

ESSB 5447 - H COMM AMD

By Committee on Environment & Energy

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature intends to use funds from
4 the climate commitment act to promote the production and use of
5 sustainable aviation fuels, thereby growing the clean energy sector,
6 addressing greenhouse gas emissions, and creating family wage
7 manufacturing jobs in Washington. Sustainable aviation fuels
8 represent the most significant near and midterm opportunity for
9 aviation to reduce its greenhouse gas emissions. The use of
10 sustainable aviation fuels will also improve air quality for airport
11 workers and communities surrounding airports. While many efforts are
12 underway to advance the use of sustainable aviation fuels, this act
13 is intended to assist and accelerate those efforts.

14 **PART I**

15 **TREATMENT OF ALTERNATIVE JET FUELS**

16 **Sec. 2.** RCW 70A.535.010 and 2022 c 182 s 409 are each amended to
17 read as follows:

18 The definitions in this section apply throughout this chapter
19 unless the context clearly indicates otherwise.

20 (1) "Carbon dioxide equivalents" has the same meaning as defined
21 in RCW 70A.45.010.

22 (2) "Carbon intensity" means the quantity of life-cycle
23 greenhouse gas emissions, per unit of fuel energy, expressed in grams
24 of carbon dioxide equivalent per megajoule (gCO₂e/MJ).

25 (3) "Clean fuels program" means the requirements established
26 under this chapter.

27 (4) "Cost" means an expense connected to the manufacture,
28 distribution, or other aspects of the provision of a transportation
29 fuel product.

1 (5) "Credit" means a unit of measure generated when a
2 transportation fuel with a carbon intensity that is less than the
3 applicable standard adopted by the department under RCW 70A.535.025
4 is produced, imported, or dispensed for use in Washington, such that
5 one credit is equal to one metric ton of carbon dioxide equivalents.
6 A credit may also be generated through other activities consistent
7 with this chapter.

8 (6) "Deficit" means a unit of measure generated when a
9 transportation fuel with a carbon intensity that is greater than the
10 applicable standard adopted by the department under RCW 70A.535.025
11 is produced, imported, or dispensed for use in Washington, such that
12 one deficit is equal to one metric ton of carbon dioxide equivalents.

13 (7) "Department" means the department of ecology.

14 (8) "Electric utility" means a consumer-owned utility or
15 investor-owned utility, as those terms are defined in RCW 19.29A.010.

16 (9) "Greenhouse gas" has the same meaning as defined in RCW
17 70A.45.010.

18 (10) "Military tactical vehicle" means a motor vehicle owned by
19 the United States department of defense or the United States military
20 services and that is used in combat, combat support, combat service
21 support, tactical or relief operations, or training for such
22 operations.

23 (11) "Motor vehicle" has the same meaning as defined in RCW
24 46.04.320.

25 (12) "Price" means the amount of payment or compensation provided
26 as consideration for a specified quantity of transportation fuel by a
27 consumer or end user of the transportation fuel.

28 (13) "Regulated party" means a producer or importer of any amount
29 of a transportation fuel that is ineligible to generate credits under
30 this chapter.

31 (14)(a) "Tactical support equipment" means equipment using a
32 portable engine, including turbines, that meets military
33 specifications, owned by the United States military services or its
34 allies, and that is used in combat, combat support, combat service
35 support, tactical or relief operations, or training for such
36 operations.

37 (b) "Tactical support equipment" includes, but is not limited to,
38 engines associated with portable generators, aircraft start carts,
39 heaters, and lighting carts.

1 (15) "Transportation fuel" means electricity and any liquid or
2 gaseous fuel sold, supplied, offered for sale, or used for the
3 propulsion of a motor vehicle or that is intended for use for
4 transportation purposes.

