



Legislative bulletin

April 24, 2023

Hot topics

Blake fix fails to pass before end of session

A last-minute compromise failed to secure enough Democratic votes in the House to pass, and no Republicans voted for it. The reasons were mixed – a number of House Democrats wouldn't vote in favor of a bill that criminalized drug possession, and Republicans wouldn't vote in favor due to concerns about its construct that they feared would make it ineffective. With the House failing to get enough votes to pass a fix late on sine die, there wasn't time to regroup before the legislative session adjourned. Now we are likely facing a special session sometime before the current statute expires on July 1. Register now to join us Thursday, April 27, from 8:30-9:15 am for a members-only briefing on what we know and what might happen next.

Taking stock of the AWC Housing Solutions Group proposal

The 2023 Legislative Session has seen an incredible amount of action in the housing and land use arena. With the four legislative caucuses prioritizing affordable housing, it was hard to keep up with all proposals at times. One guiding light AWC used to advocate collectively on these bills was the AWC Housing Solutions Group proposal that was introduced prior to session. As the session concludes, we revisit the proposal and offer updates on elements that were enacted, and a few that unfortunately were not.

2023-25 budget deal passes before Legislature adjourns with funding for significant programs for cities

The final operating, capital, and transportation budget proposals for 2023-25 were passed by the Legislature on April 22 and 23, just before the Legislature adjourned the 2023 session. Check out AWC's updated budget matrix with city impacts.

View from the hill

Happy sine die! Now, back to work...

Let's celebrate a successful session and reflect on all the hard work of the past 105 days! This has been a strong session for cities, with positive action on our highest priorities and funding for the most important programs. Take a moment to reflect on the significance of seeing the Public Works Assistance Account fully funded for the first time in a decade. This would not be possible without the strong advocacy of city leaders from around the state. Thank you for engaging with your legislators, keeping current with information AWC has provided, and joining our weekly city action calls. We especially thank you for responding to our calls for action.

Now, back to work. As we often say at AWC, advocacy is a year-round job. It doesn't start and stop with the legislative session. It is now time to contact your legislators to thank them for their service and acknowledge the time spent away from their homes, family, and jobs. Express your appreciation for the good work they've done for your community. Consider inviting them to a city council meeting to debrief on what took place this session. It's a great opportunity to start the conversation on what you want to work on together next year.

How can you continue to engage with AWC? Register now for our 2023 Legislative Session recap webinar on May 18 and watch for the Session Recap edition of AWC's Legislative Bulletin on May 22. These are timed to fall just after the Governor's 20-day (minus Sundays) deadline to act on bills sent to his desk. The AWC Legislative Priorities Committee will meet in June to begin identifying our 2024 legislative agenda.

Action items

AWC's Blake debrief – Members only April 27 | Online | 8:30 am

Join the AWC Advocacy team for a 45-minute debrief on the status of the Blake fix. With the Legislature's inaction before sine die, a special session may occur between now and July 1. Hear more about what this means for cities and what we expect to come. Register now.

Register for AWC's Legislative Session recap

May 18 | Online | 1:30 pm

The end of the 2023 Legislative Session is here. Join the AWC Advocacy team for an informative recap of the city-related issues addressed by the Legislature this year. Catch up on key outcomes of the session, hear how city priorities fared, and learn how you can make the most impact during the legislative interim to prepare for 2024. Register now.

2023 AWC Annual Conference: 90 years of building bridges

June 20-23 | Spokane

Registration is live for AWC's 90th Annual Conference! Since 1933, city officials have been gathering from all corners of the state to learn, grow, network, and build bridges and connections. The bridges we've built between our communities create a strong network of cities that can count on each other. Come together once again for our conference general sessions, concurrent sessions, mobile tours, networking opportunities, and social events — all designed to educate, inspire, and strengthen those bridges. Register today!

continued

Media time

Infrastructure Week is coming! Get up to speed with the newest research

AWC's State of the Cities: Washington's interconnected infrastructure report looks at city infrastructure across Washington. The report examines the current condition of our infrastructure systems, how cities are overcoming barriers to improvement, and what more can be done to support the statewide network. Read the report and share the findings with your legislators—and get ready to share your city stories during Infrastructure Week, May 15-19.

