2023 Updates WEEK 15

Week 14 is over, and there is only one week to go until this legislative session ends on April 23rd. The Legislature finished considering bills from the opposite chamber (April 12th deadline), and it will spend the remaining time addressing bills that, due to amendments, are now different from the versions that passed their chamber of origin: for example, the Senate will determine whether to accept House amendments to senate bills. If a chamber determines it will not accept amendments from the opposite chamber, it can request the opposite chamber recede from those amendments or ask to conference on the bill. Today, the Senate requested that the House agree to a conference on the operating budget. Budget negotiations have been going on for a while and rumors abound about their progress: the operating budget negotiations are allegedly going well while the transportation and capital budgets negotiations are supposedly going poorly...until the next rumors contradict that. We are entering that point of session where most legislators have less information than lobbyists regarding budget negotiations since budget negotiators can be tight-lipped about closed-door negotiations - lobbyists are adept at crowd-sourcing gossip.

Negotiators have until about April 21st to get budget resolved – they must leave time to process and vote on the negotiated budgets, which must "sit on the bar" for 24-hours. According to the joint rules (Rule 20) conference reports, like those pertaining to agreed budgets, cannot be voted upon until 24-hours after the conference committee report is distributed to all the members of the Legislature. This rule can be waived by a 2/3 vote of the body, but that rarely happens.

Once the budgets (or other bills) are delivered to the Governor, the Governor has 20 days to sign/veto the acts. This 20-day rule applies to all bills transmitted to the Governor within 5 days of the end of the session. Bills that are transmitted to Governor Inslee prior to the final five days of session must be acted upon within 5 days of their delivery. Hence, bill signings are going on right now for bills that have already passed. Due to COVID concerns, bill signings are being limited to a maximum of 5 people.

A bill that seems destined to be transmitted in those final five days is **HB 1050**, the bill that expands apprenticeship utilization requirements. While it passed the Senate on March 31st, it still has not been signed by the Senate President nor the House Speaker. Sometimes they intentionally slow down the bill transfer process as the Legislature tries not to overwhelm the Governor's office with bills. Poker players call that "slow-rolling".

Budgets

Bill #	Abbrev. Title	Short Description Making transportation	Status	Sponsor	
EHB	-	appropriations for the		1	
<u>1125</u> (SSB	Transportation	2023-2025 fiscal	H Passec	-	
5162)	budget	biennium.	3rd	Fey	
<u>SHB</u>		Concerning rural public			
<u>1267</u> (SSB	Rural public	facilities sales and use			
5613)	facilities/tax	tax.	S Rules 2	2 Tharinger	
ESSB		Making 2023-2025 fiscal		Ū.	
5187 (SHB	Operating	biennium operating	S Conf		
1140)	budget	appropriations.	appt	Rolfes	
ESSB	5				
<u>5200</u> (SHB		Concerning the capital	H 2nd		
1147)	Capital budget	budget.	Reading	Mullet	
7		Providing state and local	S Ways 8) K	
<u>SB 5770</u>	Property tax	property tax reform.	Means	Pedersen	
Contracts and Purchasing					

Bill #	Abbrev. Title	Short Description Concerning standardizing local government procurement rules among special purpose districts, first-class and second-class cities		Sponsor
<u>SHB 1621</u>	Local government procurement	and public utility districts. Adding references to contractor registration and	H Spkr Signed	
<u>SB</u> <u>5088</u> (HB 1309)	Contractor registration	licensing laws in workers' compensation,	Del to Gov	Keiser

Bill #	Abbrev. Title	Short Description public works, and prevailing wage statutes.	Status	Sponsor
<u>ESSB</u> <u>5186</u>	Contracting/discriminatior	Requiring antidiscrimination clauses in public ncontracting. Addressing equity and efficiencies in	Passed	Liias
<u>2SSB</u> <u>5268</u> (SHE 1306)	3 Public works procuremen	public works procurement including modifying small works roster trequirements. Concerning the	Passed	Hasegawa
<u>ESSB</u> 5528 (HB 1524) Emerge	Construction retainage ncy management	retainage percentage withheld by prime contractors.	H Passed 3rd	Stanford

Bill #	Abbrev. Title	Short Description	Status	Sponsor
		Mitigating the risk of wildfires		
		through electric utility		
		planning and identification of		
2SHB		best management practices		
<u>1032</u> (SSB	Wildfires/electric	appropriate to each electric	Del to	
5039)	utilities	utility's circumstances.	Gov	Dent
Transpor	tation			

Abbrev. Title Short Description Bill # **Status Sponsor** Installing signs on or near HB 1004 (SB Bridge jumping bridges to provide information Del to 5478) Gov Abbarno signs to deter jumping. Making certain corrective changes resulting from the S <u>ESHB</u> Transportation enactment of chapter 182, Passed Laws of 2022 (transportation <u>1853</u> Fey resources 3rd

Bill # Abbr

Abbrev. Title

Short Description

Status Sponsor

resources).

