



DATE: July 24, 2023
TO: Mayor Robinson and City Councilmembers
FROM: Genesee Adkins, Chief of External Affairs
Briahna Murray, Gordon Thomas Honeywell Government Relations
SUBJECT: State Legislative Update

July State Legislative Summary

Notable Political Announcements

The June State Legislative Update included a full summary of announcements and potential shifts within the Washington State Legislature. A few additional announcements have since been made:

2024 Governor's Race

As previously mentioned, Washington's current governor, Jay Inslee, has announced he is not running for re-election. His term ends December 31, 2024, and his successor will be elected in the November 2024 general election. Several candidates have announced they plan to run for the position and the field of candidates will be narrowed to the top two candidates in the August 2024 primary. Here is a brief rundown of the top candidates that have announced:

- **Bob Ferguson**, a Democrat and current Attorney General
- **Hilary Franz**, a Democrat and current Public Lands Commissioner
- **Mark Mullet**, a moderate Democrat and current State Senator for the 5th LD
- **Semi Bird**, a Republican from the Tri-Cities and former school board director

In a recent shake-up to the field of candidates, **Raul Garcia**, a Republican from Yakima who is a physician and immigrant from Cuba, has bowed out of the gubernatorial race to make way for **Dave Reichert**, former US Representative for the 8th congressional district and King County Sheriff. The implication of this announcement is that it may make it more difficult for Semi Bird or moderate Democrat Mark Mullet to advance as one of the top two candidates in the August primary.

Washington State Attorney General's Race

As reported last month, **Sen. Manka Dhingra** (D-45 LD) has announced she is running for Attorney General. This month, Democrat and former US Attorney for the Western District of Washington, **Nick Brown**, announced he is also running for the position, and Governor Jay Inslee endorsed him for the position. Thus far, a strong Republican candidate has not announced to run for the position. This is likely to be a Democrat versus Democrat race.



Commissioner for Public Lands

In last month's report, we mentioned that moderate Democrat **Sen. Kevin Van De Wege** (D-24 LD) was rumored to be running for Public Lands Commissioner. He has since formally announced for the position, and **Rep. Mike Chapman** has officially announced that he will run for the LD 24 senate seat. Former LD 47 senator **Mona Das** (D) has also announced that she will run for Public Lands Commissioner.

Association of Washington Cities Legislative Agenda Development

The [AWC Legislative Priorities Committee](#) has begun meeting to develop the Association's 2024 legislative agenda. Emerging themes include authorizing a REET III for housing, increasing funding for the retention and recruitment of law enforcement officers, refining public safety policies around possession of controlled substances and vehicular pursuits, and continuing to engage in discussions around affordable housing and transit-oriented development.

Legislative Committee Meetings

During the legislative interim, legislative committees often hold work sessions to hear updates on reports, workgroups, or task forces that are being conducted as a result of legislative direction. These interim work sessions sometimes foreshadow an issue that may emerge in a subsequent legislative session.

- [6/20: Joint Transportation Committee](#) met in Spokane in conjunction with the Association of Washington Cities (AWC) conference to discuss electric vehicle incentives for high consumption fuel users, city transportation equity, ultra high-speed rail, and the committee's work plan schedule for 2023:
 - o *Incentives for high consumption fuel users to transition to electric:* A budget proviso in the 2022 supplemental budget funded a study on high-consumption fuel users (HCFUs) and potential policy recommendations to aid in electric vehicle (EV) conversion for these users. The study found that the top 10 percent of high consumption fuel drivers consume 26 percent of all fuel in the state. Among HCFUs, 86 percent drive SUVs, pickup trucks, or vans. Survey results indicated that losing the ability to haul and tow is a barrier to converting to electric. The study recommended enhancing electric vehicle purchase incentives and increasing the availability of Level 2 and fast chargers at existing gas stations and along key highway corridors to encourage electric vehicle adoption amongst HCFUs.
 - o *Update on the state's Transportation Electrification Strategy:* The Transportation Electrification Strategy includes forecasts of EV usage in the future and how much charging infrastructure will be needed. Under the baseline policies and economics, it is unlikely that 2030 EV sales target will be met. The state will need



2.7 million residential charging ports by 2035, and focusing on charging at multi-family homes in order to improve EV equity was recommended.

- *Transportation Equity:* Representatives from the cities of Tacoma, Spokane, and the Twisp/Okanogan Regional Transportation Planning Organization were invited to share information about their efforts toward transportation equity. The City of Tacoma discussed how staff use the Equity Index mapping tool to target infrastructure improvements in areas of the community with lower opportunity. The City of Spokane stated that they are in the process of determining desired outcomes and community priorities and are working on an anti-displacement strategy around the new Bus Rapid Transit line. The Twisp/Okanogan team shared how they are collaborating at the regional level to increase community engagement and leverage funding opportunity. They stated that more technical assistance and capacity-building grants are needed.
 - *Ultra High-Speed Rail:* The Legislature was commissioned to review the three previous studies on the potential Cascadia High-Speed Rail project that would run from Vancouver, B.C. to Eugene, Oregon. Existing ultra high-speed rail lines exist in Europe and Asia. The review highlighted several deficits, partly because the prior studies were conducted before the COVID-19 pandemic. The capital costs were underestimated while the induced demand was likely overestimated. Full economic impacts were underreported in the studies because the Portland metro area was excluded from the modeling. Additionally, the previous studies were agnostic to technology, but the consultants stated that only ultra-high-speed rail can achieve the one-hour travel time between major cities. Lastly, the review found that the former studies included unrealistic schedules for establishing the governance structure as well as project delivery. The study also looked at whether a hybrid rail line could be created using existing Amtrak rail service and then adding high-speed rail to portions of the rail line. The presenting consultants advised the Committee that the most appropriate next step would be for the Legislature to appoint a coordinating committee and development entity to advance the conversation beyond feasibility.
- [6/27: House Postsecondary Education & Workforce Committee](#) met virtually to discuss automation and the future of the workforce and vocational education and apprenticeships versus college.
- *Automation:* A recent survey of business executives indicated that as many as one in five jobs will be replaced by AI in the next three years. Representatives from the University of Washington provided a demonstration of ChatGPT and noted that white-collar jobs are most at risk. A representative from HP shared perspective that AI is best utilized when hyper-focused on a single task, such as predicting where wildfires will occur, but is not yet sophisticated enough to replace human efforts. Legislators had several questions related to the existing regulatory landscape, privacy, and ethics. It was noted that the federal