5 (16) "Alternative jet fuel" means a fuel that can be blended and
6 used with conventional petroleum jet fuels without the need to modify
7 aircraft engines and existing fuel distribution infrastructure, and
8 that have a lower carbon intensity than the applicable annual carbon
9 intensity standard in Table 2 of WAC 173-424-900, as it existed on
10 the effective date of this section. Alternative jet fuel includes jet
11 fuels derived from coprocessed feedstocks at a conventional petroleum
12 refinery.

13 NEW SECTION. Sec. 3. A new section is added to chapter 70A.535
14 RCW to read as follows:

15 (1) By no later than December 31, 2023, the department must allow
16 one or more carbon intensity pathways for alternative jet fuel.

17 (2) The department must allow biomethane to be claimed as the
18 feedstock for renewable diesel and alternative jet fuel consistent
19 with that allowable for compressed natural gas, liquified natural
20 gas, liquified compressed natural gas, or hydrogen production. The
21 department must include in the report required by RCW 70A.535.090(1)
22 information that includes the amount, generation date, and geographic
23 origin of renewable thermal certificates representing the biomethane
24 environmental attributes claimed by each reporting entity for the
25 fuels described in this subsection.

26 (3) The department must notify the department of revenue within
27 30 days when one or more facilities capable of producing a cumulative
28 production capacity of at least 20,000,000 gallons of alternative jet
29 fuel each year are operating in this state.

30 NEW SECTION. Sec. 4. A new section is added to chapter 28B.30
31 RCW to read as follows:

32 (1) Washington State University must convene an alternative jet
33 fuels work group to further the development of alternative jet fuel
34 as a productive industry in Washington. The work group must include
35 members from the legislature and sectors involved in alternative jet
36 fuel research, development, production, and utilization. The work
37 group must provide a report including any pertinent recommendations
38 to the governor and appropriate committees of the legislature by

1 December 1, 2024, and December 1st of every even-numbered year until
2 December 1, 2028.

3 (2) This section expires January 1, 2029.

4 **Sec. 5.** RCW 43.330.565 and 2022 c 292 s 102 are each amended to
5 read as follows:

6 (1) The statewide office of renewable fuels is established within
7 the department. The office shall report to the director of the
8 department. The office may employ staff as necessary to carry out the
9 office's duties as prescribed by chapter 292, Laws of 2022, subject
10 to the availability of amounts appropriated for this specific
11 purpose.

12 (2) The purpose of the office is to leverage, support, and
13 integrate with other state agencies to:

14 (a) Accelerate comprehensive market development with assistance
15 along the entire life cycle of renewable fuel projects;

16 (b) Support research into and development and deployment of
17 renewable fuel and the production, distribution, and use of renewable
18 and green electrolytic hydrogen and their derivatives, as well as
19 product engineering and manufacturing relating to the production and
20 use of such hydrogen and its derivatives;

21 (c) Drive job creation, improve economic vitality, and support
22 the transition to clean energy;

23 (d) Further the development and use of alternative jet fuels as a
24 productive industry in Washington;

25 (e) Enhance resiliency by using renewable fuels, alternative jet
26 fuels, and green electrolytic hydrogen to support climate change
27 mitigation and adaptations; and

28 ~~((e))~~ (f) Partner with overburdened communities to ensure
29 communities equitably benefit from renewable and clean fuels efforts.

30 **Sec. 6.** RCW 43.330.570 and 2022 c 292 s 103 are each amended to
31 read as follows:

32 (1) The office shall:

33 (a) Coordinate with federally recognized tribes, local
34 government, state agencies, federal agencies, private entities, the
35 state's public four-year institutions of higher education, labor
36 unions, and others to facilitate and promote multi-institution
37 collaborations to drive research, development, and deployment efforts
38 in the production, distribution, and use of alternative jet fuels and

1 renewable fuels including, but not limited to, green electrolytic
2 hydrogen;

3 (b) Review existing renewable fuels, alternative jet fuels, and
4 green electrolytic hydrogen initiatives, policies, and public and
5 private investments, and tax and regulatory incentives, including
6 assessment of adequacy of feedstock supply and in-state feedstock,
7 renewable fuels, and alternative jet fuels production;

