MOTION 2019-01: A MOTION OF THE PORT OF SEATTLE COMMISSION

supporting legislative proposals that create a statewide commercial aviation coordinating commission, charged with making recommendations on a site for future commercial air service activity.

AMENDED AND ADOPTED FEBRUARY 26, 2019

INTRODUCTION

As the operator of Seattle-Tacoma International Airport, the state's largest commercial service airport and eighth-busiest in the national system of airports, the Port of Seattle is committed to its role in serving regional demand for passenger and cargo service in Washington state, as both are critical to supporting economic growth and ensuring transportation mobility for goods and people. However, the Port Commission is aware that growth trends in our state indicate that commercial air service demand will likely surpass what it has planned to accommodate with our current and future investments at Sea-Tac.

TEXT OF THE MOTION

The Port of Seattle Commission supports legislative proposals convening a statewide conversation about the long-term future of commercial air service in the state of Washington. Current proposals under consideration in the State Legislature, as drafted, establish a gubernatorial commission charged with recommending an additional primary aviation facility that can accommodate long-term future commercial air demand, a process that is consistent with the position of the Port of Seattle Commission. The Port Commission endorses this approach regarding the siting of future airport facilities.

STATEMENT IN SUPPORT OF THE MOTION

Meeting our state's current and future commercial air service needs is critical to the success of the state and regional economy. Seattle-Tacoma International Airport affords businesses and visitors convenient, reliable, and direct access to and from destinations throughout the country and the world and creates jobs, economic activity, and cultural connections with diverse and long-lasting benefits. Conversely, lack of capacity to accommodate air travel could be a chokepoint on Washington and the Puget Sound's growth and success.

The Port of Seattle welcomes partnership with the State in addressing long-term planning to meet the passenger and air cargo demands that the economy is creating. A state commission created by the Legislature is an important step in this direction, allowing a diverse group of directly involved stakeholders to review data, assess future needs, and recommend next steps about meeting those needs. Considering the importance of air service to the region, the Port appreciates the intention of the State to partner in considering future regional demand for passenger and cargo service to keep Washington state moving.

As the state commission that would be created by this legislation conducts its review of future commercial aviation sites, it should consider the findings of the Puget Sound Regional Council (PSRC) in its Regional Aviation Baseline Study, funded by a grant from the Federal Aviation Administration. The study will evaluate capacity at the region's airports through the year 2050, and is set to be completed by the third quarter of 2020. it includes extensive stakeholder outreach and takes into account the master planning processes already underway at the region's airports. The state commission's final recommendation to the Legislature would benefit from alignment with the PSRC Baseline Study.

In the meantime, Sea-Tac Airport will continue to play its leadership role in meeting current commercial air service demand for Seattle, Washington state, and the larger Pacific Northwest. Already, it is the eighth busiest airport in North America, serving nearly 50 million passengers in 2018. In 2019, airlines at Sea-Tac will offer non-stop flights to 91 domestic and 29 international destinations. In addition, 423,315 metric tons of freight and mail cargo passed through Sea-Tac in 2018. Sea-Tac connects Washington's businesses, goods, and residents throughout the United States and to the world.

The Aviation Planning Council that was convened as part of the State's 2009 Long-term Air Transportation Study (LATS) recommended "the State place a priority on protecting and maximizing the efficiency of the airport system we already have in place before we consider the development of new airports." Consistent with that recommendation, Sea-Tac Airport is in the midst of major capital investments to improve the movement of passengers through our facility and accommodate the rapid growth in air travel demand that Washington's economy has generated over the past decade. In addition to projects already under construction such as the new International Arrivals Facility and the North Satellite Modernization, the Port is conducting environmental review on the near-term projects in its Sustainable Airport Master Plan (SAMP). The SAMP near-term projects would serve projected demand to 2027, which is expected to be 56 million annual passengers. This effort builds on our commitments to the community and environmental responsibility.

Collaboration is critical when addressing the myriad challenges that face a state and region whose population and economy is growing as rapidly as it is in our state. The Port has partnered with the State Legislature on various issues associated with airport growth and looks forward to participating in a regional conversation about meeting future passenger and cargo service needs in the State of Washington.