Uncategorized Bills

Bill #	Abbrev. Title	Short Description	Status	Sponsor
<u>ESHB</u> <u>1050</u>	Apprenticeship utilization	Requiring automated external	Passed 3rd	Riccelli
<u>HB 1542</u>	AEDs/high voltage work	defibrillators to be available and accessible when work is being performed on high voltage lines and equipment. Authorizing the state board of registration for professional engineers and land surveyors	:	Bronoske
<u>SB 5283</u> <u>SB</u> <u>5452</u> (HB		to waive the fundamentals examination for professional engineer or professional land surveyor comity applicants. Authorizing impact fee revenue to fund improvements to bicycle and	H Passed 3rd Del to	Wege
1135)	Impact fee use	pedestrian facilities.	Gov	Shewmake

WEEK 14

With about 2-weeks of the regular session to go, the Legislature has, for the most part, left committee hearings behind and will be pursuing floor action until the end, April 23rd. Both chambers have until next Wednesday, April 12th to consider the bills from the other chamber.

There are about 100 senate bills in the House Rules Committee (where bills are held pending transfer to the floor calendar) and another 43 senate bills on the House floor calendar. The Senate has 130 house bills in its Rules Committee and about 65-bills on its floor calendar. The remaining 72-hours Monday – Wednesday) should be long days. Yet, they still do not have enough time to hear all those bills, and tempers are flaring as bills start circling the legislative drain. Traditionally, both chambers accuse the other of not "running" enough of the opposite chamber's bills, and, sometimes, one chamber will adjourn early as a warning to the other that its bills may be imperiled unless they pick up the pace – admittedly, I write this, in-part, due to my own anxiety of getting my bills through the process. On Monday, the transportation committee leaders will meet to begin negotiations on the transportation budget. There are differences between the House and Senate budget proposals that need to be reconciled. The spending differences are not extreme – some is due to how the House and Senate chose to spend the climate commitment dollars. The House spent more in its transportation budget while the Senate spent more in the natural resources and clean energy realm.

Besides the dollars in the transportation budget, there are numerous studies in the budgets impacting the Joint Transportation Committee, the Transportation Commission and WSDOT. The negotiators will need to prioritize which studies actually get done.

Those involved with the negotiations seem to believe their differences can be resolved by April 23rd session deadline. Realistically, they will need to have an agreement by April 20th to provide legislative staff sufficient time to draft the agreement and for the chambers to vote on it.

Broadband

Bill # 2SHB 1746 (\$	Abbrev. Titl SB State	e Short Description Concerning a state		S Sponsor
5718)		ap broadband map.	2	Ryu
Budgets				
Bill #	Abbrev. Title	Short Description	Status	Sponsor
EHB		Making transportation appropriations for the	н	
<u>1125</u> (SSB	Transportation	2023-2025 fiscal	Passed	
5162)	budget	biennium.	3rd	Fey
<u>SHB</u>		Making 2023-2025 fiscal		
<u>1140</u> (ESSB	Operating	biennium operating	H Rules	
5187)	budget	appropriations.	R	Ormsby
<u>SHB</u>		Concerning rural public		
<u>1267</u> (SSB	Rural public	facilities sales and use	S Rules	
5613)	facilities/tax	tax.	2	Tharinger
		Making transportation		
<u>SSB</u>		appropriations for the		
<u>5162</u> (EHB	Transportation	2023-2025 fiscal	S Rules	
1125)	budget	biennium.	2	Liias
<u>ESSB</u>	Operating	Making 2023-2025 fiscal	Н	Rolfes

Bill # <u>5187</u> (SHE 1140) <u>ESSB</u>	Abbrev. Title B budget	Short Description biennium operating appropriations.	Status Passed 3rd	Sponsor
<u>5200</u> (SHE 1147)	3 Capital budget ts and Purchasi		H 2nd Reading	Mullet
Bill #	Abbrev. Titl	•	I	Sponsor
<u>SHB 1621</u>	Local government procurement	cities, and public utility districts. Establishing a method of valuing asphalt and aggregate used in public road construction for	Reading	₹yu
<u>SHB 1764</u>	Asphalt & agg. valu	purposes of ation taxation. Adding references to contractor registration and licensing laws in workers' compensation,		Wylie
<u>SB</u> <u>5088</u> (HB 1309)	Contractor registra	tion statutes. Requiring antidiscrimination		Keiser
<u>ESSB</u> 5186	Contracting/discrim	clauses in public inationcontracting.		_iias

Bill #	Abbrev.	Title	Short Description Addressing equity and efficiencies in public works procurement including		Sponsor
<u>2SSB</u> <u>5268</u> (SHB 1306) P	Public works p	rocuremen	modifying small works roster trequirements. Concerning the retainage	H 2nd Reading	Hasegawa
_	Construction re	0	percentage withheld by prime contractors.		Stanford
Bill #	Abbrev. Tit	le SI	hort Description ing the risk of wildfin		s Sponsor
·	utilities	through plannin best m ric approp	n electric utility ng and identification anagement practice riate to each electri circumstances.	of es S	d Dent
Bill #	Abbrev. Title		ort Description signs on or near	Status	s Sponsor
		bridges to to deter ju Making co changes	o provide informatio		Abbarno
<u>SHB 1853</u> re	esources		2022 (transportation	H 2nd Reading	g Fey
Uncatego Bill # Abb	rized Bills rev. Title	Short	Description	Status	Sponsor
<u>1050</u> utiliza		ization req	oprenticeship uirements. comated external	Passed 3rd S	Riccelli Bronoske

Bill # Abbr <u>1542</u> voltage	e work defibril access perforr and ec Author registr engine waive	Short Description llators to be available and sible when work is being med on high voltage lines quipment. izing the state board of ation for professional eers and land surveyors to the fundamentals nation for professional		Sponsor
<u>SB</u> comity	engine	eer or professional land	H 2nd	Van De
<u>5283</u> applica		or comity applicants.	Reading	Wege

WEEK 13

With only three-weeks to go, the Legislature is winding down. The policy committees are done, and the next committee cutoff is next Tuesday, the fiscal committee cutoff. The budgets have been heard and all three of them, the operating, capital and the transportation, will be voted out of their chambers of origin by mid-week.