8 (c) Consider funding opportunities that provide for the
9 coordination of public and private funds for the purposes of
10 developing and deploying renewable fuels, alternative jet fuels, and
11 green electrolytic hydrogen;

12 (d) Assess opportunities for and barriers to deployment of
13 renewable fuels, alternative jet fuels, and green electrolytic
14 hydrogen in hard to decarbonize sectors of the state economy;

15 (e) Request recommendations from the Washington state association
16 of fire marshals regarding fire and other safety standards adopted by
17 the United States department of energy and recognized national and
18 international fire and safety code development authorities regarding
19 renewable fuels, alternative jet fuels, and green electrolytic
20 hydrogen;

21 (f) By December 1, 2023, develop a plan and recommendations for
22 consideration by the legislature and governor on renewable fuels and
23 green electrolytic hydrogen policy and public funding including, but
24 not limited to, project permitting, state procurement, and pilot
25 projects; and

26 (g) Encourage new and support existing public-private
27 partnerships to increase coordinated planning and deployment of
28 renewable fuels, alternative jet fuels, and green electrolytic
29 hydrogen.

30 (2) The office may take all appropriate steps to seek and apply
31 for federal funds for which the office is eligible, and other grants,
32 and accept donations, and must deposit these funds in the renewable
33 fuels accelerator account created in RCW 43.330.575.

34 (3) In carrying out its duties, the office must collaborate with
35 the department, the department of ecology, the department of
36 transportation, the utilities and transportation commission, electric
37 utilities in Washington state, the Washington State University
38 extension energy program, the alternative jet fuel work group
39 established in section 4 of this act, and all other relevant state
40 agencies. The office must also consult with and seek to involve

1 federally recognized tribes, project developers, labor and industry
2 trade groups, and other interested parties, in the development of
3 policy analysis and recommended programs or projects.

4 (4) The office may cooperate with other state agencies in
5 compiling data regarding the use of renewable fuels and green
6 electrolytic hydrogen in state operations, including motor vehicle
7 fleets, the state ferry system, and nonroad equipment.

8 NEW SECTION. **Sec. 7.** A new section is added to chapter 28B.30
9 RCW to read as follows:

10 (1) To assess the potential cobenefits of alternative jet fuel
11 for Washington's communities, by December 1, 2024, and December 1st
12 of each year until such time as the joint legislative audit and
13 review committee has completed its final report on the tax
14 preferences contained in sections 9 through 12 of this act, the
15 University of Washington's department of environmental and
16 occupational health sciences, in collaboration with Washington State
17 University, shall calculate emissions of ultrafine and fine
18 particulate matter and sulfur oxides from the use of alternative jet
19 fuel as compared to conventional fossil jet fuel, including the
20 potential regional air quality benefits of any reductions. This
21 emissions calculation shall be conducted for alternative jet fuel
22 used from an international airport owned by a port district in a
23 county with a population greater than 1,500,000. The University of
24 Washington may access and use any data necessary to complete the
25 reporting requirements of this section.

26 (2) To facilitate the calculation required in subsection (1) of
27 this section, an international airport owned by a port district in a
28 county with a population greater than 1,500,000 must report to the
29 University of Washington the total annual volume of conventional and
30 alternative jet fuel used for flights departing the airport by July
31 1, 2024, and July 1st of each year until such time as the joint
32 legislative audit and review committee has completed its final report
33 on the tax preferences contained in sections 9 through 12 of this
34 act.

35 **PART II**

36 **ALTERNATIVE JET FUEL TAX INCENTIVES**

1 NEW SECTION. **Sec. 8.** (1) This section is the tax preference
2 performance statement for the tax preferences contained in sections 9
3 through 12, chapter . . ., Laws of 2023 (sections 9 through 12 of
4 this act). This performance statement is only intended to be used for
5 subsequent evaluation of the tax preferences. It is not intended to
6 create a private right of action by any party or to be used to
7 determine eligibility for preferential tax treatment.