Additional Information Attached

Legislative Text of Substitute Senate Bill 5370 (as amended 2.18.19) Bill Summary of Substitute Senate Bill 5370, as prepared by nonpartisan staff at House and Senate Transportation Committees S-1785.1

SUBSTITUTE SENATE BILL 5370

State of Washington 66th Legislature 2019 Regular Session

By Senate Transportation (originally sponsored by Senators Keiser, Warnick, Saldaña, Hasegawa, Wilson, C., and Honeyford)

READ FIRST TIME 02/19/19.

1 AN ACT Relating to creating commercial aviation state а 2 commission; sections; and coordinating creating providing new 3 expiration dates.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 1. The legislature finds that with the NEW SECTION. Sec. 6 increase in air traffic operations, combined with the projections for 7 the rapid expansion of these operations in both the short and the 8 long term, concerns regarding the environmental, health, social, and 9 economic impacts of air traffic are increasing as well. The 10 legislature also finds that advancing Washington's position as a 11 national and international trading leader is dependent upon the 12 development of a highly competitive, statewide passenger and cargo 13 air transportation system. Therefore, the legislature seeks to 14 identify a location for a new primary commercial aviation facility in 15 Washington, taking into consideration the data and conclusions of 16 appropriate air traffic studies, community representatives, and 17 industry experts. Options for a new primary commercial aviation 18 facility in Washington may include expansion of an existing airport 19 facility. It is the intent of the legislature to establish a state 20 commercial aviation coordinating commission to provide a location 21 recommendation by January 1, 2021.

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<u>NEW SECTION.</u> Sec. 2. (1) The state commercial aviation
 coordinating commission is created to carry out the functions of this
 chapter. The commission shall consist of thirteen voting members.

4 (2) The governor shall appoint nine voting members to represent 5 the following interests:

6 (a) Four as representatives of commercial service airports and 7 ports, one of whom shall represent a port located in a county with a 8 population of two million or more, one of whom shall represent a port 9 in eastern Washington with an airport runway of at least thirteen 10 thousand five hundred feet in length, and one representing an 11 association of ports;

12 (b) Three as representatives from the airline industry and the 13 private sector;

14 (c) A representative from an eastern Washington metropolitan 15 planning organization; and

16 (d) A representative from a western Washington metropolitan 17 planning organization.

18

(3) The remaining four members shall consist of:

19 (a) A representative from the department of commerce;

20 (b) A representative from the division of aeronautics of the 21 department of transportation;

22 (c) The governor or the governor's designee; and

23 (d) A representative from the freight mobility strategic 24 investment board.

(4) A representative of the federal aviation administration and a representative of the Washington state aviation alliance shall serve as nonvoting members.

28 (5) The governor may appoint additional nonvoting members as 29 deemed appropriate.

30 (6) The commission shall select a chair from among its membership 31 and shall adopt rules related to its powers and duties under this 32 chapter.

(7) Nonlegislative members are not entitled to be reimbursed for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. Any reimbursement for other nonlegislative members is subject to chapter 43.03 RCW. The commission has all powers necessary to carry out its duties as prescribed by this chapter.

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1 (8) The department of transportation shall provide staff support 2 for coordinating and administering the commission and technical 3 assistance as requested by commission members.

4 (9) The governor or the governor's designee shall convene the 5 initial meeting of the commission as soon as practicable.

6 (10) This section expires July 1, 2021.

7 <u>NEW SECTION.</u> Sec. 3. (1) The state commercial aviation 8 coordinating commission shall review existing data and conduct 9 research as needed to determine Washington's long-range commercial 10 aviation facility needs and the site of a new primary commercial 11 aviation facility. Options for a new primary commercial aviation 12 facility in Washington may include expansion of an existing airport 13 facility. The work of the commission shall include the following:

14 (a) Recommendations to the legislature on future Washington state15 long-range commercial aviation facility needs;

(b) Identifying a preferred location for a new primary commercial aviation facility. The commission shall make recommendations and shall select a single preferred location by simple majority vote using the following process:

(i) Initiating a broad review of potential sites;

21 (ii) Recommending a final short list of no more than six 22 locations by January 1, 2020;

(iii) Identifying the top two locations from the final six locations by September 1, 2020; and

(iv) Identifying a single preferred location for a new primary commercial aviation facility by January 1, 2021.