Advocacy is a year-round job

Session may be over, but city advocacy is not! If you want some tips for year-round advocacy, check out this advocacy wheel. For even more ideas and inspiration, our online strong cities advocacy guide was specially developed to give you ideas and resources to advocate for strong cities.

What you need to know

Budget & finance: Property tax cap fix doesn't make the final plan. Despite the buzz created by **SB 5770**, introduced in the last days of the session, the Legislature ultimately did not act to revise the 1% cap for state and local property tax to inflation and population, up to 3%.

Economic development: TIF fixes make it across the finish line. Despite only being a couple years old, the legislature passed a few critical fixes to TIF before *sine die*.

Federal: Support rail safety legislation moving through Congress and tell us your city's rail story. Last week, the National League of Cities (NLC) hosted Sen. Maria Cantwell and two bill sponsors of the Railway Safety Act of 2023 on a call to update cities on the movement of this important legislation.

HR & labor relations: "Good faith" standard for self-insured cities bounced back and forth in final days. The House and Senate worked to find agreement on the final version of **HB 1521** that is on its way to the Governor's desk.

Human services: Two behavioral health bills head to the Governor's desk. Read up on the latest actions regarding behavioral health systems in Washington.

Pensions: Legislature passes bills impacting PERS costs. Bills that impact city pension costs are headed to the Governor's desk, including a one-time, ad hoc cost-of-living adjustment for PERS 1 retirees and a schedule to reduce and end the unfunded liability surcharge.

Public safety & criminal justice: Doxing bill on Governor's desk. HB 1335 would establish a civil cause of action for the publication of an individual's personal identifying information without consent when published with the intent or knowledge that the information will be used to harm the individual.

Public works & infrastructure: Cities to see higher contract bid limits and other positive changes to procurement standards thanks to passage of public works bill. With last week's passage of **HB 1621**, city procurement standards will be extended and standardized in important ways beginning FY 2025.

Apprenticeship utilization study provision shaped up to get bill shipped out by *sine die*. This year's proposal to expand apprenticeship utilization requirements has had an eventful run and is still going full steam ahead.

continued

Affordable housing

Taking stock of the AWC Housing Solutions Group Proposal

Contact: Carl Schroeder, Shannon McClelland

As we have shared, the 2023 legislative session has seen an incredible amount of action in the housing and land use arena. With the four legislative caucuses prioritizing affordable housing, it was hard to keep up with all proposals at times. One guiding light that AWC used to advocate collectively on these bills was the AWC Housing Solutions Group (HSG) proposal that was introduced prior to session.

As the session concludes, we'd like to revisit the proposal and update you on elements that were enacted, and a few unfortunate ones that were not.

Zoning and density

Passed – AWC ultimately shifted to support one of the biggest policy proposals of the year, Rep. Bateman's (D–Olympia) middle housing bill, **HB 1110**. Although there were some key differences, especially in the units per lot requirement for cities over 75,000 in population, the two proposals are mostly aligned. While AWC proposed three units, the requirement for the largest cities is four units per lot. For smaller cities, the Legislature adopted a unit count that was less than the AWC proposal, only requiring two units per lot unless there are affordability provisions or proximity to transit. For alternative compliance, both AWC's proposal and **HB 1110** include an option for cities to choose the upzone to apply to 75% of single-family residential lots.

Did not pass – We worked hard to find agreement on the transit-oriented development bill from Sen. Liias (D–Edmonds), **SB 5466**. The bill was close to the AWC proposal of no maximum densities around light rail if the development provided affordable housing. A big sticking point was the implications of the floor area ratio concept, and especially the ramifications of having to allow that much square footage on every lot proximate to bus rapid transit. We hope there is continued refinement if this proposal moves forward in the future.

Regulatory streamlining

The HSG advanced a significant platform of regulatory reforms that were almost all adopted. Below are the planks and the bills that passed to implement them.

Passed:

- **SB 5412** – Exempts all residential development from SEPA if the development intensity is consistent with what is planned for in the comprehensive plan and an environmental analysis has been prepared for the impacted area, including multimodal transportation impacts.
- **HB 1293** – Eliminate external design review boards and only allow administrative review of design standards. External design review boards include community volunteer based advisory boards.
- **SB 5290** – Provide state funding assistance for voluntary code audits and to develop more online and streamlined permitting systems.
- **SB 5491** – Support changes to the state building code to facilitate middle housing. **SB 5491** will lead to authorization single-stairwell apartments.