8 (2) The legislature categorizes these tax preferences as ones
9 intended to improve industry competitiveness as indicated in RCW
10 82.32.808(2)(b).

11 (3) It is the legislature's specific public policy objective to
12 encourage the production and use of alternative jet fuels. It is also
13 the legislature's intent to support the development of the
14 alternative jet fuels industry in Washington by providing targeted
15 tax relief for such businesses.

16 (4) The legislature intends to extend the expiration date of the
17 tax preferences contained in this act if a review finds:

18 (a) An increase in the production and use of alternative jet
19 fuels in Washington by persons claiming the tax preferences in this
20 act;

21 (b) That the production and use of alternative jet fuels in this
22 state does not result in additional pollution including, but not
23 limited to, pollution from per-and polyfluoroalkyl substances,
24 noxious gases, ultrafine particles, lead, or other metals; and

25 (c) That the alternative jet fuel industry has created measurable
26 economic growth in Washington.

27 (5) The review conducted by the joint legislative audit and
28 review committee must include a racial equity analysis on air travel-
29 related pollution in communities near an international airport owned
30 by a port district in a county with a population greater than
31 1,500,000.

32 (6) In order to obtain the data necessary to perform the review
33 in subsection (4) of this section, the joint legislative audit and
34 review committee may access and use data from an international
35 airport owned by a port district in a county with a population
36 greater than 1,500,000, the University of Washington, reports
37 compiled by the Washington State University pursuant to section 7 of
38 this act, and any other data collected by the state as it deems
39 necessary.

1 (7) The joint legislative audit and review committee must
2 complete a preliminary report by December 1, 2032.

3 NEW SECTION. **Sec. 9.** A new section is added to chapter 82.04
4 RCW to read as follows:

5 (1) Upon every person engaging within the state in the business
6 of manufacturing alternative jet fuel; as to such persons, the amount
7 of the tax with respect to such business is, in the case of
8 manufacturers, equal to the value of the product manufactured, or in
9 the case of processors for hire, equal to the gross income of the
10 business, multiplied by the rate of 0.275 percent.

11 (2) Upon every person engaging in making sales, at retail or
12 wholesale, of manufactured alternative jet fuel; as to such persons,
13 the amount of the tax with respect to such business is equal to the
14 gross proceeds of sales of the alternative jet fuel, multiplied by
15 the rate of 0.275 percent.

16 (3) For the purposes of this section, "alternative jet fuel" has
17 the same meaning as in RCW 70A.535.010.

18 (4) A person reporting under the tax rate provided in this
19 section must file a complete annual tax performance report with the
20 department under RCW 82.32.534.

21 (5) (a) The tax rate under subsections (1) and (2) of this section
22 takes effect on the first day of the first calendar quarter following
23 the month in which the department receives notice from the department
24 of ecology that there are one or more facilities operating in this
25 state with a cumulative production capacity of at least 20,000,000
26 gallons of alternative jet fuel each year, as required in section 3
27 of this act.

28 (b) The tax rate expires nine calendar years after the close of
29 the calendar year in which the tax rate under subsections (1) and (2)
30 of this section takes effect.

31 NEW SECTION. **Sec. 10.** A new section is added to chapter 82.04
32 RCW to read as follows:

33 (1) (a) Subject to the limits and provisions of this section, a
34 credit is allowed against the tax otherwise due under this chapter
35 for persons engaged in the manufacturing of alternative jet fuel.

36 (b) Except as provided in (c) of this subsection, the credit
37 under this section is equal to \$1 for each gallon of alternative jet
38 fuel that has at least 50 percent less carbon dioxide equivalent

1 emissions than conventional jet fuel and is sold during the prior
2 calendar year by:

3 (i) A business that produces alternative jet fuel and is located
4 in a qualifying county; or

5 (ii) A business's designated alternative jet fuel blender that is
6 located in this state.