(2) The commission shall submit findings and recommendations to
the transportation committees of the legislature by January 1, 2021.
(3) This section expires July 1, 2021.

30 <u>NEW SECTION.</u> Sec. 4. (1) The state commercial aviation 31 coordinating commission shall project a timeline for the development 32 of an additional commercial aviation facility that is completed and 33 functional by 2040.

34 (2) This section expires July 1, 2021.

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35 <u>NEW SECTION.</u> Sec. 5. (1) When assessing future Washington state 36 long-term commercial aviation facility needs under this act, the 37 state commercial aviation coordinating commission's recommendations

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1 must be consistent with the department of transportation's long-term 2 air transportation study. Nothing in this act shall be construed to 3 endorse, limit, or otherwise alter existing or future plans for 4 capital development and capacity enhancement at existing commercial 5 airports in Washington.

6 (2) This section expires July 1, 2021.

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SENATE BILL REPORT SB 5370

As Reported by Senate Committee On: Transportation, February 18, 2019

Title: An act relating to creating a state commercial aviation coordinating commission.

Brief Description: Creating a state commercial aviation coordinating commission.

Sponsors: Senators Keiser, Warnick, Saldaña, Hasegawa, Wilson, C. and Honeyford.

Brief History:

Committee Activity: Transportation: 2/04/19, 2/18/19 [DPS].

Brief Summary of First Substitute Bill

• Creates a Commercial Aviation Coordinating Commission tasked with identifying a location for a new primary commercial aviation facility.

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 5370 be substituted therefor, and the substitute bill do pass.

Signed by Senators Hobbs, Chair; Saldaña, Vice Chair; King, Ranking Member; Sheldon, Assistant Ranking Member; Cleveland, Das, Fortunato, Lovelett, Nguyen, O'Ban, Padden, Randall, Takko, Wilson, C. and Zeiger.

Staff: Hayley Gamble (786-7452)

Background: <u>Past Studies</u>. In 1990, SB 6480 created the Air Transportation Commission (AIRTRAC) with a broad mandate to study the state's air transportation needs. AIRTRAC concluded the addition of a third runway at Sea-Tac was the only viable solution to meeting regional air service needs. In 1994, the Legislature dissolved AIRTRAC and a moratorium on Puget Sound airport expansion correspondingly expired.

A Joint Transportation Committee (JTC) air cargo study completed in December 2018 concluded that while airside capacity is adequate, landside capacity—such as cargo buildings —is inadequate to meet the cargo needs of the main air cargo airports in the state, particularly at Sea-Tac. The landside capacity deficit could be worsened by the rapid growth of

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.

passenger demand at Sea-Tac. The JTC study further concluded access to the two Seattle airports is restricted due to congestion and increasing costs to shippers and trucking companies. The study recommended a number of strategies to address air cargo congestion in Washington, including developing non-hub airports into regional logistics centers, establishing an air cargo development program, and marking Washington air cargo.

<u>Current Studies.</u> Sea-Tac is the ninth busiest airport in the nation when measured by passenger boardings—22.6 million in 2017—and nineteenth in air cargo volume in North America—425,000 metric tons in 2017. The airport offers daily, non-stop service to 90 domestic and 25 international destinations. Both passenger and cargo traffic are forecast to continue to grow. Sea-Tac airport is currently in the environmental review phase of a master plan to address growth at the airport.

In 2018 the Federal Aviation Administration (FAA) funded the Puget Sound Regional Council (PSRC) to complete a regional aviation baseline study. The study will build on individual airport master plans and set a regional stage for future aviation planning. The PSRC study is not a siting study, but will provide a comprehensive view of the regional aviation system and inform follow-up actions by policymakers.

