



Session Watch

Tuesday, March 15, 2022

This Years' Legislative Session if Officially in the Books

In the final days of the legislative session, a few bad bills, and many good ones, died. Notably, HB 1837 which would have allowed the Department of Labor and Industries to write ergonomics rules costly to employers, failed to make it through the Senate. HB 1117, which would have added salmon protect to the Growth Management Act, potentially creating new buffers on any land near water, also died. SB 5653 which would have changed the name of the Commission on Pesticide Registration to the Commission on Integrated Pest Management died. Also dying in the final hours were HB 1918 which, in its final form, would have created a sales tax exemption for outdoor power equipment and HB 1652 which would have updated Conservation District Elections.

SB 5643, which would have paid enrollment fees for youth in 4-H, FFA and Junior Grange programs, died and the funding was deleted from the budget. A separate budget proposal that would have reimbursed fairs that allowed free admission this year was also deleted.

Growth Management Act (GMA)

HB 1099, which would have added climate change to the Growth Management Act, died on the calendar when House leadership failed to bring the conference committee report up for a vote before midnight. Earlier this session, HB 1117, which would have added salmon protection via net ecological gain, as a new planning goal, also died. Under the GMA, most large counties begin a planning cycle this year. It will be eight years before there is another opportunity to add significant new planning requirements to the GMA.

The bill that often has the greatest effect on the most citizens is the operating budget. The one that passed this week will be in effect for only

one year, July 1, 2022 through June 30, 2023. There is much to watch. In the budget items listed below, there are many opportunities for resolutions to deal with bills that will arise next year from the reports required by the end of the year.

Conservation Commission

- \$10 million was provided for the Conservation Commission to provide grants to landowners for riparian restoration projects.
- \$7 million for the conservation reserve enhancement program (CREP), including additional project management and cost-share funding.
- 3 million for the Voluntary Stewardship Program.
- \$2 million to provide technical assistance, education, and outreach to promote carbon storage and reduce greenhouse gas emissions on farms. Grant funds may be used to promote cover crops, cost-share purchases of equipment, seeds, soil amendments, and development of conservation plans.
- \$2 million to create and administer a Farmland Protection and Land Access program. The program shall support opportunities for all producers but shall prioritize: (a) Conservation of high priority agricultural land at imminent risk of development; and (b) grants for the purchase of agricultural easements to historically underserved producers, as defined in 7 C.F.R. Sec. 1470.3 (2022), including young and beginning farmers, people of color, and veterans.

Department of Agriculture

- \$5.874 million to eradicate Japanese beetle in central Washington.

- \$354,000 to implement the pollinator health bill that passed last year.
- \$220,000 for a hemp in food task force and a hemp commission task force.

Commission on Pesticide Registration

\$500,000 to fund research to develop alternatives for growers currently using organophosphate pesticides.

Governor's salmon table

The budget includes \$300,000 for the governor to invite federally recognized tribes, legislative leadership, local governments, agricultural producers, commercial and recreational fisher organizations, business organizations, salmon recovery organizations, forestry and agriculture organizations, and environmental organizations to participate in a process to develop recommendations for changes in policy and spending priorities to improve riparian habitat to ensure salmon recovery. Recommendations must include changes in land use. A final report must be submitted to the legislature by November 1, 2022.

Office of Financial Management (a branch of the Governor's office)

\$226,000 to evaluate the effectiveness, utilization, and outcomes of the voluntary incentive programs for landowners and of existing regulatory programs responsible for protecting and restoring areas along streams and rivers toward achieving a science-based standard for a fully functioning riparian ecosystem.

A preliminary report is due to the governor and the legislature by September 1, 2022, with a final report due by December 1, 2022.

Department of Fish and Wildlife

The Department of Fish and Wildlife was directed to report to the legislature by December 1, 2022 how to incorporate net ecological gain into state land use, development, and environmental laws. This will lead to proposed legislation in 2023 that could require new buffers and more limitations on building.

\$1 million to assess the status of current riparian ecosystems, to identify gaps in vegetated cover relative to a science-based standard for a fully functioning riparian ecosystem and comparing the status and gaps to water temperature impairments, known fish passage barriers, and status of salmonid stocks.

