



Legislative Update: Feb. 16, 2020

Session Overview

We have now passed the halfway mark of the 2020 legislative session, with bills needing to be out of both their house of origin policy and fiscal committees (the latter consider bills with a budget impact greater than \$50,000) to stay alive. Remaining bills now have until Wednesday, February 19 to pass a chamber-wide vote in their house of origin. Given the shorter window of floor action in a short session and the unprecedented volume of bills this year, it is likely that many will die awaiting a floor vote.

Budget writers in the Senate and the House are gearing up to release their versions of the 2020 Supplemental Operating, Capital, and Transportation budgets, likely in another two weeks.

The controversial proposal to allow King County to levy a payroll tax on employees who make over \$150,000 a year is still alive amid protests over whether the legislation should block Seattle's authority to impose additional taxes on businesses. There have been a series of closed-door negotiations between stakeholders in addition to broader stakeholder meetings involving local governments, business, labor, and advocates. We expect the result of these negotiations to be made public soon; this bill should receive a vote on the House floor by the Feb. 19 cut-off.

On Feb. 12, a King County Superior Court judge made an initial ruling that rejected most of the legal challenges to November's Initiative 976 on \$30 car tabs and related transportation funding. The judge threw out the claim that the measure was unconstitutional because of a misleading ballot title or multiple subjects. The Legislature continues to debate whether this year's supplemental transportation budget needs to fill the entire hole created by the passage of I-976. This week, the House Transportation Committee will hear three potential revenue bills aimed at filling that hole.

Here's a look at the current status of AIA|WA's priority issues:

Practice Issues

Contracting

AIA|WA continues to fight [HB 1521](#), a state government contracting bill that would require state contracts to be reviewed for moving the work in-house. The bill, pushed by the state employees' union, is sponsored by Rep. Laurie Dolan (D-Olympia) and is being heard for the fourth year in a row. Architects, engineers, and other construction professionals argue that the existing system, where state employees work on smaller projects and manage private firms contracted to work on larger projects, works well. One version of the bill in recent years fully exempted A&E contracts, but that version was withdrawn in favor of language that put A&E back in. Last year's bill exempted A&E projects over \$1 million; the current version of the bill applies to A&E contracts between \$20,000 and \$500,000. This bill passed the House last week and is currently being

considered by the Senate State Government Committee, where AIA|WA testified against it last week. We expect the bill to pass out of that committee with an amendment that changes the low end of the range to \$75,000 – so impacted contracts would be those between \$75,000 and \$500,000. AIA|WA and ACEC (the engineers) continue to try to get A&E fully exempted, although the bill appears to have significant momentum this year.

AIA|WA put out a notice to all members with Democratic House members to write to their legislators about this bill as it was being considered on the House floor (all Republicans vote against the bill, so we did not need to communicate with them). Although the bill ultimately passed the House, we appreciate all of you who took the time to reach out to your legislators. We may ask you to make a similar request of your senator when it reaches the Senate floor.

Licensing

AIA|WA spent the first half of the legislative session working on ten bills that would have impacted professional licensing in the state. The goal of all the bills was to make it easier for individuals entering Washington with a professional licensing to become licensed and be able to work quickly here. However, because architects are licensed by the Department of Licensing and not an independent board (the Board of Architects is considered an “advisory body”), architects’ licenses were getting caught up in bills aimed at professions such as funeral directors, cosmetologists, real estate brokers, and security guards – occupations with a much different level of responsibility for protecting the public. AIA|WA began the process of getting some of the bills amended to exclude architects based on the arguments that 1) protecting the health, safety and welfare of the public is too important to allow corners to be cut on architect licensing; 2) architects already have a reciprocal licensing agreement that covers all states through NCARB; and 3) architects do not need to have a license to immediately begin practicing in Washington – they just have to work under an existing licensed architect. The amendment language that AIA|WA and House Consumer Protection and Business Committee staff agreed upon exempted “any license in which there exists an agreement with a national organization to facilitate reciprocal professional licensing of an individual licensed in another state” – referring to NCARB’s reciprocity agreement.

Ultimately, most of the licensing bills (included the ones we had gotten amended) died when they failed the pass out of the House Appropriations Committee. The remaining bill of concern, [HB 2303](#), requires the state to provide a temporary or provisional license to members of the military or their family who enter the state with a license from another state – something that AIA|WA strenuously opposes. However, this bill was amended (not at AIA|WA’s request) to include language limiting the bill to license-holders “unable to engage in the practice of the profession through an interstate compact, reciprocity, or similar agreement.” Although this bill may face opposition from other professions, this language exempts architects and we are no longer opposing the bill.

AIA|WA will spend time this summer and fall talking with legislators and educating them about the public safety focus of the architecture license and the ways in which the licensing of our profession differs from other occupations administered by the Department of Licensing.