Summary of Bill (First Substitute): An intent section states the Legislature seeks to identify a location for a new primary commercial aviation facility in Washington.

The state Commercial Aviation Coordinating Commission (Commission) is created.

<u>Commission's Role</u>, The Commission must initiate a broad review of potential aviation facility sites, review existing data, and conduct research as necessary. A shortlist of six sites must be recommended by January 1, 2020, narrowed to two sites by September 1, 2020, and a single preferred location for a new commercial aviation facility must be identified by January 1, 2021. Options for a new primary commercial aviation facility in Washington may include expansion of an existing airport facility. The Commission must project a timeline for developing an additional commercial aviation facility that is completed and functional by 2040. The Commission must also make recommendations on future Washington State long-range commercial facility needs.

<u>Commission's Membership.</u> The Commission is made up of 13 voting and two nonvoting positions. Nonvoting representatives are from the FAA and the Washington State Aviation Alliance. The Governor may appoint additional nonvoting members as deemed appropriate.

The Commission is made up of the following members:

- one member from the Department of Commerce;
- one member from the DOT Aeronautics Division;
- the Governor, or designee;
- one member from the Freight Mobility Strategic Investment Board;
- one member from a ports association, appointed by the Governor;
- one member from a port located in a county with a population of 2 million or more, appointed by the Governor;
- one member from a port in eastern Washington with an airport runway of at least 13,500 feet;

- one member from a port, appointed by the Governor;
- three members from the private sector and the airline industry, appointed by the Governor;
- one member from a eastern Washington metropolitan planning organization, appointed by the Governor; and
- one member from a western Washington metropolitan planning organization, appointed by the Governor.

<u>Commission Administration.</u> DOT staff must provide staff support as necessary. The Governor, or designee must convene the initial meeting as soon as practicable. Commission members are not entitled to reimbursement for travel expenses if they are elected officials or are participating on behalf of an employer, governmental entity, or other organization. The Commission must select a chair from among its membership. The Commission ends July 1, 2021.

EFFECT OF CHANGES MADE BY TRANSPORTATION COMMITTEE (First Substitute): Options for a new primary commercial aviation facility in Washington may include expansion of an existing airport facility. Commission recommendations must be consistent with the DOT LATS study. Nothing in this bill should be construed to impact existing or future plans at existing commercial airports in Washington. The four Commission members representing ports are identified as representatives of commercial service airports and ports.

One of the port Commission members is specified as from a port in eastern Washington with an airport runway of at least 13,500 feet in length. Technical corrections to the freight board title—FMSIB—and transportation committees are made.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony on Original Bill: *The committee recommended a different version of the bill than what was heard*. PRO: There have been many studies on this topic. We just finished the air cargo study. The Puget Sound Regional Council is also doing a study, the LATS study was completed in 2009 and nothing has changed. The growth at SeaTac has been phenomenal, which has a very small footprint. We have a finite amount of airspace. The intent of this bill is to set forth a process to solve a problem. The city of SeaTac supports this Commission and the siting of a new facility. The timelines are realistic. The city of Des Moines supports this bill and it is good public policy. The Port of Seattle looks forward to working on this bill. This bill should not encumber or delay any SeaTac planning processes. The Port of Moses Lake has an excess of space.

OTHER: Section 2(2)(a) of the bill provides that ports may sit on the commission. Not all airports are ports, some are municipal airports. DOT is ready to participate on this bill. The

timeline of June 2021 could be extended out to take advantage of information from the PSRC study.

Persons Testifying: PRO: Senator Karen Keiser, Prime Sponsor; Bruce Beckett, Port of Moses Lake; Trent House, Port of Seattle; Eric Johnson, Washington Public Ports Association; Peter Kwon, Councilmember, City of Seatac; Clyde Hill, Councilmember, City of Seatac; JC Harris, Seatac Noise Info; Robert Back, Council Member, City of Des Moines.

OTHER: Cliff Webster, Spokane International Airport; David Fleckenstein, DOT Aviation Division.

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