

# March 2021 Advocacy Newsletter

## LEGISLATIVE SESSION REPORT

### Committee Work Wraps Up as Bills Move Toward April 11 Deadline

We have reached the final third of the state legislative session. Only bills that have passed one house and at least one policy committee remain alive. Meanwhile, all proposed budgets have been released and negotiations over the final budget bills have begun in earnest.

Friday, March 26 was the opposite house policy committee cut-off, where all bills that passed the House needed to be out of their Senate policy committee and all bills that passed the Senate needed to be out of their House policy committee to remain alive. The next cut-off is on April 2, when all bills need to be out of their opposite house fiscal committee (only bills that impact the state's budget must go through a fiscal committee). Bills must pass fully out of their opposite house by April 11.

As a reminder, all bills deemed "necessary to implement the budget" are not subject to these cut-offs. They remain in play through the last day of session, April 25.

#### Key Remaining Dates—Legislative Session

**April 2**—Bills must pass out of fiscal committees in the opposite house

**April 11**—Bills must pass out of the opposite house

**April 25**—Last day of session

## Legislature Transitions to Budget Work

### Operating Budgets

Last week the House and Senate Democrats released their respective **Transportation**, **Capital**, and **Operating Budget** proposals for the fiscal years 2021-2023. The Operating Budget proposal introduced by Senate Ways and Means Committee Chair Christine Rolfes (D-Kitsap Peninsula) estimates receipts and expenditures of \$59.2 billion over the next two-year biennium (the current two-year operating budget is \$53.7 billion). Senator Rolfes' proposal leverages \$7 billion in one-time federal funds from the **American Rescue Plan Act** and a one-time transfer of \$1.8 billion from the Budget Stabilization Account (rainy day fund) to the General Fund in fiscal year 2021. You may read more about the Senate proposal [here](#).

*BUDGETS continued next page*



## Budgets, cont.

The House budget introduced by House Appropriations Committee Chair Timm Ormsby (D-Spokane) appropriates \$58.3 billion for the 2021-23 biennium. Some investments are temporary, relying on one-time funds from the American Rescue Plan Act and Washington's rainy day fund. Other investments are long-term and require permanent funding sources. You may read more about the House Democrats' "Washington Recovery Budget" [here](#).

Both the House and Senate proposals assume passage of a capital gains tax. Both budget proposals fund the Fair Start for Kids Act (to help fund childcare resources) and the Working Families Tax Credit (a tax rebate program that gives money back to low-income families; this program passed in 2008 but was never funded).

### Capital Budgets

The House Democrats' proposed capital budget ([summary here](#)) would fund \$5.7 billion in construction projects throughout the state, including \$400 million in federal funding for investments in water, sewer, and broadband service. The Senate Democrats' proposed capital budget ([summary here](#)), which would be the largest in state history, would build \$6.2 billion in priority infrastructure across the state.



Architects whose projects were expected to be funded in either budget but were not included should contact [Kirsten](#) for help reaching out to the legislators whose districts include those projects.

### Transportation Budgets

Last week House Transportation Committee Chair Jake Fey (D-Tacoma) released his proposal ([HB 1135](#)) for the second supplemental transportation budget for the 2019-21 biennium, which would spend \$9.4 billion, and the new transportation budget for the 2021-23 fiscal biennium, which would spend \$10.933 billion. The spending portion of the statewide revenue package was introduced as [HB 1564](#). Senate Transportation Committee Chair Steve Hobbs released his proposal ([SB 5165](#)) for the second supplemental transportation budget for the 2019-21 biennium, which would spend \$9.08 billion, and the new transportation budget for the 2021-23 fiscal biennium, which would spend \$10.7 billion.

*BUDGETS continued next page*

### March Revenue Forecast

On March 17, the state's Economic and Revenue Forecast Council released its most recent revenue forecast, which the final state budgets will be based on. The forecast indicated stronger revenue collections and a stronger economy than what was previously forecasted in November, projecting total state revenues to be up by \$1.34 billion in the 2019-21 biennium, \$1.949 billion in the 2021-23 biennium, and \$1.899 billion in the 2023-25 biennium.

This increase is due to two primary reasons:

- The November 2020 forecast assumed that there would be no additional federal pandemic relief funds. Instead, a relief package was passed in December that included extended unemployment benefits, direct checks to individuals, and other aid. As a result, state general fund collections from November 11, 2020 through March 10, 2021 came in \$764 million above the November forecast.
- Strong residential real estate transactions resulting in real estate excise tax (REET) collections were up \$182 million higher than forecasted in November.

Although the forecast is positive and shows a quicker pandemic recovery than what was originally anticipated, it showed that employment growth is slower than expected. Additionally, the hospitality and travel industry continue to struggle.

## Budgets, cont.

### Republican Budgets

Republicans from the House and Senate also release proposed budgets that highlight their spending and revenue priorities, but because the Democrats control both bodies, these budget priorities are debated in committee or on the House and Senate floors. Republicans impact the Democratic budgets through debate, by offering amendments, and through negotiations with Democratic budget leaders. You can view the Republican House Operating Budget Framework [here](#) and the Republican Senate Operating Budget [here](#). Issued before the latest state revenue forecast, Republicans **framed** their proposals as approaches that would fund critical services without raising taxes.

