

# Legislative Update: March 3, 2020

This report provides an update of the issues being considered by the State Legislature since our last report on February 16. It is not comprehensive for the session as a whole. You may find previous legislative reports <a href="here">here</a>. Look for a final report that covers all 2020 legislative activity after the session adjourns on March 12.

#### Session Overview

We are getting very close to the end of the 2020 session. Currently, all bills must have passed their policy and fiscal committees in both houses and be in the Rules Committee of the opposite house or eligible for a floor vote in the opposite house. The only exceptions are for bills that are considered necessary to implement the budget.

# **Budgets**

Legislators are required to do only one thing during the legislative session: pass the state's operating, capital and transportation budgets. Washington's budget cycle covers two years; budgets are developed in the odd years, during the long legislative session, and in even years legislators pass supplemental budgets, which make adjustments to the previous year's budget. Each year, three separate budgets are proposed – one from the governor, one from the House and one from the Senate. Negotiations between the three parties result in a final state budget. In February, the state Economic and Revenue Forecast Council announced its report of a \$600 million projected revenue increase for the state general fund since its last estimate in November – an increase that was immediately factored into the House and Senate budgets.

The House and Senate supplemental operating budgets were released in late February with relatively modest space between the two chambers. House Democrats released their proposals for the supplemental budgets highlighting priorities like affordable housing, childcare, health care access, and special needs transportation systems. The Senate's operating budget includes additional, one-time funding to address the climate crisis, to get the UW Behavioral Health Hospital off the ground, and to address homelessness. Breakdowns of the budgets can be found here.

Republicans do not get to develop budgets, as they do not control either chamber. However, Republicans offer amendments, ideas, and comments throughout the budget process. You can read the Republican House Caucus' response to the Democratic House budget <a href="here">here</a> and the Senate Republican Caucus' budget priorities <a href="here">here</a>.

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

**Practice Issues** 

Contracting

AIA|WA continues to battle <u>HB 1521</u>, a state government contracting bill that would require certain state contracts to be reviewed for moving the work in-house to be completed by state employees. The bill's supporters argued that A&E contracts were not covered by the bill, but AIA|WA and others believe the language is ambiguous and have asked for clear exemption language to be added. WSU and UW have also asked for the bill to be amended to maintain the status quo; to date, neither amendment has been added to the bill. HB 1521 passed the full House and the Senate State Government and Ways and Means committees. It is currently in the Senate Rules Committee awaiting a potential vote on the Senate floor. This bill is being heard for the fourth year in a row. It regularly survives its public votes but is often killed as part of behind-closed-doors negotiations. It is unclear if that will be the case again this year.

#### <u>Predesian</u>

HB 2936 was introduced in late February to address predesign in state contracting. The bill would raise the threshold for predesign from \$5 million to \$10 million and waive the predesign requirement in certain situations. AIA|WA wrote a letter of opposition to the chair of the House Capital Budget Committee. However, the bill was amended at the request of the the Office of Financial Management to allow only OFM to decide whether it wants to waive the predesign requirement, and AIA|WA dropped our opposition. This bill remains in the House Rules Committee.

### Licensing

All of the bills that would have impacted professional licensing in the state failed to pass this year. The goal of most of them 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 providing immediate reciprocal licensing for professions such as funeral directors, cosmetologists, real estate brokers, and security guards – occupations with a much different level of responsibility for protecting the public. AIAlWA will spend time this summer and fall talking with legislators and educating them about the public safety focus of the architect license and the ways in which the licensing of our profession differs from other occupations administered by the Department of Licensing.

### Climate

### Energy Code

Earlier in the session, AIA|WA helped to defeat legislation aimed at reducing the ability of the State Building Code Council to make decisions related to the state's codes and delaying the implementation of the 2018 energy code update scheduled to go into effect in July. In late February, three Democratic bills aimed at addressing a Washington State Supreme Court ruling on the Clean Air Rule were introduced to reverse the Court's decision and grant the Department of Ecology the power to regulate indirect and direct emitters of greenhouse gases. While the first two bills appear to be dead, the third, introduced on Feb. 28, includes language that would delay the 2018 state residential energy code update by two years and restrict natural gas bans by local governments prior to 2022 (this latter provision is aimed at Seattle and Bellingham). AIA|WA is opposing these provisions but, unfortunately, the author of the bill, HB 2957, is the Democrats' lead climate legislator, Rep. Joe Fitzgibbon of West Seattle. The added provisions appear to be aimed at securing support from opposition stakeholders in order to accomplish the larger goal of

regulating greenhouse gas emissions. This bill passed the House Appropriations Committee on March 2 and is now in the House Rules Committee. It will have to go through the Senate process as well – it is considered necessary to implement the budget and thus is not restricted by committee deadlines.

<u>C-PACER</u> (Commercial Property Assessed Clean Energy & Resilience) <u>HB 2405</u>
This legislation, which provides a private financing mechanism for deep energy efficiency and resiliency retrofits, passed the full House and its Senate committees and is now in the Senate Rules Committee awaiting a potential vote on the Senate floor. If it passes the Senate, the non-identical House and Senate versions will need to be reconciled into a final version that can pass both houses.

# Low Carbon Fuel Standard HB 1110

Rep. Fitzgibbon's bill to establish a clean fuels program to limit greenhouse gas emissions in transportation fuel remains alive but faces a tough road ahead in the Senate. Like last year, the bill passed the House on party lines (with a few Democrat defections). It is currently in the Senate Transportation Committee, where the chair, Sen. Steve Hobbs (D-eastern Snohomish County), has announced his opposition to the bill. AIA|WA has not been active on this legislation.

# Livability & Affordability

### **Urban Density**

Rep. Fitzgibbon's <u>HB 2343</u> (a follow-up to last year's HB 1923) 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 has passed the House and is eligible to be considered on the Senate floor. It is likely to be enacted.

HB 2570 to authorize ADUs on single-family zoned lots and HB 6536 to allow duplexes and triplexes on any lot and up to sixplexes in single-family detached house zones in larger counties and cities both failed to move beyond their house of origin floors. Preempting local government authority on zoning regulations was too heavy a lift for legislators. We will see these bills back next year. Senator Marko Liias (D-Mukilteo) has an ADU bill, SB 6617, that remains alive but that has very little teeth. It would prevent local governments from requiring parking in areas near frequent transit, however.

# King County Tax to Fund Homelessness Efforts

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. The original bill by Rep. Nicole Macri (D–Seattle) is dead but it was replaced by HB 2948 by Rep. Larry Springer (D–Kirkland). That bill does not currently contain the pre-emption language sought by King County businesses that would prevent cities from levying an additional tax. It remains in the House Finance Committee and is not subject to committee deadlines.

### Affordable Housing Funding

AIA|WA takes the lead on affordable housing funding issues from advocacy organizations such as the Washington Low Income Housing Alliance and the Housing Development Consortium. You

may review the remaining bills that provide additional funding resources for housing or homelessness on our bill tracking list, linked below.

### More Info

AIA|WA's bill tracking list can be viewed <a href="here">here</a>. Note that the bills listed in the first tab are only those that remain alive. All of the dead bills from 2019-20 are listed in the second tab, followed by single-issue tabs that list both alive and dead bills.

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

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