7 (c) The credit amount under (b) of this subsection must increase
8 by 2 cents for each additional one percent reduction in carbon
9 dioxide equivalent emissions beyond 50 percent, not to exceed \$2 for
10 each gallon of alternative jet fuel.

11 (d) A person may not receive credit under both (b)(i) and (ii) of
12 this subsection.

13 (e) The credit under this section is calculated only on the
14 portion of jet fuel that is considered alternative jet fuel and does
15 not include conventional jet fuel when such fuels are blended or
16 otherwise used in a jet fuel mixture.

17 (f) A credit under this section may not be claimed until the
18 department of ecology verifies that there are one or more facilities
19 operating in this state with cumulative production capacity of at
20 least 20,000,000 gallons of alternative jet fuel each year and has
21 provided such notice to the department.

22 (g) Contract pricing for sales of alternative jet fuel between a
23 person claiming the credit under this section and the final consumer
24 must reflect the per gallon credit under (b) and (c) of this
25 subsection.

26 (2) A person may not receive credit under this section for
27 amounts claimed as credits under section 11 of this act or chapter
28 82.16 RCW.

29 (3) To claim a credit under this section a person must
30 electronically file with the department all returns, forms, and any
31 other information required by the department, in an electronic format
32 as provided or approved by the department.

33 (4) To claim a credit under this section, the person applying
34 must:

35 (a) Complete an application for the credit which must include:

36 (i) The name, business address, and tax identification number of
37 the applicant;

38 (ii) Documentation of the total amount of alternative jet fuel
39 manufactured and sold in the prior calendar year;

1 (iii) Documentation sufficient for the department to verify that
2 the alternative jet fuel for which the credit is being claimed meets
3 the carbon intensity reduction benchmarks under subsection (1)(b) and
4 (c) of this section, as certified by the department of ecology under
5 section 3 of this act;

6 (iv) Documentation sufficient to verify compliance with
7 subsection (1)(g) of this section; and

8 (v) Any other information deemed necessary by the department to
9 support administration or reporting of the program.

10 (b) Obtain a carbon intensity score from the department of
11 ecology prior to submitting an application to the department.

12 (5) The department must notify applicants of credit approval or
13 denial within 60 days of receipt of a final application and
14 documentation.

15 (6) If a person fails to supply the information as required in
16 subsection (4) of this section, the department must deny the
17 application.

18 (7)(a) The credit under this section may only be claimed against
19 taxes due under section 9 of this act, less any taxable amount for
20 which a credit is allowed under RCW 82.04.440.

21 (b) A credit earned during one calendar year may be carried over
22 and claimed against taxes incurred for the next subsequent calendar
23 year but may not be carried over for any calendar year thereafter.

24 (c) No refunds may be granted for credits under this section.

25 (8) For the purposes of this section:

26 (a) "Alternative jet fuel" has the same meaning as in RCW
27 70A.535.010.

28 (b) "Carbon dioxide equivalent" has the same meaning as in RCW
29 70A.45.010.

30 (c) "Qualifying county" means a county that has a population less
31 than 650,000 at the time an application for a credit under this
32 section is received by the department.

33 (9)(a) Credits may be earned beginning on the first day of the
34 first calendar quarter following the month in which notice under
35 subsection (1)(f) of this section was received by the department.

36 (b) Credits may not be earned beginning nine calendar years after
37 the close of the calendar year in which the credit may be earned, as
38 provided in (a) of this subsection.

1 (10) A person claiming the credit provided in this section must
2 file a complete annual tax performance report with the department
3 under RCW 82.32.534.

4 NEW SECTION. **Sec. 11.** A new section is added to chapter 82.04
5 RCW to read as follows:

6 (1)(a) Subject to the limits and provisions of this section, a
7 credit is allowed against the tax otherwise due under this chapter
8 for persons engaged in the use of alternative jet fuel.

