

SENATE BILL REPORT

SB 6545

As Reported by Senate Committee On:
Energy, Environment & Telecommunications, February 3, 2016

Title: An act relating to creating a task force on Washington's clean energy economy.

Brief Description: Creating a task force on Washington's clean energy economy.

Sponsors: Senator Ericksen.

Brief History:

Committee Activity: Energy, Environment & Telecommunications: 2/03/16, 2/03/16 [DP, DNP].

SENATE COMMITTEE ON ENERGY, ENVIRONMENT & TELECOMMUNICATIONS

Majority Report: Do pass.

Signed by Senators Ericksen, Chair; Sheldon, Vice Chair; Braun, Brown, Habib and Honeyford.

Minority Report: Do not pass.

Signed by Senators McCoy, Ranking Minority Member; Cleveland.

Staff: Jeff Olsen (786-7428)

Background: The National Association of Manufacturers reports that manufacturers employ slightly over 9 percent of the workforce in Washington. The November Economic and Revenue Forecast published by the Economic and Revenue Forecast Council estimates Washington's manufacturing employment at 288,900 employees in 2015. Washington State provides a number of tax incentives for manufacturers including Business and Occupation tax rate reductions, credits, exemptions, and deductions; sales and use tax exemptions and deferrals; and certain property tax exemptions.

According to data from the U.S. Energy Information Administration (EIA) in 2014, Washington was the leading producer of electricity from hydroelectric sources and produced 30 percent of the nation's net hydroelectricity generation. Washington ranked 10th in the nation in net generation of electricity from wind energy in 2014. Washington had the lowest average combined retail electricity price across all sectors. EIA also ranked Washington 50th in carbon dioxide emissions from the generation of electricity in 2013.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill: A joint legislative task force on Washington's clean energy economy (Task Force) is established to make recommendations to the Legislature for making changes to the state's energy, environmental, regulatory, and tax policies to enhance the health of Washington's manufacturing sector.

The Task Force consists of eight legislators, two from each major caucus in the House of Representatives appointed by the Speaker, and two from each major caucus in the Senate appointed by the leaders of each caucus. The Task Force must choose a chair and vice-chair at its first official meeting. The chair must be a member appointed by a leader of one of the two largest caucuses in the Senate, and the vice-chair must be a member appointed by the Speaker of the House.

The Task Force must hold two meetings, one located in Whatcom County and one in Grant County. The Task Force must take testimony, order and review reports, and take action necessary for informing their deliberations. Senate Committee Services and the Office of Program Research must provide staff support for the Task Force. The Task Force expires December 31, 2016.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: Yes.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony: PRO: Washington has a phenomenal story to tell regarding its clean energy and low carbon emissions. The Task Force could function like an advertising campaign telling manufacturers to come here so they can produce their goods with a low carbon footprint. The location and success of carbon fiber manufacturing in Grant County is a great example that Washington should celebrate the fact the hydropower provides a great low-carbon energy source. Grant County is pleased to work with the Task Force to talk about their clean energy and the growth in industry in the county.

Persons Testifying: PRO: Senator Ericksen, prime sponsor; Al Aldrich, Grant County PUD.

Persons Signed In To Testify But Not Testifying: No one.