Did not pass:

- **HB 1167** – Apply the residential building code up to six units. Unfortunately, **HB 1167**, which would have addressed the building code application to multiplexes, did not advance.

continued

Infrastructure to support housing

Two major areas of the HSG infrastructure plank were also adopted.

- Restore revenues to the Public Works Assistance Account to ensure infrastructure funding for capacity increases. The Capital Budget restored the diverted revenues from the PWAA which allows an appropriation of \$400 million for infrastructure.
- Continue and enhance the Connecting Housing and Infrastructure Program. The final budget appropriated \$60 million for this program.

Direct investment in affordable housing

Part of this HSG plank may be the most disappointing as session concludes. The good news is there were very strong capital budgets in the housing space, including **HB 1474**, creating homebuyer assistance resources for those who have been harmed by racially restrictive covenants. The bad news is that a landmark proposal to provide state and local resources from a new real estate excise tax (REET), that would have created the first dedicated revenue stream for the Housing Trust Fund, failed to advance in the final days of session.

Passed – Increase funding for cities to plan for housing and density increases.

Did not pass:

- Increase funding for low-income housing by at least \$1 billion per year. Although the state did not hit this mark, very significant investments in housing were made. Unfortunately, we were not able to secure support for a sustainable funding source.
- Provide a new .25% councilmanic local option REET that could be used to fund affordable rentals, affordable home ownership, and infrastructure to support housing; Allow cities to convert local REET taxes to “progressive tiers” mirroring the state.
- Provide additional flexibility for use of lodging taxes for affordable housing.

Budget & finance

Property tax cap fix doesn't make the final plan

Contact: Candice Bock, Sheila Gall

Despite the buzz created by **SB 5770**, a bill introduced in the last days of the session, the Legislature ultimately did not act to revise the 1% cap for state and local property tax to inflation and population, up to 3%. We are disappointed that this modest fix did not pass this year. The current 1% cap is arbitrary and does not keep pace with the costs of city services. Inflation alone has averaged 2.4% in the past decade.

AWC has supported this proposal for a number of years, and we will continue to work with legislators over the interim to educate them about the need for local revenue options to allow cities to keep pace with their expenses.

continued

2023-25 budget deal passes before Legislature adjourns – funds significant programs for cities

Contact: Candice Bock, Sheila Gall

The final 2023-25 operating, capital, and transportation budget proposals were passed by the Legislature on April 22 and 23, just before the Legislature adjourned this year's session. The final compromise \$69.3 billion operating budget funds city priorities such as housing, State v. Blake resentencing, and behavioral health treatment programs. Infrastructure funding for broadband, culverts, and full funding for the Public Works Assistance Account are also included.

There are significant new investments in state housing programs, nearly a billion dollars, with highlights such as \$400 million for the Housing Trust Fund. AWC had advocated strongly that additional ongoing resources in the form of the House's proposed \$4 billion bond measure or **HB 1628** creating a local option REET and increasing the state REET. Unfortunately, none of those new revenues to address the vast need for affordable housing passed this session.

The final budget relies on the Climate Commitment Act's auction revenues from carbon emission allowances to fund new climate resilience and transportation projects for state and local governments. It also transfers \$1.3 billion of the federal pandemic assistance funding for use in the general fund.

The budget includes additional dollars for public safety and court operations. It funds co-responder programs, increases therapeutic court funding, and additional law enforcement training.

The reserves are projected to be \$3.6 billion for 2023-25.

City impacts are highlighted below. For more details and information, see AWC's budget matrix.