The senate and house budgets, while different in dollars spent, are sufficiently similar that the budget negotiators should be able to reach agreement before session ends on April 23rd.

The capital budget proposals (dollars in thousands) look like this:

The transportation budgets (dollars in thousands) compare as follows:

Besides the dollars in the transportation budget, there are numerous studies. Here are a few of interest:

Transportation Commission:

In the House version, the transportation commission is tasked with identifying ways to streamline the rulemaking process for setting toll rates. Also, the commission shall reconvene the road usage charge steering committee and, in coordination with WSDOT, seek federal funds and convene a technical committee to research the administration of a road usage charge. Lastly, the commission shall carry out an initial scoping effort to determine the feasibility of a future west coast transportation network plan to reduce our collective carbon footprint.

In the Senate version, the transportation commission is charged with updating the statewide transportation plan. Also the commission shall conduct a route jurisdiction study aimed at assessing the current state highway inventory and local roadway designations to determine if changes are needed in jurisdictional assignment between the state, county and city road systems. The Senate budget proposal also has numerous toll-related studies for particular corridors and concerning toll discounts.

Joint Transportation Committee:

The Senate tasks the JTC to study a statewide retail delivery fee on orders of taxable retail items delivered by motor vehicles – this is a concern of the cities. Of interest to transits, the JTC shall assess and make recommendations to the transportation committees on the status of the workforce pipeline for commercial driver's license (CDL) operators and mechanics in the transit, highway maintenance, and maritime sectors. The assessment must highlight existing programs that may be replicated by transit agencies and recommend policy changes that may accelerate the growth of CDL operators and mechanics. Also, in collaboration with the WSDOT, the JTC shall convene a work group to study and recommend a new statutory framework for the department's public-private partnership

program. A work group shall identify any barriers to the implementation of funding models, including statutory and constitutional barriers. The House mandates similar studies to the Senate regarding studies pertaining to hybrid-electric Olympic class vessels and ferry workforce, and the retail delivery fee mentioned above, but also asks the JTC to evaluate potential options and make recommendations for a statewide household travel survey that addresses gaps between separate regional and local transportation models. The JTC is charged with overseeing the development of tools and methodologies in program delivery evaluation for programs that receive money from the carbon emissions reduction account, the climate active transportation account and the climate transit programs account. The evaluation must include carbon emissions reduction estimates and guantified benefits to vulnerable populations and overburdened communities by program cost. Lastly, the JTC shall convene a WSDOT local partnership work group to create procedures whereby WSDOT can partner with a local jurisdiction to perform preservation and maintenance and construct projects on state highways.

Other studies:

The House provides funds to the Department of Licensing to work with the transportation commission to study a per-mile fee program. The House also gives WSDOT funds to study options for multimodal high-capacity transportation (HCT) for travelers on the I-5 corridor between central Thurston County and Pierce County (the Senate does the same). WSDOT shall also look at several ferry ridership issues. The University of Washington is asked to gather data for a sidewalk inventory and accessibility mapping project.

The Senate includes funds for Washington State University to study current licensing requirements, including training hours with a focus on public transit operators. The Senate also asks WSDOT to continue a study of statewide frequent transit standard goals, and the study must make recommendations on goals for frequent transit access across the state. WSDOT shall convene stakeholder groups of transit users, transit agencies and nonprofit transit providers to inform development of the goals. The Senate also asks WSDOT to develop an action plan for the establishment of cycle highways in locations that connect populations centers. It should identify key gaps in regional networks including planned and aspirational routes and locations within 3-miles of high-capacity transit or existing shared-use paths.

Whether all these studies make the final agreed-upon transportation budget is unknown. It does make for a busy interim and seems to evince legislative desire to pursue a road-user-charge, and to review the relationship between local governments and the state.

WEEK 12

As I write this, its March 26th, leaving four more weeks of session. The policy committees are busy voting bills out before the Wednesday, March 29th, policy committee cutoff. The fiscal committees have until April 4th so lobbyists are busily begging for committee time – it hurts more to lose a bill to these deadlines with only a few weeks to go. Yet, many bills will not make it.

One of those bills that may not survive is <u>SB 5726</u>, concerning the prevailing wages and sick leave benefits for construction workers. APWA has concerns with this bill since it requires, with some exceptions, public works contracts to specify that wages paid to workers will not be less than the latest prevailing wage rate in effect at the time the work is performed. For work that takes a long period of time, this creates uncertainty and inevitable change orders. The bill is scheduled for a hearing on March 28th and is not scheduled for a committee vote. As noted above, the policy committee deadline is March 29th.

After these committee cutoffs, the Legislature will return to floor action and the focus will turn to the budget negotiations. The Senate has already unveiled and held a hearing on its capital budget and the senate operating proposal had a hearing on March 24th. The March 20th revenue update forecasted about \$64.1 billion in general fund revenues for the 2021-23 biennium. The March 2023 revenue update also forecasted approximately \$65.7 billion in NGF-O revenues for the 2023-25 biennium and \$70.3 billion in NGF-O revenues for the 2023-25 biennium and \$70.3 billion less than was expected for the 2023-25 biennium and about \$545 million less than anticipated for the 2025-27 biennium.