9 (b) Except as provided in (c) of this subsection, the credit
10 under this section is equal to \$1 for each gallon of alternative jet
11 fuel that has at least 50 percent less carbon dioxide equivalent
12 emissions than conventional jet fuel and is purchased during the
13 prior calendar year by a business for use as alternative jet fuel for
14 flights departing in this state.

15 (c) The credit amount under (b) of this subsection must increase
16 by 2 cents for each additional one percent reduction in carbon
17 dioxide equivalent emissions beyond 50 percent, not to exceed \$2 for
18 each gallon of alternative jet fuel.

19 (d) The credit under this section is calculated only on the
20 portion of jet fuel that is considered alternative jet fuel and does
21 not include conventional jet fuel when such fuels are blended or
22 otherwise used in a jet fuel mixture.

23 (e) A credit under this section may not be claimed until the
24 department of ecology verifies that there are one or more facilities
25 operating in this state with cumulative production capacity of at
26 least 20,000,000 gallons of alternative jet fuel each year and has
27 provided such notice to the department.

28 (2) A person may not receive credit under this section for
29 amounts claimed as credits under section 10 of this act or chapter
30 82.16 RCW.

31 (3) To claim a credit under this section a person must
32 electronically file with the department all returns, forms, and any
33 other information required by the department, in an electronic format
34 as provided or approved by the department.

35 (4) To claim a credit under this section, the person applying
36 must:

37 (a) Complete an application for the credit which must include:

38 (i) The name, business address, and tax identification number of
39 the applicant;

1 (ii) Documentation of the amount of alternative jet fuel
2 purchased by the business in the prior calendar year;

3 (iii) Documentation sufficient for the department to verify that
4 the alternative jet fuel for which the credit is being claimed meets
5 the carbon intensity reduction benchmarks under subsection (1)(b) and
6 (c) of this section, as certified by the department of ecology under
7 section 3 of this act; and

8 (iv) Any other information deemed necessary by the department to
9 support administration or reporting of the program.

10 (b) Obtain a carbon intensity score from the department of
11 ecology prior to submitting an application to the department.

12 (5) The department must notify applicants of credit approval or
13 denial within 60 days of receipt of a final application and
14 documentation.

15 (6) If a person fails to supply the information as required in
16 subsection (4) of this section, the department must deny the
17 application.

18 (7)(a) The credit under this section may be used against any tax
19 due under this chapter.

20 (b) A credit earned during one calendar year may be carried over
21 and claimed against taxes incurred for the next subsequent calendar
22 year but may not be carried over for any calendar year thereafter.

23 (c) No refunds may be granted for credits under this section.

24 (8) For the purposes of this section:

25 (a) "Alternative jet fuel" has the same meaning as in RCW
26 70A.535.010.

27 (b) "Carbon dioxide equivalent" has the same meaning as in RCW
28 70A.45.010.

29 (9)(a) Credits may be earned beginning on the first day of the
30 first calendar quarter following the month in which notice under
31 subsection (1)(e) of this section was received by the department.

32 (b) Credits may not be earned beginning nine calendar years after
33 the close of the calendar year in which the credit may be earned, as
34 provided in (a) of this subsection.

35 (10) A person claiming the credit provided in this section must
36 file a complete annual tax performance report with the department
37 under RCW 82.32.534.

38 NEW SECTION. **Sec. 12.** A new section is added to chapter 82.16
39 RCW to read as follows:

1 (1) (a) Subject to the limits and provisions of this section, a
2 credit is allowed against the tax otherwise due under this chapter
3 for persons engaged in the use of alternative jet fuel.

4 (b) Except as provided in (c) of this subsection, the credit
5 under this section is equal to \$1 for each gallon of alternative jet
6 fuel that has at least 50 percent less carbon dioxide equivalent
7 emissions than conventional jet fuel and is purchased during the
8 prior calendar year by a business for use as alternative jet fuel for
9 flights departing in this state.

10 (c) The credit amount under (b) of this subsection must increase
11 by 2 cents for each additional one percent reduction in carbon
12 dioxide equivalent emissions beyond 50 percent, not to exceed \$2 for
13 each gallon of alternative jet fuel.

