

2019 Legislative Session Report #3

3.18.19

March 13 was the "house of origin" cut-off in Olympia, which means that all bills except those deemed "necessary to implement the budget" had to be voted out of their original chamber—House or Senate—by 5:00 pm last Wednesday to stay alive for this session. This deadline significantly narrowed the number of bills still moving from over 2,100 to 671. Lawmakers will now revert back to committee hearings for the next several weeks as bills that survived cut-off move to the opposite chamber for additional consideration.

We will begin to see budget debates take shape starting this week after the state's new revenue forecasts are released on Wednesday, March 20th and the official House and Senate budgets appear soon thereafter. At that time legislators and the public will have a better sense how much extra revenue the state needs to operate with the addition of programs added by this year's approved legislation. We will also see how responsive legislators are to Gov. Inslee's proposed increase to the B&O tax on services—and will have a better idea of how architects will need to respond.

Among the non-architecture-related measures that survived last week's deadline include proposals that would:

- Create a public healthcare option for state residents;
- Increase the smoking age to 21;
- Require presidential candidates to release their tax returns in order to be able to appear on the ballot in Washington;
- Ban plastic bags statewide;
- Keep the state on daylight savings time permanently;
- Prevent parents from exempting their kids from vaccines;
- Formally eliminate the death penalty;
- Reduce evictions; and
- Reform the state's sentencing guidelines.

Here's a look at AIA|WA's top legislative priorities:

Architects' Practice Act

AIA|WA's bill to amend the Architects' Practice Act passed the House unanimously. It did not have a Senate equivalent, so it will be heard for the first time in the Senate in that body's Labor and Commerce Committee sometime in the next two weeks. Senator Karen Keiser (D-Burien, Kent), the chair of that committee, has indicated that she will hear the bill. The bill addresses NCARB-approved changes to the path to licensure, including eliminating a year of AXP electives and allowing all candidates to complete the experience and testing portions of licensure non-

sequentially. In addition, the bill removes the use of the word "intern" for associate architects with degrees (per AIA National policy) and adds language to clarify the definition of the practice of architecture to reduce the possibility that non-architects are allowed to stamp architecture plans. You can read a summary of the legislation here.

Condo Liability Reform

Legislation to address issues related to condo liability by defining condo warranties passed the Senate unanimously, indicating wide support for addressing this problem. Additional legislation introduced by Rep. Tana Senn (D-Mercer Island/Bellevue) to require an HOA board to notify members of any potential lawsuits, allow the construction professional or designer involved to be present at a meeting, and allow the entire membership to vote on whether to go forward with a lawsuit passed the House 94–4. Although that bill was amended from requiring an HOA's membership to vote to approve a lawsuit with a simple majority before the suit can go forward to requiring a simple majority only to reject a lawsuit, AIA|WA continues to support the bill as it is much better than the status quo. AIA|WA will support both bills in their opposite house committees this week.

School construction

A number of school construction-related bills failed to advance to the opposite body. Legislation that would have amended the state constitution to lower the threshold for voters to approve school bonds to 50% of eligible voters from 60% was approved in the Senate by a vote of 28–21, but because the change would have required amending the constitution, it needed a two-thirds majority to succeed. A separate bill to lower the threshold to 55% died earlier in committee. A bill to address school safety through design passed the House Capital Budget Committee but it did not make it out of the Rules Committee, which assigns bills to votes on the floor. A number of bills to address school construction funding were also defeated. The only one that remains alive is a bill to increase funding through the school construction assistance program, which appears to have strong bipartisan support. The state's summary of the bill's provisions can be found here.

Climate

Legislation to address climate change continues to perform strongly through the first half of the session. The Senate version of Gov. Inslee's clean buildings bill has been dropped and the effort is moving forward via the House bill by Rep. Beth Doglio (D-Olympia). Smaller pieces of the bill have been removed to gain Democratic votes (including a provision to allow local governments to develop voluntary residential "stretch codes" that go beyond existing code), but the core pieces including natural gas conservation standards and building performance standards and incentives for large commercial buildings remain intact. This bill has not passed out of the House, but, because it includes items necessary to implement the budget, it is not subject to the standard deadlines.

Other climate bills that passed out of their house of origin include proposals to:

- Institute a Clean Fuels Program to limit greenhouse gas emissions in transportation fuels;
- Reduce the use of HFCs in refrigerants;
- Develop stricter appliance efficiency standards;
- Transition to fossil-free electricity by 2045;

- Provide for net metering;
- · Address toxic materials in building products; and
- Enact the HEAL Act (Healthy Environment for All) to address environmental disparities that disproportionally impact low-income, Native American and minority communities. This bill was amended to provide for a task force whose recommendations would be non-binding by state agencies.

An AIA|WA-supported bill that would have authorized a commercial property assessed clean energy and resilience program in Washington also failed. This bill would have provided an alternative source of funding to provide loans for energy efficiency improvements which would have been repaid through assessments on the property. We are hopeful to bring this bill back next year.

On Monday, March 18, AIA Seattle hosted a session on this year's legislative proposals on climate. You can view the slides from that presentation here. Note that these are all of the major bills in Olympia this year; AIA/WA has not been active on all of them.

Capital budget & alternative project delivery

AIA|WA is supporting <u>legislation</u> requested by the Capital Projects Advisory Review Board to make adjustments to design-build and job order contracting statute language. The House version passed 96-1 while the Senate version did not advance. The House version will now be considered by the same Senate committees that approved the Senate version during the first half of the session. You can read a summary of the provisions <u>here</u>.

Contracting

Surprisingly, <u>legislation</u> that would require state contracts to be evaluated for moving the work inhouse failed to be brought up for a vote on the House floor and is dead for the year. AIA|WA, engineers and other construction interests have opposed this bill for several years, repeating our message that architectural and engineering contracts should not be included. It is unclear why House Democratic leadership did not choose to vote on the bill, but it's likely that there was some hesitation by a few members of the Democratic caucus (all Republicans were opposed). This is a big success for architects; we will likely see the bill return again next year.

Livability & Affordability

A number of bills related to funding low-income housing at the state and local levels passed their house of origin, including <u>legislation</u> to permanently authorize real estate excise taxes to support affordable housing and homelessness projects and <u>a bill</u> to authorize local governments to impose a local sales tax (credited against state sales tax) for affordable or supportive housing. Other bills that passed their house of origin include measures to:

- Provide sales and excise tax exemptions for "self-help" housing development;
- Extend the property tax exemption for new and rehabilitated multiple-unit dwellings in urban centers;
- Authorize cities and towns to adopt ordinances regulating the creation of tiny house communities; and

• Allow two ADUs per lot and to prohibit common ADU restrictions. The Senate version of this bill passed and has moved to the House while the House version failed to be brought up for a vote before the deadline.

Efforts by Sen. Guy Palumbo (D-Bothell, Maltby) to increase density inside Growth Management Act (GMA) areas were largely defeated. Legislation that aims to increase residential building capacity and housing affordability in cities of less than 10,000 that plan under the GMA passed the House. One bill remains alive that addresses rural areas; it would create a tax credit for capital contributions in distressed opportunity zone areas.

More Info

You can view AIA|WA's bill tracking report here. This report includes links to all of the bills referenced above.

Commenting on Legislation

If you would like to comment on specific legislation listed here (or any other legislation), please let Kirsten know and she will notify you when the bill is being heard in committee or on the floor.

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Get involved

We need your participation to make sure we are accurately representing your interests. Here are some ways you can get involved:

- Let us know what you think we always want to hear from you!
- Join an AIA|WA policy committee
- Communicate with your legislators about issues that are important to you.