### Next Steps

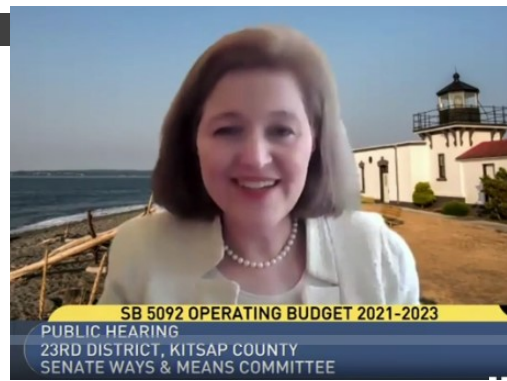
Now that all the budget proposals have been released, negotiations will begin. Both chambers will work to pass their respective budgets out of the house of origin, but ultimately only one negotiated version of each budget proposal will pass. This must be done by the end of session, April 25.

You may view all of the state's budget proposals [here](#).

### FROM AIA NATIONAL International Code Council (ICC) Standard Development Committees

On March 4, the International Code Council (ICC) Board of Directors **voted to change the process** for developing the International Energy Conservation Code (IECC). Beginning this year, the IECC will no longer be developed using code development committees that the ICC uses to develop the other I-Codes. The ICC will instead employ its process for developing standards, called a consensus committee process. Two consensus standard development committees (commercial and residential) are being formed for the first time for the 2024 IECC.

While **AIA strongly and vocally opposed this change**, it is essential that the architectural profession and AIA's imperative for climate action is represented in this new process. AIA encourages members to consider applying to these two new energy standard committees. Additional information about serving on the committees and the application process is available [here](#). The application deadline is April 23.



*Senate  
Ways &  
Means  
Committee  
Chair Chris-  
tine Rolfes*

## AIA Priority Legislation

This year's legislative session saw fewer bills introduced than in non-pandemic years, as legislators were asked to hold non-essential bills and suspend the practice of introducing the same bill twice, once in the House and once in the Senate. Below is a look at the bills that remain alive from AIA's priority list. (Each bill's current committee status is listed in parenthesis.) You may review the full list of bills on [AIA's bill tracking matrix](#).

Note that bills in the House or Senate Rules committees are awaiting being "pulled" by committee members for a vote on the House or Senate floor. Not all bills will make it to the floor for a vote.

### Practice Issues

#### State Contracting

- **SB 5032**: reauthorizes the use of alternative project delivery for state contracts (House Capital Budget Committee)
- **HB 1259**: tightens regulations to address firms that are inappropriately using the MWBE system and moves enforcement authority from the Attorney General's office to the Office of Minority and Women's Business Enterprises (Sen. Ways & Means Committee)
- **HB 1023**: reduces predesign thresholds for state projects (Senate Rules Committee)

#### Condos

**SB 5024**: exempts condo projects of two floors and ten units or less from building envelope review, inspection, and reporting requirements (House Rules Committee)

#### Liability

**HB 1076**: allows private lawsuits against employers on behalf of employees on labor and employment laws (Senate Ways & Means) *AIA|WA opposes*

#### Licensing

**HB 1399**: allows persons with felony convictions who have served their time to appeal to licensing boards to become licensed (Senate Rules Committee)

## Priority Legislation, cont.

### Tax

#### Capital Gains Tax

**SB 5096:** a 7% tax on capital gains that would apply to profits that exceed \$250,000 per year. Money from retirement accounts and real estate sales would be exempt from the tax. This is the only new tax revenue bill likely to pass this year. If passed, it will face a court challenge over whether it is an income tax (unconstitutional in Washington) or an excise tax, which applies to the sale of assets.

### Climate

#### Building Electrification

**HB 1280:** requires additional energy evaluation criteria in the planning of major state-owned or leased facilities for both new construction and renovations, including all-electric and GHG emissions analyses (Senate Rules Committee)

#### HFCs

**HB 1050:** restricts the maximum global warming potential for hydrofluorocarbons (HFCs) used in new stationary air conditioning and stationary refrigeration and directs the Dept. of Ecology to establish a refrigerant management program (Senate Ways & Means Committee)



#### Greywater Reuse

**HB 1184:** requires the Washington Dept. of Health to develop statewide rules for the use of onsite non-potable water systems on commercial and multifamily buildings (Senate Rules Committee)

#### Environmental Equity

**HB 5141:** implements the recommendations of the state's environmental justice task force, which would add measures incorporating environmental justice analysis and decision-making into future state agency actions (House Senate Ways & Means Committee)

#### Climate Commitment Act

**SB 5126:** establishes a cap and invest program for greenhouse gas emissions (Senate Rules). A somewhat competing proposal, the Washington Strong Act (**SB 5373**) will not move forward this year.