Codes

The first half of the session also saw AIA|WA working to defeat three bills aimed at reducing the effectiveness of the State Building Code Council (SBCC), including one that would have severely restricted the state's energy code. [HB 2372](#) and [SB 6464](#) would have made the four legislators who are assigned to the SBCC voting members of the Council instead of non-voting members, a seemingly minor change that would have made it harder to cast votes at Council meetings by raising the quorum of eligible voters. The House version of this bill was pulled from the hearing at which it would have been voted on by the chair of the House Local Government Committee, Gerry Pollet (D-NE Seattle, Lake Forest Park). The Senate version made it further; it remains eligible to be debated on the Senate floor through Wednesday. We asked those of you represented by Democratic senators (all Republicans will vote in favor of these bills) to write your senator asking them to vote against the bill. Via you, we have heard back from several that the caucus has discussed this bill and it is fairly unlikely to be called for a vote on the floor. Thank you to those of you who contacted your senator on this issue!

The third bill, [HB 2667](#), would have delayed by one year the implementation of the 2018 energy code update scheduled to go into effect in July. More alarmingly, it would have changed the stated purpose of the energy code from increasing energy efficiency to reducing costs. AIA|WA testified against this bill along with many of our colleagues from [Shift Zero](#) and other organizations. Ultimately, it was also pulled from a vote in its committee by Rep. Pollet and is dead.

B&O Tax

Although there were a number of bills introduced this year to fix the Democrats' B&O tax problem (the B&O services tax surcharge passed last year was poorly constructed and was not generating enough revenue to cover the things it was supposed to pay for), Sen. Jamie Pedersen's (D-Seattle) bill ([SB 6492](#)) quickly became the chosen vehicle. It zoomed through the Senate, House, and governor's office and is now law, with a retroactive effective date of January 1, 2020. The bill eliminates the 0.3% B&O surcharge that was added last year for some service taxpayers (including architects) for a total rate of 1.8% and moves all service taxpayers to a new 1.75% rate. There are exceptions for: 1) taxpayers with gross income of \$1 million or below, who pay 1.5%; and 2) some tech businesses, which pay 1.22%. No real discussion of more progressive tax vehicles has occurred during this session.

Climate

The Legislature continues to consider several significant environmental proposals. Two different bills that would address the Washington State Supreme Court's [recent ruling](#) on the Clean Air Rule are still alive. The House and Senate versions differ somewhat but both would reverse the Court's decision and grant the Department of Ecology the power to regulate indirect and direct emitters of greenhouse gases. Two bills from last session, the Governor's Low Carbon Fuel Standard legislation and a "cap & invest" proposal led by Seattle Democrat Reuven Carlyle, also remain in play. It is unclear at this time which, if any, of these proposals has emerged as a priority for Democratic leadership.

C-PACER (Commercial Property Assessed Clean Energy & Resilience) [HB 2405](#)

This legislation, which provides a private financing mechanism for deep energy efficiency and resiliency retrofits, made it out of its House policy and fiscal committees – but barely. It faces serious questions on legal and constitutionality issues in the face of strong opposition by the county treasurers’ association. Stakeholders allied with AIA|WA and Shift Zero are working to shore up confidence among legislators and respond to legal questions, but this bill may have too far to go to pass this year. For now, it remains eligible to be considered on the House floor.

Embodied Carbon

This year’s embodied carbon bill, [HB 2744](#), passed its policy committee but failed to pass out of House Appropriations and is dead. The original version of the bill would have required bidders for projects funded by the state’s capital budget to identify the embodied carbon emissions in construction materials used in each project through environmental product declarations. However, it was amended to be a report-only bill, removing requirements that certain state contracts be awarded (or considered to be awarded) to those with lower global warming potential. This was a complicated bill with many opponents, and it ultimately was killed by the addition this year of labor language that mandated specific labor practices for companies producing materials, including foreign companies, as well as the burden of a high fiscal note (the information agencies provide on how much it will cost them to comply with the legislation) – which means legislators felt it was too expensive to the state to enact.

Livability & Affordability

Urban Density

The three housing bills that AIA members advocated for at Capitol Connections in January are still alive:

[HB 2343](#) – Voluntary city measures to increase housing supply by Rep. Joe Fitzgibbon, D-Seattle
This bill identifies a series of actions that cities can choose to take to increase housing supply and, for those that do, would provide incentives that include cash grants and exemptions from legal challenges. This bill passed the House 93-2 on Feb. 16 and will head to the Senate.

[HB 2570](#) – ADU expansion, Rep. Mia Gregerson (D-SeaTac, Kent) & Rep. Andrew Barkis (R-Yelm, Graham)

This bill would require cities (over 2,500) and counties (over 15,000) within urban growth areas to allow at least one ADU on all single-family zoned lots. Unfortunately, in order to pass out of committee it was amended to recommend but not require that cities also remove lot size requirements, eliminate off-street parking and owner-occupancy requirements, limit fees, and address utility connections. This bill is awaiting a vote on the House floor.

[HB 6536](#) – More housing options in single-family zones, Rep. Mona Das (D-Auburn, Covington)

This bill would require cities and counties planning under the Growth Management Act to allow duplexes and triplexes on any lot and up to sixplexes in single-family detached house zones in counties and cities of 15,000 or more. For cities between 10,000 and 15,000, it would require duplexes on any lot. It is currently awaiting a vote on the Senate floor. The House version of this bill, by Rep. Nicole Macri, did not advance out of committee.

AIA|WA is tracking a number of bills related to funding for affordable housing and homelessness. Those can be viewed on our bill tracking list below.

AIA|WA's bill tracking list can be viewed [here](#).

If you have questions or comments about these or other issues, please contact:

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