Operating budget

- Housing:
 - \$150 million for covenant homeownership program (HB 1474).
 - \$150 million to transition those living in encampments to safer housing, requiring \$120 million to be used for those living on state-rights-of-way.
 - \$130 million for the Housing and Essential Needs program.
 - \$111 million for emergency housing and rental assistance.
 - \$62 million for grants to support O&M costs of permanent supportive housing.
 - \$45.6 million for homeless service contracts.
 - \$18 million for grants to local government to maintain programs impacted by loss of document recording fees.
- Resentencing implementation of State v. Blake: \$11.5 million to assist municipal courts, prosecutors, and defense counsel in resentencing impacted by the Blake decision and \$51.4 million to the Administrative Office of the Courts to operate a centralized statewide legal financial obligations (LFO) refund bureau.
- Community behavioral health and substance use treatment: significant investments for community-based programs like mobile crisis response teams, peer support specialists, enhancements to the 988 system, and therapeutic courts. The Legislature failed to pass SB 5536, the Blake fix, and with it the specific appropriations included in the bill for implementation of additional substance use programs. Read more.
- Basic law enforcement training (BLEA): Funds 23 BLEA classes in both 2024 and 2025, with at least three classes in Spokane each year, and six additional training classes in three regional locations.
- Alternative co-response teams: \$4 million for grants to cities to reimburse the cost of creating alternative response team programs.
- State shared revenues: Funded at anticipated levels.

continued

Capital budget

- \$400 million to the Public Works Assistance Account, which honors the sunset of revenue diversions to education, but continues the \$114 million diversion to the Move Ahead Washington transportation package passed last year.
- \$200 million for broadband, including \$50 million as a federal grant match for the Broadband Equity, Access, and Deployment (BEAD) state grants program and \$150 million in federal funds for broadband grants.
- Significant additional investments in affordable housing construction and other housing needs:
 - \$400 million to the Housing Trust Fund.
 - \$83.2 million for the Inflation Reduction Act HOMES Program.
 - \$60 million for Connecting Housing to Infrastructure (CHIP) grants to local governments.
 - \$40 million for home weatherization.

Transportation budget

- \$287 million for the Transportation Improvement Board:
 - \$3.9 million to Small City Pavement and Sidewalk Program
 - \$14.6 million for Complete Streets grants
 - \$9.3 million for city preservation and maintenance
- \$70 million for Safe Routes to Schools grants.
- \$72.2 million for pedestrian and bicycle safety programs and grants.
- \$1 billion for state and local culverts.
- \$33.7 for clean alternative fuel vehicle charging and refueling infrastructure.
- \$23.7 million for pilot federal fund exchange pilot program.
- \$2.5 for WSDOT to coordinate with local governments and private entities to recommend new truck parking sites.
- \$300,000 from cities' share of fuel tax revenues for JTC to convene a study of a statewide retail delivery fee.
- \$300,000 from cities' share of fuel tax revenues for a JTC-MRSC joint study on collaborative partnerships on local delivery of state projects.

continued

Economic development

TIF fixes make it across the finish line

Contact: Candice Bock, Jacob Ewing

Tax Increment Financing (TIF) may only be a couple years old, but some critical fixes passed the legislature during the final days of session.

As a reminder, TIF is a public financing program that allows local governments to use the increased property tax revenue generated by a development project to finance the costs of that project. Local jurisdictions that utilize TIF benefit from improved public infrastructure, increased economic development, and local job growth. For a recent example of a city using TIF, check out this story from Wenatchee (https://www.wenatchee-world.com/news/wenatchee-creates-tax-increment-financial-district-for-its-north-wenatchee-redevelopment-plan/article_7ffba790-b6e7-11ed-aa8d-b35e0359a70c.html).

As passed by the legislature, **HB 1527** makes several changes to the local tax increment financing program, including:

- Clarifying the definition of real property to ensure that private investments made on state and local government-owned land are included in the increment value.
- Ensuring that the relocation and construction of a government-owned facility is included as an eligible project.
- Providing clarification to definitions of increment value and tax allocation base value for consistency with current law.
- Clarifying notice requirements for the creation of a tax increment area.
- Creating consistency with current law for add-on levies codified in RCW 84.55.010.

The bill was delivered to the Governor for signature on April 19.

continued

HR & labor relations

Bill to create “good faith” standard for self-insured cities bounces back and forth in session’s final days

Contact: Candice Bock, Matt Doumit

The bill creating a “good faith” standard for cities that self-insure for workers’ compensation bounced back and forth between the House and Senate as they worked to agree on a final version in the last days of session.

Readers will remember that **HB 1521** creates a duty of “good faith” for self-insured employers and their third-party administrators towards workers in self-insured workers’ compensation programs, with penalties for violating good faith.

