

# Impacts of the November 2024 Elections on StART Policy Priorities

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# Federal Overview

- Full Republican control in Washington, DC: White House, Senate, and House of Representatives, but limited opportunity for major legislation
  - 53 to 47 Republican Majority in the Senate
  - 220-215 Republican Majority in the House\*
- New Administration means new Cabinet Members and policy priorities
  - Current FAA Administrator is serving a 5 year term, but chose to resign on 1/20/25
  - Top Administration priorities include immigration restrictions, budget cuts, tariffs, regulatory reform (especially in light of Chevron repeal), tax cuts
  - Likely to be deemphasized: environmental considerations, new grant programs, non-defense spending, equity efforts

\*Several Republican resignations means that this will be an even smaller margin for the first few months.

# Federal Policy & Fiscal Implications

- **Secondary Noise Insulation**
  - **Status:** Language in the Senate FY25 Transportation Appropriations bill would allow SEA to use federal funds to repair and replace sound insulation in certain homes
  - **Election Impact:** FY25 appropriations are delayed until March so that the new Administration can have its mark on spending. However, if a full year spending bill is ultimately passed, this language will go into effect.
- **FAA Noise Policy Review**
  - **Status:** The 2024 FAA Reauthorization Act includes direction for creation of an Aircraft Noise Advisory Committee (ANAC) and a deadline for action.
  - **Election Impact:** The FAA Noise Policy Review process will very likely continue, although there could be some delays due to staff transition. The larger challenge will be Administration and Congressional approval of any major new policy changes that require increased federal investment.
- **Expand Sustainable Aviation Fuels (SAF) incentives and investments**
  - **Status:** The Inflation Reduction Act included a “Blender’s Tax Credit” and a SAF infrastructure grant program, and annual federal appropriations included significant dollars for SAF research, development, and implementation throughout various Agencies.
  - **Election Impacts:** Many IRA provisions are likely to be struck in 2025, but SAF programs could have bipartisan support.

## Federal Policy & Fiscal Implications Con't.

- **Renew the FAA Environmental Mitigation Pilot Program**
  - **Status:** Authorized in the FAA Reauthorization Act, and funding was included for this program in the FY23 appropriations legislation, but FAA has yet to release a notice of funding opportunity.
  - **Election Impacts:** Congressional budget cuts could impact this program.
- **The Protecting Airport Communities from Particle Emissions Act**
  - **Status:** Included in the FAA Reauthorization Act
  - **Election Impacts:** This work is still Congressional required.
- **FAA support for new regional airport capacity**
  - **Status:** A report on relevant programs was required by the FAA Reauthorization Act
  - **Election Impacts:** This work is still Congressional required.

## Federal Policy & Fiscal Implications Con't.

- Administration will attempt to “streamline” NEPA processes, but this will not apply to any current environmental reviews
  - Other regulatory rollbacks will be focused mainly on areas like energy production and energy facility construction, and other large infrastructure projects.
  - The combination of an Administration focused on regulation reduction and a Supreme Court that has overturned the Chevron doctrine make it unlikely that many new regulations will be put into place.
- Federal funding cutbacks could impact availability of federal funds for airport infrastructure, federal staffing of airport security checkpoints (TSA/CBP), federal regulatory staffing (FAA, EPA), and sound insulation.
- Deportation efforts (of both undocumented AND documented immigrants) could impact airport-area workforce
- Tariffs could result in lower air cargo volumes
  - Potential for other travel restrictions that could impact foreign visitors

# State Overview

- **Election Results**

- **Statewide office turnover:** Governor Bob Ferguson, Attorney General Nick Brown, Public Lands Commissioner Dave Upthegrove, and Insurance Commissioner Patty Kuderer
- **Legislative turnover:**
  - 9 senators and 11 representatives did not seek re-election; 7 House members ran for Senate
  - 16 new members elected in November
  - 2 seats flip from R to D
  - Post-election appointments in the 33<sup>rd</sup>, 26<sup>th</sup>, and 48<sup>th</sup>
- **Initiatives:** Of the 4 initiatives on the ballot, only I-2066 (concerning provision of natural gas services) passed, and opponents of the initiative are already mounting a challenge in court on constitutional grounds (multiple subjects)
- **Overall:** 2024 election results positive for StART State Legislative Policy Priorities

- **Overview & What to Expect**

- 2025 is a 'long' 105-day session
- Legislature will enact biennial Operating, Capital, and Transportation budgets
- Single largest is revenue and passing balanced Operating & Transportation budgets

# State Overview

- **Operating Budget**

- \$10-\$14B shortfall
- Why?
  - 23/25 spending
  - Slower than average revenue growth
  - Use of one-time funding
  - Delayed implementation of policy (ex: Fair Start for Kids Act)
  - CBAs

- **Transportation Budget**

- \$10-\$20B shortfall, variable based on spending and policy
- Why?
  - Diminishing gas tax revenues
  - Culverts
  - Ferries
  - Project cost increases
  - Maintenance and preservation

# State Policy and Fiscal Implications

- Noise Insulation Repair & Replace
  - **Status:** \$1M in non-appropriated funding at Commerce (in addition to \$5M in port funds)
  - **Budget Impacts:** Legislative support for an updated ask in 2025 based on initial findings and spending
- Regional Airport Capacity & the Commercial Aviation Work Group
  - **Status:**
    - [Annual report](#) published in November
    - 4 vacant seats (of 19) remain
    - Two public meetings held in 2024; elected an acting chair (Evan Nordby)
    - Currently no meeting dates set for 2025
  - **Budget Impacts:**
    - Awaiting Governor's Budget; no additional funding request from WSDOT
    - Anticipating several pieces of legislation in 2025



# State Policy and Fiscal Implications

- Air quality
  - **Status:**
    - OSPI – around \$50M in cap budget for school district indoor air quality and energy efficiency upgrades
      - Of that, \$500k set aside for HEPA filters and ultrafine particulate in schools near SEA
    - Ecology - \$6M in operating budget from CCA for residential, recreational, and educational facilities to access air quality mitigation equipment in South King
  - **Budget implications:**
    - Capital budget is least constrained
    - Operating budget = DEFENSE
- Sustainable Aviation Fuels
  - **Status:** Existing incentives funded from CCA; no one currently accessing due to production metric
  - **Budget & Policy Implications:**
    - Several legislative proposals expected; focus on additional incentives and infrastructure
    - Additional cap budget funding for SAF Research & Development Center at Paine Field (+\$35M total)

# State Policy and Fiscal Implications

- Decarbonizing Ground Transportation
  - **Status:**
    - 2024 supplemental transportation budget included:
      - Additional \$35M+ for MHD ZEV and alternative fueling infrastructure
      - \$110M for MHD ZEV owner-operator vouchers
      - Increased funding for regional mobility grants, Connecting Washington Transit grants, and Green Transportation Capital Projects
      - Retained \$25M for high-speed rail
    - 2024 capital budget included ~\$105M for EV charging with \$420M in ‘future biennia’
  - **Budget implications:**
    - Variable based on Governor’s budget
    - Ensure that CCA revenue continues to be used for decarbonization of ground transportation
    - Guarantee new revenue for ongoing decarb efforts
    - Anticipated legislation regarding clean trucking standard