or updating electrical systems within an impacted area. If, during an inspection conducted 19 under this section, a building inspector finds structural or other 20 21 deficiencies on a property that are unrelated to failed mitigation 22 equipment, the inspector shall provide the property owner with the 23 information prepared by the port district.

(7) Beginning February 1, 2026, and every year thereafter, port 24 25 districts subject to the requirements of this section must produce a publicly available report detailing the funds used on remedial 26 mitigation programs under this section. The report must indicate the 27 28 funds required to be used on remedial mitigation programs under section 2 of this act, and funds made available to the port district 29 under sections 8 and 10 of this act. The report must explain how the 30 31 funds were used and the benefits that were provided.

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(8) For the purposes of this section:

33 (a) "Airport" means an airport serving more than 900 scheduled 34 jet aircraft flights per day.

35 (b) "Educational facilities" means any structure used by children 36 as part of a public or private day care, kindergarten, elementary, or 37 secondary school.

38 (c) "Failed mitigation equipment" means any soundproofing 39 installation, structure, or other type of sound mitigation equipment 40 product or benefit provided under a program authorized in RCW

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.

(d) "Impacted area" has the same meaning as in RCW 53.54.020.

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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:

A port district operating an airport serving more than ((nine hundred)) 900 scheduled jet aircraft flights per day may undertake any of the programs or combinations of such programs, as authorized by this chapter, and must undertake remedial mitigation programs as provided in section 3 of this act, for the purpose of alleviating and abating the impact of jet aircraft noise and other adverse impacts on 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:

(1) Prior to initiating programs as authorized in this chapter, 22 23 the port commission shall undertake the investigation and monitoring 24 of aircraft noise impact to determine the nature and extent of the impact. The port commission shall adopt a program of noise impact 25 26 abatement based upon the investigations and as amended periodically 27 to conform to needs demonstrated by the monitoring programs. In no case may the port district undertake any of the programs prescribed 28 29 in this chapter in an area that is:

30 (a) More than ((ten)) <u>10</u> miles beyond the paved north end of any 31 runway;

32 (b) More than ((thirteen)) <u>13</u> 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 <u>10</u> miles north and ((thirteen)) <u>13</u> miles south from the paved end of 36 such runway.

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

4 Sec. 6. RCW 53.54.040 and 1974 ex.s. c 121 s 4 are each amended 5 to read as follows:

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 <u>for remedial mitigation programs under section 3 of this</u> 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.

23 <u>NEW SECTION.</u> Sec. 7. A new section is added to chapter 53.36
24 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.

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(2) To comply with this section, a port district must:

(a) Conduct an assessment on the likely adverse cumulative
 impacts of the proposed action on overburdened communities and
 vulnerable populations that will be affected by the action;

32 (b) Provide a written explanation of actions the port district is 33 taking to minimize the likely adverse impacts, or, if the port 34 district determines it does not have the ability or authority to 35 avoid or reduce any likely adverse impacts, including public health 36 impacts, of the action on overburdened communities and vulnerable 37 populations, provide a clear explanation of why it has made that 38 determination; and

1 (c) Consult with overburdened communities and vulnerable 2 populations about the proposed action, including by publicly 3 providing the results of the assessment, conducting outreach within 4 the communities or populations to raise awareness of the proposed 5 action, and holding at least one public meeting at a location easily 6 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.

(b) "Qualifying port district" means a port district authorized to undertake programs for the abatement of aircraft noise under RCW 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.

21 <u>NEW SECTION.</u> Sec. 8. A new section is added to chapter 43.330 22 RCW to read as follows:

(1) Subject to the availability of amounts appropriated for this 23 24 specific purpose, the department of commerce shall administer a grant 25 program to provide assistance to qualifying port districts for hiring or contracting with a building inspector or inspectors, or for 26 entering into an interlocal agreement with the county in which the 27 28 port district is located for the provision of a building inspector or inspectors, as necessary to conduct inspections required under 29 section 3 of this act. 30

31 (2) The department of commerce shall prepare and publish an annual report on its website detailing grants made under this 32 section. The report must include: (a) The number of inspectors hired 33 or contracted with, including inspectors provided under an interlocal 34 35 agreement with a county, because of the grants; (b) the number of inspections conducted by the inspectors; and (c) the number of 36 remedial mitigation packages provided under section 3 of this act 37 38 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.