HB 1521 passed out of the House on March 1 with a 69-27 vote. AWC was able to negotiate a Senate amendment to include language clarifying that it doesn’t create a private right of action. Additionally, the Senate narrowed its scope to only apply to municipal self-insured employers. It passed the Senate on a 32-17 vote on April 10. On April 13, the House refused to accept the Senate’s amendments and asked the Senate to recede. The Senate receded from their earlier amendments on April 20, but adopted new amendments and sent the bill back to the House on a 29-19 vote. The House accepted the final amendments and passed the bill on April 22 with a 84-14 vote.

The crux of the disagreement between the chambers was over the narrowing of the bill to exclude private employers. The final version of the bill now limits the new “good faith” standard to municipal self-insured employers and self-insured private sector firefighter employers. It also provides some definition to “good faith” to require fair dealing and equal consideration of workers’ interest. Inadvertent or minor delays or errors are not considered violations of good faith. The amendment reworks the penalties for violations, with repeat violators of good faith (three or more times over three years) being subject to loss of self-insurance certification by L&I and creates some ground rules around how such de-certifications are enforced. Finally, the amendment continues to clarify that the bill does not create a private right of action, and that only L&I has jurisdiction to enforce the “good faith” standards.

There are 18 cities that self-insure for workers’ compensation.

continued

Human services

Two behavioral health bills head to the Governor's desk

Contact: Lindsey Hueer, Katherine Walton

HB 1134 adds additional enhancements to the 988 behavioral health crisis response and suicide prevention system. The bill focuses on the question of “who to call” when an individual needs crisis behavioral health support for themselves or someone else. This bill establishes liability protection for several entities and personnel for activities related to the dispatching decisions of the hotline and the transfer of calls between 911 and 988. The bill also creates an endorsement for 988 rapid response crisis teams that meet standards and a grant program to support them. AWC supports expansion of the 988-line to provide cities with a more robust service for their residents. The House concurred with the Senate amendments and is headed to the Governor's desk for final signature.

Joining **HB 1134** is another behavioral health system expansion – **HB 5120** establishes 23-hour crisis relief centers as a new category of credentialed behavioral health facilities. In contrast to **HB 1134**, this bill focuses on “where to go” when someone is in behavioral health crisis. 23-hour crisis relief centers would be open 24 hours per day, seven days a week and accept anyone in a behavioral health crisis who walks in the door, are brought in by first responders, or are referred through the 988 behavioral health crisis system. With very limited exceptions, all law enforcement referrals would need to be accepted. Centers would provide services and coordinate care, limiting patient stays to less than 24 hours in most cases. The bill would also eliminate triage facilities as a behavioral health category and convert those existing triage facilities into crisis stabilization units. AWC supports this important first step to expanding crisis behavioral health treatment services.

continued

Pensions

Legislature passes bills impacting PERS costs

Contact: Candice Bock, Matt Doumit

Two bills that impact city pension costs have passed the Legislature and are on their way to the Governor. The bills include a one-time, ad hoc cost-of-living adjustment for PERS 1 retirees and a schedule to reduce and end the unfunded liability surcharge.

Ad hoc PERS 1 COLA

The House and Senate agreed on the Senate's version of **SB 5350** to provide an ad hoc, one-time COLA for PERS 1 retirees. The Senate originally passed its version of the bill in late February. The House amended it on April 12, delaying the impact of COLA costs on contribution rates until 2027 and specifying that a supplemental contribution would not be charged, but the Senate refused to concur. The House agreed to remove its amendments on April 19 and passed the Senate's version of the bill with a unanimous vote. It now goes to the Governor's desk for signature.

The final version of the bill provides a one-time 3% COLA for PERS 1 retirees, capped at \$110 per month, starting July 1, 2023. The Select Committee on Pension Policy is also directed to study and make recommendations on an ongoing, automatic annual COLA for PERS 1 retirees. Since the House's amendments were not adopted, the COLA will be funded through the traditional method of the unfunded actuarially accrued liability (UAAL) surcharge. According to the fiscal note (<https://fnspublic.ofm.wa.gov/FNSPublicSearch/GetPDF?packageID=65625>), the additional cost to the UAAL is expected to cost local governments an additional \$148.7 million over the next 10 years.