The senate's proposed budget (Proposed Substitute Senate Bill 5187) increases spending by \$5.1 billion in General Fund-State, Education Legacy Trust Account, Washington Opportunity Pathways Account, Workforce Education Investment Account, and Fair Start for Kids Account (NGF-O) above the 2021-23 biennial budget adjusted for the 2022 Supplemental. The senate proposal would bring NGF-O spending to \$69.2 billion (\$130.1 billion total funds) in 2023-25. The House will unveil its proposed budgets on March 27th. Generally, the house operating budget proposals are larger than the Senate's proposal. If the House and Senate budget proposals are too different, then they may not be able to negotiate an agreed upon budget by the April 23^d end of session, and then the Governor would be forced to call a special session – usually 30-days in duration.

This all seems so important until one realizes that also on this date, March 26th, in 1979, the Israel-Egypt peace agreement was signed, and, in 1953, Dr. Jonas Salk announced that he had successfully tested a vaccine against the polio virus, poliomyelitis. And, next year, all those bills that died this session will have another chance, and the Mariners will start the baseball season on March 30th and life will be good again. But I digress.

WEEK 11

The Legislature has five-weeks to go, and the policy committees are churning through bills from the other chamber. The House passed about 330 bills and some of the Senate committees are struggling to get through them all. The Senate Law & Justice Committee has over 60-bills to hear and enough time to hear about forty of them. Hence, a lot of bills will not survive the March 29th policy committee cutoff. The fiscal committees have until April 4th.

APWA is watching two bills at this point:

<u>HB 1050</u>, Expanding apprenticeship utilization requirements. This bill would require 15% apprenticeship utilization for most public works over \$1 million. There is concern that contractors will not be able to meet this requirement since the bill, itself, does not increase the number of apprenticeship programs. It had a hearing in Senate Labor and Commerce Committee on March 13th and it is scheduled for a committee vote on March 23rd.

<u>SB 5726</u>, Concerning the prevailing wages and sick leave benefits for construction workers. This bill concerns how prevailing wages are set and how to appeal a determination. What concerns APWA is the provision that mandates that public works contracts specify that wages paid to workers will not be less than the latest prevailing wage in effect at the time work is performed. L&I publishes prevailing wage rates the first business day in August and February and any updated rates take effect 30 days after publication. This bill has a hearing in House Labor & Workplace Standards Committee on Wednesday. APWA will be submitting a letter setting forth its concerns.

On Monday, March 20th, the state's fiscal forecast will be released. At best, it is expected to be flat and maybe a bit down. The Senate will unveil its capital budget on the same day (with a hearing on Tuesday); the

operating budget on Thursday (with a Friday afternoon hearing), and the transportation budget on March 29th. The House will divulge all their budgets on March 27th. Once a budget is released, it takes about a week for it to pass the chamber. If that time frame holds, the House may be passing their budget approximately when the fiscal committee deadline occurs – fiscal committee staff cannot be happy about that. Each chamber passes their budgets – mostly to show they can support their bargaining position – before budget negotiations begin in earnest. Session is scheduled to end on April 23rd so they only have about 3-weeks to get that done.

No one is whispering the dirty words "special session" yet, and the Legislature has not needed more time to pass their budgets for several years. We hope that streak continues.

WEEK 10

As of this writing, day 63 of the 105-day session, the Legislature has introduced 2,031 bills. Yet, as of the chamber-of-origin cutoff, March 8th, the House passed 331 bills while the Senate passed 280; meaning that most of those bill introductions were for not, as only 611 bills survived the various bill deadlines.

Those that did survive will now be heard in the opposite chamber's committees, and below are several of interest to APWA:

<u>HB 1050</u>, Expanding apprenticeship utilization requirements. This bill passed the House 58 to 39, and scheduled for a senate hearing on March 13th. Requires public works contracts awarded by a municipality estimated to cost more than \$1 million to include specifications that no less than 15 percent of the labor hours be performed by apprentices.

<u>SB 5268</u>, Addressing equity and efficiencies in public works procurement including modifying small works roster requirements. Also known as the CPARB bill, this passed the Senate 48 to 0, and it has a house hearing on March 14° .

<u>SB 5743</u>, Making certain non-substantive, corrective changes resulting from enactment of chapter 182, Laws of 2022 (transportation resources). This bill amends the "Move Ahead Washington" transportation funding package, and it passed the Senate 48 to 0. It has a house hearing on March 16⁺.

<u>SB 5726</u>, Concerning the prevailing wages and sick leave benefits for construction workers. This bill passed the Senate 49 to 0. It contains elements of <u>HB 1099</u>, which died in the House Capital Budget Committee (**HB 1099** required public works contracts pay the prevailing wage in place

at the time work is done). **SB 5726** has not yet been scheduled for a hearing in the House Capital Budget Committee.

The state fiscal forecast is expected by mid-month, and afterwards, the fiscal committees will start unveiling their budget proposals. The rumor is that the operating revenue forecast will be down and that the Senate may unveil their budgets a few days after the fiscal forecast is announced (maybe March 20^a). The House may issue their budgets by the end of the month. This does not leave much time before the next round of bill deadlines; March 29^a for the policy committees and April 4^b for the fiscal committees, which include the transportation committees.