\$75,000 is provided solely for the department to install elk fencing in the Skagit river valley to help mitigate crop damage.

Department of Natural Resources

\$3,000,000 to improve riparian functions, including riparian planting and riparian set-asides on state-owned lands. (It is unclear how this may affect growers who lease land from DNR.)

Farmworker studies

Those of you who hire farmworkers will want to watch a report from the Joint Legislative Audit and Review Committee that looks at how the Department of Labor and Industries protects farmworkers. It will also look at the H2A program and has some confused language about pesticide safety. A second farmworker study by the Evergreen State College must interview farmworkers about their perceptions of how well state agencies meet their needs. Expect legislation next year.

Washington State University

\$500,000 to partner with The Center for Sustainable Infrastructure to develop recommendations for increasing the economic value and sustainability of Washington's agricultural sector through the use of industrial symbiosis principles, to connect agriculture producers and processors with partners to achieve synergies through systems-based resource sharing resulting in economic benefits and value creation for all participants, through sustainable resource recovery and optimization of energy, water, and organic waste streams. A report is due to the legislature by June 30, 2023.

Bills that Passed

Medium Priority Bills

<u>Bill Details</u>	<u>Status</u>	<u>Sponsor</u>	<u>Position</u>
HB 1641 Custom farming, etc./tax Restoring the business and occupation and public utility tax exemption for custom farming and hauling farm products.	Del to Gov	Hoff	Support
SHB 1967 Nonprofits/property tax Allows public meeting halls and churches that are property tax exempt to host qualifying farmers markets for up to 53 days per year without losing property tax exemption.	S Passed 3rd	Steele	Support
SHB 2051 Agricultural disaster assist \$600,000 is in the budget for the Conservation Commission, in cooperation with conservation districts, to develop and implement a short-term disaster recovery financial assistance program for farmers and ranchers. Funding must initially address physical damage or economic losses caused by flooding in Whatcom County during November 2021. Grants may be used for payroll, utilities and rent, marketing and advertising, building improvements or repairs, replacing damaged or lost crops, livestock, and equipment, and other operations and business expenses. To be eligible for grant funds, farmers or ranchers must provide documentation of lost agricultural income or activity as a result of a natural disaster. The bill contains an emergency clause and takes effect immediately.	Del to Gov	Rule	Support
SB 5505 Farmers market prop. tax ex. Reinstating a property tax exemption for property owned by certain nonprofit organizations where a portion of the property is used for the purpose of a farmers market.	Del to Gov	Rolfes	Support
SB 5624 Livestock identification Livestock identification inspection fees set to expire July 1, 2023, are extended to July 1, 2024. WSDA must submit a report to the Legislature and the advisory committee by September 1, 2023, that includes the amounts collected, expenditures, and recommendations for making the program more efficient or modifying livestock inspection fees to cover the costs of the program.	Del to Gov	Warnick	Support
ESSB 5980 B&O tax credits Businesses with less than \$125,000 in gross income are exempt from the business and occupation tax. Businesses with less than \$250,000 will get a 50 % cut in their B&O tax.	H Spkr Signed	Carlyle	Support

Low Priority Bills

<u>Bill Details</u>	<u>Status</u>	<u>Sponsor</u>	<u>Position</u>
SHB 1876 Ballot measures/impact discl	Del to Gov	Gregerson	

Concerning public investment impact disclosures for certain ballot measures that repeal, levy, or modify any tax or fee and have a fiscal impact statement that shows that adoption of the measure would cause a net change in state revenue.

Other Bills

<u>Bill Details</u>	<u>Status</u>	<u>Sponsor</u>	<u>Position</u>
E2SHB 1799	Organic materials management Concerning organic materials management.	Del to Gov	Fitzgibbon
E2SHB 1812	Energy facility site council Opposed by rural legislators. Creates a broad expansion of authority to override local decisions on planning and zoning. Establishes the Energy Facility Site Evaluation Council (EFSEC) as an independent agency, separate from the Utilities and Transportation Commission. The Governor appoints the EFSEC Chair. Directs the Department of Commerce to conduct rural stakeholder meetings and complete interim and final reports, by December 1, 2022, and December 1, 2023, to include recommendations for how to more equitably distribute costs and benefits of energy projects to rural communities.	Del to Gov	Fitzgibbon

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