This marks the fourth time since 2018 that the Legislature has voted on a one-time, ad hoc COLA for PERS 1.

UAAL sunset

The Legislature also settled on the Senate's version of **SB 5294** as the final bill that aims to phase out the unfunded actuarially accrued liability (UAAL) surcharge. The Senate originally passed its version of the bill in late February, and the House amended it on April 5 to add an additional year to the schedule and readjust the rates to phase out the UAAL while lowering the final default rate to 0.25%. The Senate rejected the House's amendments and the House agreed to recede, passing the Senate's version of the bill with a unanimous vote.

The final bill gradually reduces the UAAL rates according to the schedule below and establishes a new minimum UAAL rate of 0.5% for PERS 1, but that rate is only triggered if PERS 1 is less than fully funded.

SB 5294 schedule of new UAAL rates for PERS 1				
FY ending June 30	2024	2025	2026	2027
New rate	2.5%	2.0%	1.5%	0.5%

The Office of the State Actuary expects PERS 1 to be fully funded in 2026. The fiscal note (<https://fnspublic.ofm.wa.gov/FNSPublicSearch/GetPDF?packageID=67971>) anticipates that the bill will save local governments \$348 million in the 2023-25 biennium. It is unclear how the passage of **SB 5350** changes those expectations. It now goes to the Governor's desk for signature.

continued

Public safety & criminal justice

Washington Legislature fails to pass *Blake* fix before end of session

Contact: Candice Bock, Lindsey Hueer, Katherine Walton

On the final day of the legislative session, the House voted against the conference committee report on **SB 5536**, the *Blake* fix, 43-55. AWC expects the legislature will continue to discuss this issue and attempt to reach a resolution prior to the expiration of current law on July 1. If they are able to reach consensus on a *Blake* fix that can pass both chambers, the Governor has indicated he will call a special session prior to July 1. City officials are invited to join AWC staff this Thursday, April 27 at 8:30 am for an update on what happened and what might happen next. Register now (<https://wacities.zoom.us/meeting/register/tZwkcOCvrzgvE9MPDeDhzwmfkWFINZYn2fHq>).

How did we get here?

The Senate passed a version of the bill at the beginning of March that made possession of counterfeit and controlled substances a gross misdemeanor with a set process for diverting or vacating those sentences for individuals who completed substance use treatment (read more (<https://wacities.org/news/2023/03/08/blake-fix-passes-senate>) about the Senate version of the bill).

The Senate then sent the bill, which AWC supported, to the House of Representatives. The House, over the past month and a half, have made significant changes to the bill including making possession a simple misdemeanor, added possession and use in a public place to the list of criminal charges, and changed the process by which an individual is diverted into treatment or a sentence can be vacated (read more (<https://wacities.org/news/2023/04/14/em-blake-em-bill-passes-house-awc-sends-message-to-legislators-on-reconciling-the-senate-and-house-versions>) about the House changes). The bill then went back to the Senate for concurrence and the Senate members refused to accept the changes made by the House, sending the bill into a conference committee.

The conference committee version was largely similar to the House-enacted version, though it made knowing possession, and knowing possession and use, of a controlled substance or counterfeit substance a gross misdemeanor. While AWC had concerns about the conference committee report, we did not oppose the bill. However, the conference committee report ultimately did not have enough support within the legislature to be enacted.

Overall, the version of the bill that the conference committee developed was consistent with AWC's policy position of a clear criminal penalty for drug possession with a focus on diverting people into treatment in lieu of criminal penalties. Where our concerns arise was in the technical construct of the bill and ability to implement the bill in a functional way. We had heard concerns from city attorneys as well as county prosecutors that the way the bill was drafted could make it too difficult to successfully implement, effectively making it impossible to bring a criminal case and use the diversion process to get people to accept treatment. Unfortunately, negotiators refused to address these technical issues over the final week of session.

In the end, the bill faced opposition from some Democrats who didn't support criminalization of drug possession (or at least not making it a gross misdemeanor) and from Republicans who felt the bill was unworkable. The result was a bill that couldn't pass the House and not enough time left Sunday night to come back and try again.