Those interested in the TVW coverage and the reactions to the "chamber of origin" cutoff can view the majority and minority leaders' opinions on the <u>Legislative Review</u>. There, they discuss what passed and what didn't and what their goals are for the remainder of the 2023 session.

WEEK 9

The Legislature is finishing up floor action on March 8th, and will then revert to committee hearings, but this time, they will focus on bills from the opposite chamber instead of their own bills. These policy committees have about three weeks, until March 29th to work these bills. The fiscal committees have until April 4th.

Yet, now the focus on floor action and the chambers have worked late into the night most of this last week. The House worked on Saturday and adjourned about 2 am. The House and Senate will likely go very late into the evening on Monday and Tuesday, but they need to finish their work by 5pm Friday pursuant to the deadline. So far, the House has passed 251 bills and the Senate has passed about 198. Yet, the House still has about 300 bills to still consider, while the Senate has about 217. Clearly, there is not enough time left vote on all those bills.

Bills that have not been voted upon by that time, will figuratively be placed in the legislative dustbin (assuming they are not necessary to implement the budgets (NTIB) – those matters are viable until the Legislature leaves town). A bill that has a large fiscal note (cost of implementation) may survive this stage, but many bills have "null and void" clauses; meaning those that are not funded in the budgets will not be implemented. The last few years, the State had the benefit of federal money and unexpectedly large tax receipts, but this year there are concerns that revenues will be down. We won't know for sure until the fiscal forecast is released and the budgets are "released". Each chamber is likely to unveil their budget proposals after the state fiscal forecast around March 15th. While the House is slated to go first this year, there is a rumor that the Senate will release their proposals by March 24th, while the rumor is the House will show their work about March 28th. As I repeatedly noted, this is all rumor as is the murmuring that the forecast will be down from the last one. We will know better by the end of this month.

WEEK 8

This last week was fiscal week, which meant there were long days, sometimes going into the evening, of hearings and executive sessions in order to move bills out of fiscal committees by house of origin fiscal cutoff on Friday, Feb 24th. The committee meetings are marathons, sometimes having over 50 bills per hearing. When the legislators switch to executive session, a packet of bills and potential amendments are briefed. Legislators then go back into caucus to discuss those bills before coming back to vote – it takes hours.

Bills with a fiscal impact that didn't pass out of committee by Friday are considered dead. The exception are bills deemed necessary to implement the budget (NTIB). Bills given this designation are not subject to the cutoff calendar. Some bills that die also come back in the budget as a proviso. For example, <u>HB 1832</u>, the road use charge bill, failed to pass prior to the deadline. It might be deemed NTIP, or it may come back as a budget proviso. Most likely, it's dead. Initially, there were 56 bills on the APWA tracking list; after these deadlines, there are 39 still alive. By the end of the Friday fiscal cutoff, about 66.5 percent of the House bills introduced in that chamber (about 857) survived. The Senate passed 52 percent of the 778 bills introduced there. That leaves a bit less than 1,000 bills for the Legislature to consider. During the last in-person 105-day session in 2019, the Legislature passed about 481 bills and another 387 bills during the 60-day 2020 session. Hence, we can expect more than half of these bills will never see the Governor's desk.

There are practical limitations to how many bills can realistically be passed in a session, as well as how many bills can be given adequate attention and consideration by legislators and committees. Bills that have substantial opposition can take up more floor time than other bipartisan bills. While the majority party dictates which bills get a floor vote; the minority party dictates how long that takes. This is why the majority party holds the minority party's bills toward the end of the time allowed for floor action. The more they talk on the floor, the less time left to vote on their bills. That is what we will see this coming week as action turns to the respective Senate and House floors as they work through the bulk of the 1,000 bills still alive. The next legislative cutoff is Wednesday, March 8th at 5 p.m. with the deadline for bills to be voted out of their house of origin (e.g., House bills must be approved by the House, and Senate bills approved by the Senate). During floor time it is not unusual for one of the bodies to go late into the evening, or even pull an all-nighter. Both chambers are anticipated to work this coming Saturday, and the House has a placeholder to potentially work Sunday.

During this floor action period, we will watch whether apprenticeship utilization bill, <u>HB 1050</u>, passes or whether, the Senate acts on <u>SB 5726</u>, the prevailing wage/public works bill. Later, attention will turn to the budget proposals, which should appear after the next fiscal forecast scheduled for mid-March.

WEEK 7

Friday, February 17th was house of origin policy cutoff where all bills referred to a policy committee had to be passed out of committee by that date. The week was filled with tight hearings and committee votes. Those that didn't get out of committee are now considered dead. The exception are bills deemed necessary to implement the budget (NTIB).

After the cutoff on Friday, this week will largely be fiscal committee hearings and executive sessions. Fiscal week is always one of the more intense times during session. Fiscal committees include the House fiscal committees (Appropriations, Capital Budget, and Finance), Senate Ways and Means, and the House or Senate Transportation Committee. Bills referred to these committees need to get voted out by Friday, February 24th, which gives many of them just one week to get scheduled for both a hearing and executive session. This means that the week will be filled with long hearings (sometimes very long) in fiscal committees. Testimony in fiscal committees differs from policy committees in that fiscal chairs request testifiers to speak to the fiscal aspects of the bill, rather than make a policy case.