4 Sec. 9. RCW 70A.65.260 and 2023 c 475 s 939 are each amended to 5 read as follows:

6 (1) The climate commitment account is created in the state 7 treasury. The account must receive moneys distributed to the account 8 from the climate investment account created in RCW 70A.65.250. Moneys 9 in the account may be spent only after appropriation. Projects, 10 activities, and programs eligible for funding from the account must 11 be physically located in Washington state and include, but are not 12 limited to, the following:

13 (a) Implementing the working families' tax credit in RCW 14 82.08.0206;

15 Supplementing the growth management planning (b) and 16 environmental review fund established in RCW 36.70A.490 for the purpose of making grants or loans to local governments for the 17 18 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 19 20 costs associated with the adoption of optional elements of 21 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;

32 (e) Programs, activities, or projects that increase the energy 33 efficiency or reduce greenhouse gas emissions of industrial 34 facilities including, but not limited to, proposals to implement 35 combined heat and power, district energy, or on-site renewables, such 36 as solar and wind power, to upgrade the energy efficiency of existing 37 equipment, to reduce process emissions, and to switch to less 38 emissions intensive fuel sources;

1 (f) Programs, activities, or projects that achieve energy 2 efficiency or emissions reductions in the agricultural sector 3 including:

4 (i) Fertilizer management;

5 (ii) Soil management;

6 (iii) Bioenergy;

7 (iv) Biofuels;

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;

15 (vii) Renewable energy projects;

16 (viii) Farmworker housing weatherization programs;

17 (ix) Dairy digester research and development;

18 (x) Alternative manure management; and

19 (xi) Eligible fund uses under RCW 89.08.615;

(g) Programs, activities, or projects that increase energy efficiency in new and existing buildings, or that promote low carbon architecture, including use of newly emerging alternative building materials that result in a lower carbon footprint in the built environment over the life cycle of the building and component 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

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

3 (ii) Community renewable energy projects that allow qualifying 4 participants to own or receive the benefits of those projects at 5 reduced or no cost;

6 (iii) Programs, activities, or other worker-support projects for 7 bargaining unit and nonsupervisory fossil fuel workers who are affected by the transition away from fossil fuels to a clean energy 8 economy. Worker support may include, but is not limited to: (A) Full 9 wage replacement, health benefits, and pension contributions for 10 every worker within five years of retirement; (B) full wage 11 12 replacement, health benefits, and pension contributions for every worker with at least one year of service for each year of service up 13 14 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 15 16 to two years of retraining costs, including tuition and related 17 costs, based on in-state community and technical college costs; (E) 18 peer counseling services during transition; (F) employment placement 19 services, prioritizing employment in the clean energy sector; and (G) 20 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 establishedunder RCW 76.04.521; and

(B) Initiatives to develop new education programs, emergingfields, 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;

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

3 (m) Activities to support efforts to mitigate and adapt to the 4 effects of climate change affecting Indian tribes, including capital 5 investments in support of the relocation of Indian tribes located in 6 areas at heightened risk due to anticipated sea level rise, flooding, 7 or other disturbances caused by climate change. The legislature 8 intends to dedicate at least \$50,000,000 per biennium from the 9 account for purposes of this subsection; and

10 <u>(n) Supplementing the port district environmental equity fund</u> 11 established in section 10 of this act for the purpose of making 12 grants or loans to port districts to undertake remedial mitigation 13 programs under section 3 of this act or to comply with requirements 14 related to consultation with overburdened communities and vulnerable 15 populations prior to undertaking significant port actions under 16 section 7 of this act.

17 (2) Moneys in the account may not be used for projects or 18 activities that would violate tribal treaty rights or result in 19 significant long-term damage to critical habitat or ecological 20 functions. Investments from this account must result in long-term 21 environmental benefits and increased resilience to the impacts of 22 climate change.

(3) During the 2023-2025 fiscal biennium, the legislature may appropriate moneys from the climate commitment account for activities related to environmental justice, including implementation of chapter 314, Laws of 2021.

27 <u>NEW SECTION.</u> Sec. 10. A new section is added to chapter 53.20 28 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

37 (2)(a) The department of commerce shall provide management 38 services for the port district environmental equity fund. The 39 department shall establish procedures for fund management. The

1 department shall develop the grant or loan criteria, monitor the 2 grant or loan program, and select grant or loan recipients.

(b) A grant or loan may be awarded to port districts to undertake 3 remedial mitigation programs under section 3 of this act or to comply 4 with requirements related to significant port actions under section 7 5 6 of this act. In order to qualify for a grant or loan, a port district 7 must demonstrate that the action or actions it proposes to take is likely to measurably improve the effectiveness of mitigation measures 8 taken under section 3 of this act or the communication and 9 consultation with overburdened communities and vulnerable populations 10 required under section 7 of this act. 11

12 (3) The department of commerce shall prepare and publish an 13 annual report on its website detailing grants and loans made under 14 this section, the uses to which the grants and loans have been put, 15 and the benefits that have been realized.

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