government will be slow to regulate, but several states are establishing task forces to explore AI regulation.

- *Apprenticeships versus college*: The presentations on vocational education and apprenticeships highlighted the high correlations between educational attainment and income. In career and technical colleges, awards in IT, heating and cooling, and teacher education are increasing, while awards in building/construction, health administration, and vehicle repair are decreasing. There is a projected deficit in software developers and a surplus in industrial engineering awards compared to the number of jobs available in those fields. It was recommended that apprenticeship pathways be made more accessible and transparent and that support be given to non-traditional class schedules and stackable credentials. There are over 3,400 employers in Washington state registered apprenticeship programs, and 22,200 active participants. Growth industries include healthcare, electrical, para-educator, and water utility management.
- **7/13: Senate Labor & Commerce Committee** convened to hear updates from the Department of Labor & Industries on prevailing wage, apprenticeship utilization, and workers' compensation return to work.
 - *Prevailing Wage*: The Prevailing Wage Manager shared an update following the Washington State Supreme Court's decision in late 2022 to uphold current state law requiring the state to adopt a wage rate from collective bargaining agreements (CBAs) for a given trade. The Association of General Contractors argued that the law violates the non-delegation doctrine in the state Constitution. The case is being remanded to the Court of Appeals. Staff shared that the department is prepared to return to conducting surveys of wage rates in the trades if an opposite ruling is made by the Court of Appeals. The ruling is not likely to be made until after the 2024 session.
 - *Apprenticeships*: The Apprenticeship Program Manager provided an overview of how the department is implementing policies passed in recent legislative sessions. Current law requires state agencies, school districts and four-year institutions of higher education to have at least 15% apprenticeship utilization on projects over \$1 million. There are specific reasons the requirement may be waived or lowered. House Bill 1050, passed in the 2023 session, expanded this requirement to municipalities by requiring 15% utilization on projects over \$2 million by July 1, 2024 and projects over \$1.5 million by July 1, 2026. The Municipal Research Services Center (MRSC) is providing training, information and ongoing technical assistance to support municipalities with these requirements. Additionally, the Department will be conducting a study to determine the use of apprentices and increase diversity of apprentices. Staff also shared statistics on apprenticeship participation in the state:
 - Construction trades: 8% women; 35% racial minorities; 8% veterans
 - Non-construction: 38% women; 31% racial minorities; 9% veterans



Washington State's apprenticeship participation rates among these groups are better than the national average across the board. Additionally, the average salary for individuals completing apprenticeship programs is \$95,000 per year.

- *Return to work:* The Deputy Assistant Director briefed the committee on return-to-work programs. Chair Karen Keiser (D- Kent) had requested the briefing after legislation that she sponsored this past session on wage replacement failed to make it to the finish line. Of the approximate 100,000 claims received by the department each year, 85 percent are allowed, 26.5 percent develop short-term disabilities (receiving benefits for less than a year), and five percent develop long-term disabilities. The department targets early intervention while workers are in the short-term phase to identify opportunities for stay-at-work incentives and light-duty work. Under current state law, workers must accept an offer for light-duty work from their employer in a reasonable amount of time or else their worker's compensation benefits conclude. It was noted that stakeholders have expressed concern that light-duty work is not always meaningful and can feel demeaning for the worker.

Below are the legislative committee activities scheduled for the coming weeks:

- [7/26: Senate Housing Committee](#) will be meeting in Vancouver to discuss expanding housing accessibility and stability.
- [7/27: House Local Government Committee](#) will be meeting in Olympia to discuss Growth Management Act planning from the local government perspective.

Ongoing Hot Topic: Transit-Oriented Development

During the 2023 legislative session, the Legislature considered [Senate Bill 5466](#), regarding transit-oriented development. The legislation advanced significantly through the legislative process but did not pass. Since the conclusion of the legislative session, many legislators have indicated that they expect the discussion of transit-oriented development to continue in the 2024 session. The Association of Washington Cities (AWC) organized a roundtable discussion on the topic in conjunction with the AWC Annual Conference. **Councilmember Jennifer Robertson** participated in the roundtable discussion on behalf of the City of Bellevue. While there are many different concepts being suggested and discussed by several legislators, it's unclear what the 2024 proposal on transit-oriented development will be, or whether there will be multiple proposals.

2024 Legislative Session

The 2024 Legislative Session begins on January 8, 2024 and is scheduled to last for 60 consecutive days. All bills introduced during the 2023 session that did not pass will be automatically reintroduced in the 2024 session.