Many of the pedestrian bills, like the jay walking bill, **HB 1428/SB 5383** and the no turn on right, **HB 1582/SB 5514** are not likely to make the February 24th deadline. The traffic safety bills that are moving include <u>HB 1540/SB</u>

<u>5603</u> involving driver training that includes instruction on sharing the road with large vehicles and <u>SB 5560</u> that concerns older driver safety.

Because of concerns about the state's fiscal landscape, and a number of big-ticket items that have to be addressed (e.g. the collective bargaining agreements, behavioral health and homelessness, etc.), many bills simply won't make it or will be amended in order to bring the fiscal note down. Other bills are perhaps too ambitious given other priorities this session. <u>HB 1832</u> may fall into that category.

HB 1832 would implement a per mile charge on vehicle usage, i.e., a road usage charge (RUC). It has a hearing on Tuesday, February 21^{at} in the House Transportation Committee. It's a voluntary program which would begin July 1, 2025, and which places a 2.5 cent per mile fee on motor vehicle usage on public roads. The bill waives the electric and hybrid-electric vehicle registration renewal fees and the transportation electrification fees for vehicles participating in the voluntary RUC Program. This is a concern for the TIB and CRAB which receive funds from those fees. It sets January 1, 2030 as the target date for implementation of a comprehensive, mandatory RUC Program. This bill may be a discussion starter rather than a bill expected to pass the Legislature. While it is set for a hearing, it is not currently set for a committee vote.

Upcoming Events

Finance (House) – HHR A and Virtual JLOB – 2/21 @ 8:00am • <u>HB 1764</u> – Public Hearing – Establishing a method of valuing asphalt and aggregate used in public road construction for purposes of taxation. (Remote Testimony Available). (Neutral/Monitoring)

Appropriations (House) – HHR A and Virtual JLOB – 2/21 @ 1:30pm • <u>HB 1032</u> – Exec Session – Mitigating the risk of wildfires through electric utility planning and identification of best management practices appropriate to each electric utility's circumstances.

Transportation (House) – HHR B and Virtual JLOB – 2/21 @ 1:30pm

• <u>HB 1832</u> – Public Hearing – Implementing a per mile charge on vehicle usage of public roadways. (Remote Testimony Available). (Neutral/Monitoring)

Finance (House) – HHR A and Virtual JLOB – 2/22 @ 8:00am

• <u>HB 1764</u> – Exec Session – Establishing a method of valuing asphalt and aggregate used in public road construction for purposes of taxation. (Neutral/Monitoring)

Capital Budget (House) – HHR B and Virtual JLOB – 2/22 @ 9:00am

 <u>SHB 1746</u> – Public Hearing – Concerning a state broadband map. (Remote Testimony Available). (Neutral/Monitoring)
<u>SHB 1746</u> – Exec Session – Concerning a state broadband map. (Neutral/Monitoring)

Ways & Means (Senate) – SHR 4 and Virtual – 2/22 @ 1:30pm

• <u>SSB 5039</u> – Public Hearing – Mitigating the risk of wildfires through electric utility planning and identification of best management practices appropriate to each electric utility's circumstances. (Remote Testimony Available).

• <u>SSB 5186</u> – Exec Session – Requiring antidiscrimination clauses in public contracting. (Neutral/Monitoring)

• <u>SSB 5322</u> – Public Hearing – Requiring environmental and labor reporting for public building construction and renovation material. (Remote Testimony Available). (Neutral/Monitoring)

Ways & Means (Senate) – SHR 4 and Virtual – 2/24 @ 9:00am

• <u>SSB 5039</u> – Exec Session – Mitigating the risk of wildfires through electric utility planning and identification of best management practices appropriate to each electric utility's circumstances.

• <u>SSB 5322</u> – Exec Session – Requiring environmental and labor reporting for public building construction and renovation material.

(Neutral/Monitoring)

• <u>SB 5684</u> – Exec Session – Concerning small works rosters.

(Neutral/Monitoring)

WEEK 6

One third of the 2023 session is done, and committees were busy voting on bills before the first deadline next Friday, February 17th. If a bill has not moved out of its policy committee by February 17th, it will be considered

dead (unless it's deemed necessary to implement the budget). Even though committees were busy with executive sessions, bills dealing with Blake, vehicle pursuits, environmental justice, and affordable housing discrimination continued to have hearings.

The next cutoff is just one week later, Friday, February 24th which is the house of origin fiscal cutoff. To build in more time to hear bills, the Senate Ways & Means committee has added a committee meeting on Saturday, February 18th from 9am to 2pm. That will mean a fiscal Saturday with a marathon of hearings.

The number of bills being introduced slowed even more this week but there are still new ones being introduced every day. So far this session there have been over 1,600 bills introduced (some of which are companion bills). For comparison, by the end of week 5 in 2021 (the last long session), 1,300 bills had been introduced, and in 2019 (the last in-person long session), more than 2,200 bills had been introduced.

There are several bills pertaining to prevailing wage that we are watching: <u>HB 1099</u>, which requires certain wages in public works contracts to be at least the prevailing wage in effect when the work is performed, and <u>SB 5418</u>, which expands the definition of public works to include work supported in part or in whole by grants or loans of public dollars, or by tax deferral or reimbursement. This would also expand the application of the prevailing wage requirement to projects not currently covered by it. Whether either of these bills will survive the bill deadline is unknown. However, there is another recently introduced bill, <u>SB 5726</u>, that also pertains to prevailing wage and this bill contains portions of **HB 1099**, but also includes much of <u>SB 5563</u>, which contains the following:

- Requires the industrial statistician, when there is more than one collective bargaining agreement in a county, to determine the prevailing wage using the majority rate from those agreements, or, when a majority rate is not present, the rate representing the preponderance of hours.
- Provides that an interested party may contest a determination by the industrial statistician to prove the actual rate used in the determination is less than the rate representing the majority number or preponderance of hours.