### Livability & Affordability

#### Growth Management Act Reform

- **HB 1099:** requires planning for climate impacts, including a focus on compact communities that reduce vehicle miles traveled (Senate Transportation Committee)
- **HB 1220:** broadens existing GMA requirements around housing to include planning for housing for all income-levels, including the homeless; to prevent displacement; and to address historical racial bias (Senate Ways & Means Committee)

#### Housing

- **SB 5235:** prohibits cities and counties planning under the GMA from establishing owner occupancy rules for properties with ADUs or limiting the number of people living in a home beyond state law (House Rules Committee)
- **HB 1070:** modifies allowed uses of local tax revenue for affordable housing and related services to include the acquisition and construction of affordable housing and facilities (Senate Rules Committee)
- **HB 1189:** authorizes the creation of property tax-based tax increment financing districts to pay for infrastructure improvements (Senate Rules Committee)

### Race & Social Justice

This year AIA|WA is tracking bills related to eviction, rent relief, housing discrimination, health disparities, criminal justice and other legal changes, and additional issues related to racial and social equity. You may view those bills [here](#).

If you would like to support any of these bills (or those on the [larger list](#)) by contacting your state legislators, let [Kirsten](#) know and she can walk you through the process. You can also find more information about supporting or opposing bills by visiting our [Legislative Center](#).

# Clean Buildings Resources: Commercial Building Performance Standard

Washington's Department of Commerce has released a new [Clean Buildings webpage](#) with more information on the Clean Buildings Standard and the Early Adopter Incentive Program. Expanded features also include new resources for support and guidance on pathways to compliance.

Commerce has also released a [Clean Buildings 101 video](#) (13 minutes) to provide an overview of the Clean Buildings Standard.

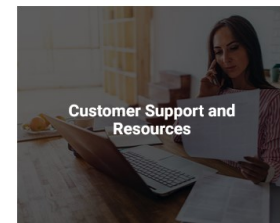
## Clean Buildings Live Q&A Session: April 13

Commerce will host a live Q&A session on the Clean Buildings Performance Standard and the Early Adopter Incentive Program on Zoom from noon to 1 pm on April 13.

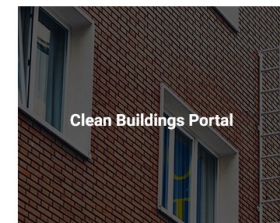
Commerce invites stakeholders to submit questions before the live session. Please visit the [Clean Buildings webpage](#) for the session link.

## Clean Buildings

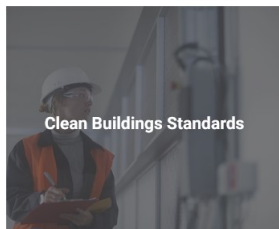
On May 7, 2019, the Clean Buildings bill (HB 1257, 2019) was signed into law. The objective is to lower costs and pollution from fossil fuel consumption in the state's existing buildings, especially large commercial buildings. The law requires the Washington State Department of Commerce to develop and implement an energy performance standard for these buildings and provide incentives to encourage efficiency improvements.



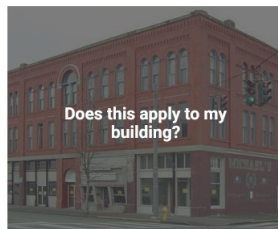
Customer Support and Resources



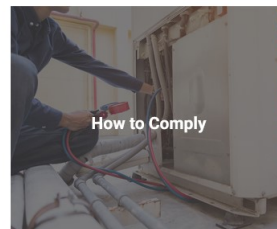
Clean Buildings Portal



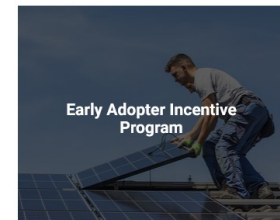
Clean Buildings Standards



Does this apply to my building?



How to Comply



Early Adopter Incentive Program

## AIA Component News

**AIA Central Washington** has developed an installment for the Tri-Cities Airport in Pasco called "A Celebration of Architecture in Central Washington and Oregon." The display provides information on noteworthy architecture designed by local architects in the Tri-Cities region and will run through 2021.



**AIA Spokane** hosts a month-long celebration of architecture throughout April with a theme of Resilience. See the event list [here](#).

## OPEN POSITION: Washington Board for Architects

The Washington State Board for Architects will have a Board Member position available starting in June 2021.

The seven-member, governor-appointed board is made up of six registered architects who reside in Washington and have at least eight years' experience in responsible charge of architectural work or teaching and one member of the public.

### About the Washington State Board for Architects

The Board's primary function is to protect the public's health, safety, and welfare through regulating the practice of architecture. Board member responsibilities include:

- Attending board meetings (approx. 4 a year)
- Participating in board committees for specific projects
- Acting as a case manager or as part of the judicial panel in disciplinary cases
- Representing the board responsibly to the profession and the public
- Attending national council meetings as needed
- Reviewing applications as needed



This is a fantastic opportunity for someone looking to participate in shaping the profession; women and architects of color are encouraged to apply. More information about this position is available [here](#). Applications should be submitted by April 15.

## AIA Washington Council

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*AIA Washington Council serves as the collective voice for and a resource on state government policies that impact the practice of architecture for all architects and the profession through AIA components in Washington State.*

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