14 (d) The credit under this section is calculated only on the
15 portion of jet fuel that is considered alternative jet fuel and does
16 not include conventional jet fuel when such fuels are blended or
17 otherwise used in a jet fuel mixture.

18 (e) A credit under this section may not be claimed until the
19 department of ecology verifies that there are one or more facilities
20 operating in this state with cumulative production capacity of at
21 least 20,000,000 gallons of alternative jet fuel each year and has
22 provided such notice to the department.

23 (2) A person may not receive credit under this section for
24 amounts claimed as credits under chapter 82.04 RCW.

25 (3) To claim a credit under this section a person must
26 electronically file with the department all returns, forms, and any
27 other information required by the department, in an electronic format
28 as provided or approved by the department.

29 (4) To claim a credit under this section, the person applying
30 must:

31 (a) Complete an application for the credit which must include:

32 (i) The name, business address, and tax identification number of
33 the applicant;

34 (ii) Documentation of the amount of alternative jet fuel
35 purchased by the business in the prior calendar year;

36 (iii) Documentation sufficient for the department to verify that
37 the alternative jet fuel for which the credit is being claimed meets
38 the carbon intensity reduction benchmarks under subsection (1)(b) and
39 (c) of this section, as certified by the department of ecology under
40 section 3 of this act; and

1 (iv) Any other information deemed necessary by the department to
2 support administration or reporting of the program.

3 (b) Obtain a carbon intensity score from the department of
4 ecology prior to submitting an application to the department.

5 (5) The department must notify applicants of credit approval or
6 denial within 60 days of receipt of a final application and
7 documentation.

8 (6) If a person fails to supply the information as required in
9 subsection (4) of this section, the department must deny the
10 application.

11 (7) (a) The credit under this section may be used against any tax
12 due under this chapter.

13 (b) A credit earned during one calendar year may be carried over
14 and claimed against taxes incurred for the next subsequent calendar
15 year but may not be carried over for any calendar year thereafter.

16 (c) No refunds may be granted for credits under this section.

17 (8) The definitions in section 11 of this act apply to this
18 section.

19 (9) (a) Credits may be earned beginning on the first day of the
20 first calendar quarter following the month in which notice under
21 subsection (1) (e) of this section was received by the department.

22 (b) Credits may not be earned beginning nine calendar years after
23 the close of the calendar year in which the credit may be earned, as
24 provided in (a) of this subsection.

25 (10) A person claiming the credit provided in this section must
26 file a complete annual tax performance report with the department
27 under RCW 82.32.534.

28 NEW SECTION. **Sec. 13.** If any provision of this act or its
29 application to any person or circumstance is held invalid, the
30 remainder of the act or the application of the provision to other
31 persons or circumstances is not affected.

32 NEW SECTION. **Sec. 14.** RCW 82.32.805 does not apply to this act.

33 NEW SECTION. **Sec. 15.** Sections 9 through 12 of this act take
34 effect July 1, 2024.

35 NEW SECTION. **Sec. 16.** Sections 1 through 7 of this act are
36 necessary for the immediate preservation of the public peace, health,

1 or safety, or support of the state government and its existing public
2 institutions, and take effect July 1, 2023."

3 Correct the title.

EFFECT: Modifies the definition of "alternative jet fuel" to remove references to "petroleum or nonpetroleum sources."

Requires the clean fuels program report produced by the department of ecology to include the amount, generation date, and geographic origin of renewable thermal certificates representing the biomethane environmental attributes claimed by certain alternative fuels.

Modifies certain aspects of the air quality study called for in the act, including that the emissions calculation must be conducted for alternative jet fuel used from an international airport owned by a port district in a county with a population greater than 1,500,000, and that the University of Washington must produce the report in collaboration with Washington State University.

Strikes the section related to transfers of funds to the state general fund from accounts created pursuant to the climate commitment act.

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