SB 5726 may contain enough for various stakeholders to make it through as a bargain bill.

Transportation (Senate) – SHR 1 and Virtual J.A. Cherberg – 2/13 @ 4:00pm

<u>SB 5452</u> – Public Hearing – Authorizing impact fee revenue to fund improvements to bicycle and pedestrian facilities.

Environment, Energy & Technology (Senate) – SHR 1 and Virtual J.A. Cherberg – 2/15 @ 8:00am

<u>SB 5356</u> – Public Hearing – Establishing guidelines for government procurement and use of automated decision systems in order to protect consumers, improve transparency, and create more market predictability. <u>SB 5718</u> – Public Hearing – Concerning a state broadband map.

Appropriations (House) – HHR A and Virtual JLOB – 2/15 @ 4:00pm <u>SHB 1032</u> – Public Hearing – Mitigating the risk of wildfires through electric utility planning and identification of best management practices appropriate to each electric utility's circumstances.

Capital Budget (House) – HHR B and Virtual JLOB – 2/16 @ 1:30pm <u>HB 1099</u> – Public Hearing – Requiring certain wages in public works contracts to be at least the prevailing wage in effect when the work is performed.

WEEK 5

Monday (2/6/23) is the 29th day of the 105-day legislative session so by the end of this week the session will be about 1/3 done. Hence, the shadow of the first committee/bill deadline, February 17th, is being felt and policy committees are racing to get bills voted and out of their committee. Some bills then go to a fiscal committee if they have a fiscal impact of more than \$50k (February 24th cutoff), however, most bills that pass out of their policy committee of origin are sent to the Rules Committee – the holding pen for bills and the step before bills are sent to their chamber's floor calendar so they can be considered by the full body. This is where the funnel tightens and bills die as there is never enough time to consider all the bills. Currently, there are 106 bills in the House Rules Committee and 69 bills in the Senate Rules Committee. By the end of this week, those numbers could double.

Out of the roughly 1,600 bills introduced so far, APWA is tracking 50. These are bills that predominantly concern public procurement, public works funding and various policy bills that mandate/pre-empt how public works are done.

For example, last week, the APWA legislative committee discussed **HB 1582/SB 5514 – prohibiting drivers from making a right turn within proximity of certain facilities.** These bills would prohibit drivers from making a right turn at a red light within 1000ft of certain facilities, like schools, parks and childcare facilities. Both bills were heard last week. During the APWA committee meeting, there was a debate about the signage requirements and what liability may attach since the certain facilities enumerated in the bill may open or close without notice to the public works departments.

This week, on February 7th, the Senate State Government & Elections Committee will hear **SB 5418** –**expanding the definition of public work**. The bill expands the definition of public work to include "those supported in part or in whole by the granting or loaning of public dollars or by tax deferral or reimbursement." This would expand the application of 39.12 RCW which requires local government contractors and subcontractors to pay prevailing wages to all workers for all public works and maintenance contracts. This session, there are several bills pertaining to prevailing wage, like **HB 1099**, **requiring certain wages in public works contracts be at least the prevailing wage in effect when work is performed**, and **SB 5563/HB 1667**, **which concern how prevailing wage is determined and how to contest that determination**. It is unknown whether any of these bills will survive the February 17th policy committee deadline or the deadline to be voted from their chamber of origin, March 8th.

WEEK 4

This week's legislative update is focused on two bills that would protect what we commonly refer to as the public works trust fund. This is something we have been pursuing for many years. One silver lining to come from the cloud that is the ongoing pandemic, is that it is now very easy to record a position and provide written testimony on bills. Please take a few minutes to record your "pro" vote for these important bills.

Also, if you have stories about projects that you have completed for your communities using funds from the public works trust fund, or would complete if you could secure a loan from the public works trust fund, please send a brief description to me at jrioux@ci.olympia.wa.usand Brandy DeLange with AWC at brandyd@awcnet.org.

Jim Rioux, Chair, Government Affairs Committee

Starting week 4 of the 105-day legislative session and one of the more important hearings for APWA is on February 2rd. The Senate Ways &

Means Committee will hear two bills: <u>SB 5303</u> and <u>SJR 8201</u>, which create the public works assistance revolving account. The first bill creates the account statutorily and the second gives it constitutional protection.

When the State has needed funds in past sessions, it was tempting and too easy for them to raid the public works assistance revolving fund that helped local government finance public works projects. Funded by taxes collected locally and by repayments from jurisdictions. It funded street repair, bridge replacement and water/sewer projects. These bills will keep future legislatures from sweeping funds from it. Sen. Mullet is the prime sponsor and is the Senate lead on the state capital budget.

Those interested in showing support can sign in on-line

here: <u>https://app.leg.wa.gov/csi</u> . First, click on the **Senate** tab, select the **Ways & Means** committee and then click on the Meetings tab for "02/02/23 4:00 PM". It will take you to a page where you can select **SJR** 8201; it will give several options – select "I would like my position noted for the legislative record" and then select "pro" in the box under "Position" on the form, insert your name, email city, state, zip code and phone (let them know you're not a robot). and then hit the "submit registration" button. Do the same thing for **SB 5303**.