Join AWC staff on Thursday, April 27 at 8:30am for an update. Register now! (<https://wacities.zoom.us/meeting/register/tZwkcOCvrzgvE9MPDeDhzwmfkWFINZYn2fHq>)

continued

Doxing bill on Governor's desk

Contact: Candice Bock, Lindsey Hueer, Katherine Walton

A bill that establishes a civil cause of action for doxing sits on the Governor's desk awaiting signature. **HB 1335** would prohibit publication of an individual's personal identifying information (like phone number or address) without consent when the publishing of that information is made with intent or knowledge that the personal identifying information will be used to harm the individual. Certain conduct related to doxing could already qualify as a criminal offense – for example, harassment or stalking – but this adds a civil cause of action against the person who publishes the information. A prevailing claimant would be able to recover damages of \$5,000 per violation.

Public works & infrastructure

Apprenticeship utilization study provision shaped up to get bill shipped out by *sine die*

Contact: Brandy DeLange, Brianna Morin

This year's proposal to expand apprenticeship utilization requirements for public works projects has had an eventful run.

HB 1050 will eventually require that contractors hired for municipal public works projects estimated to cost \$1,000,000 or more have at least 15% of the labor hours performed by apprentices.

The most recent amendments made to the bill occurred in the Senate, where the legislation was updated to allow the new threshold to be phased in over time. The requirements will only apply to contracts of more than \$2 million until July 1, 2026, contracts of more than \$1.5 million from July 1, 2026, until July 1, 2028, and contracts of more than \$1 million after July 1, 2028. AWC wrote about this change and more here (<https://wacities.org/news/2023/03/31/cities-permitted-to-phase-in-apprenticeship-utilization-through-2028>).

Last week, per the request of the House, the Senate further amended the legislation, specifically the provision directing the Department of Labor & Industries (L&I) to study and report on public works project outcomes related to apprenticeship utilization requirements. The changes refine the guidelines provided to L&I and improve the feasibility of implementing the study. The amendments do not impact the new apprenticeship requirements for cities.

HB 1050 cleared the House by a vote of 57-38. It was signed by the House Speaker and the Senate President and now awaits the Governor's signature.

continued

Cities to see higher contract bid limits and other positive changes to procurement standards thanks to final passage of public works bill

Contact: Brandy DeLange, Brianna Morin

With last week's passage of **HB 1621**, city procurement standards will be extended and standardized in a few important ways beginning FY 2025.

As regular *Bulletin* readers know, while recently in the Senate, **HB 1621** was amended to delay implementation of the bill until Capital Projects Advisory Review Board (CPARB) formally reviews the legislation and makes recommendations to the appropriate legislative committees.

Last week, the House concurred with the Senate amendment by a unanimous vote and the House speaker signed the bill. It now goes to the Senate President for signature before heading to the Gov's desk for final signing. Pending CPARB's review and recommendation, **HB 1621** will take effect June 30, 2024.

As a reminder to readers, **HB 1621** updates local government procurement law by each class of city.

Towns and second-class cities:

- Can complete a public work by contract or day labor without calling for bids if the estimated budget doesn't exceed \$150,000 (up from the current \$116,155).
- Any purchase of supplies, material, or equipment (except for public work or improvement) with an estimated cost over \$40,000 must be by contract. Any purchase of materials, supplies, or equipment estimated to cost less than \$50,000 must be made using the informal vendor list process (RCW 39.04.190).

First-class cities:

- If the lowest bidder for a city project has completed a project for that city within the previous three years which was late, over budget, or did not meet specifications, the city may choose the second lowest bidder whose bid is within 5% of the lowest bid and meets the specified criteria.

Towns and first- and second-class cities:

- Regularly employed personnel can, without a contract, perform work that follows accepted industry practice. More specifically, they can perform work without a contract using material whose worth is under \$300,000 in value. The \$300,000 limit does not include the value of the individual items of equipment.

The authority provided in **HB 1621** to towns, first- and second-class cities is extended to code cities, per state law. Code cities will therefore benefit from the new power as well.

AWC supported the bill.

continued

AWC Legislative contacts

During the legislative session, AWC's lobbyists often are unable to return your phone calls immediately. If you have a legislative or specific issue question, please request AWC's analyst staff, or send them an email.

Call AWC at (360) 753-4137 or 1-800-562-8981

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