Upcoming Events

Appropriations (House) – HHR A and Virtual JLOB – 1/30 @ 4:00pm • <u>HB 1012</u> – Public Hearing – Addressing the response to extreme weather events.

Labor & Workplace Standards (House) – HHR D and Virtual JLOB – 1/31 @ 10:30am

• <u>HB 1542</u> – Public Hearing – Requiring automated external defibrillators to be available and accessible when work is being performed on high voltage lines and equipment.

Local Government (House) – HHR E and Virtual JLOB – 1/31 @ 10:30am

• <u>HB 1468</u> – Public Hearing – Concerning impact fee deferrals.

• <u>HB 1476</u> – Public Hearing – Concerning allowing the use of impact fees for law enforcement.

Environment, Energy & Technology (Senate) – SHR 1 and Virtual J.A. Cherberg – 1/31 @ 1:30pm

• <u>SB 5322</u> – Public Hearing – Requiring environmental and labor reporting for public building construction and renovation material

• <u>SB 5366</u> – Public Hearing – Preventing utility shutoffs for nonpayment during extreme heat.

Local Government (House) – HHR E and Virtual JLOB – 2/1 @ 8:00am

• <u>HB 1621</u> – Public Hearing – Concerning standardizing local government procurement rules among special purpose districts, first-class and second-class cities, and public utility districts.

Labor & Commerce (Senate) – SHR 1 and Virtual J.A. Cherberg – 2/2 @ 8:00am

• <u>SB 5283</u> – Public Hearing – Authorizing the state board of registration for professional engineers and land surveyors to waive the fundamentals examination for professional engineer or professional land surveyor comity applicants.

Local Government, Land Use & Tribal Affairs (Senate) – SHR 3 and Virtual JACB – 2/2 @ 10:30am

• <u>SB 5452</u> – Exec Session – Authorizing impact fee revenue to fund improvements to bicycle and pedestrian facilities.

Capital Budget (House) – HHR B and Virtual JLOB – 2/2 @ 1:30pm

• <u>HB 1282</u> – Public Hearing – Requiring environmental and labor reporting for public building construction and renovation material.

Ways & Means (Senate) – SHR 4 and Virtual JACB – 2/2 @ 4:00pm

• <u>SB 5303</u> – Public Hearing – Creating the public works assistance revolving account.

• <u>SJR 8201</u> – Public Hearing – Creating a public works assistance revolving account.

Agriculture and Natural Resources (House) – HHR B and Virtual JLOB – 2/3 @ 10:30am

• <u>HB 1032</u> – Exec Session – Mitigating the risk of wildfires through electric utility planning and identification of best management practices appropriate to each electric utility's circumstances

WEEK 3

The Legislature started its 2023 session on January 9th, and we are now in the third week of the 15-week session with about 1,000 bills introduced and growing. This session is the first in-person session in several years, but it still utilizes the virtual testimony option for committee hearings, which has resulted in less people actually on the capital campus. Also, access to legislators is restricted due to COVID concerns – people cannot go to legislator offices without a prior appointment and the office floors have security check-points. These changes create a interesting legislative atmosphere – a hybrid of pre-COVID in-person session and virtual COVID-era session.

APWA's bill tracking list is up to 6 pages and includes bills impacting public procurement, apprenticeship requirements and prevailing wage. During the first 15-days the Legislature has already held hearings on the following: <u>HB 1050</u> – **expanding apprenticeship utilization**. The bill would require that municipalities awarding public works contracts of more than one million dollars now have to ensure that at least 15% of the hours are performed by apprentices. It also requires that subcontracts of public works contracts with an initial subcontract price of \$200,000 or more include specifications that no less than 15% of the labor hours be performed by apprentices.

<u>HB 1099</u> – requiring wages in public works contracts be paid at the prevailing wage rate in effect when the work is performed. This bill could lead to a plethora of change-order adjustments given the current inflationary pressures and would create uncertainty when negotiating public works contracts.

<u>SB 5133</u> – **modifying responsible bidder criteria for public works projects**. The bill adds requirements that contractors must meet related to apprenticeships before they can be considered a qualifying and responsive bidders on projects.

<u>SB 5268</u> – addressing equity and efficiencies in public works procurement by modifying the small works roster. This bill is from the Capital Projects Advisory Review Board and it purpose is to increase utilization of women, minority and veteran-owned businesses. It allows jurisdictions to direct contracts with certified small businesses for projects under \$150,000. It creates a new definition of small business and a new certification process as well as tasking MRSC with establishing and managing a new state-wide roster system for jurisdictions to use. This week, the Legislature will hear <u>HB 1306</u>, the house-version of **HB 5268.** It has a hearing on January 24^m in the House Innovation, Community & Economic Development & Veterans Committee. APWA will sign in "Pro" on the bill. Other bill hearings of interest include <u>SB 5289</u> – allowing the use of impact fees for law enforcement, and <u>SB 5452</u> – authorizing impact fee revenue to fund improvements to bicycle and pedestrian facilities. Both bills will be heard in the House Local Government, Land Use and Tribal Affairs Committee in the Senate on January 24° .

Those interested in following the daily or weekly debates in Olympia can do so by viewing the Legislative Review on TVW

at https://tvw.org/shows/legislative-review/