

SENATE BILL REPORT

ESHB 1282

As of March 14, 2023

Title: An act relating to environmental and labor reporting for public building construction and renovation material.

Brief Description: Requiring environmental and labor reporting for public building construction and renovation material.

Sponsors: House Committee on Capital Budget (originally sponsored by Representatives Duerr, Hackney, Berry, Ramel, Doglio, Reed and Pollet; by request of Department of Commerce).

Brief History: Passed House: 3/8/23, 57-40.

Committee Activity: Environment, Energy & Technology: 3/15/23.

Brief Summary of Bill

- Requires all newly executed construction contracts for covered projects larger than 100,000 gross square feet to include specified environmental and manufacturer information beginning July 1, 2024.
- Requires all newly executed construction contracts to include specified environmental and manufacturer information beginning July 1, 2026.
- Specifies the Department of Commerce (Commerce) must continue to develop and maintain the publicly available database funded by the 2021-2023 Omnibus Operating Appropriations Act.
- Requires Commerce to convene a technical work group by December 1, 2023.

SENATE COMMITTEE ON ENVIRONMENT, ENERGY & TECHNOLOGY

Staff: Angela Kleis (786-7469)

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Background: In 2021, the Legislature commissioned the Buy Clean Buy Fair Washington Project pilot study. The pilot study required the Department of Commerce (Commerce) to contract with the University of Washington College of Built Environments to create a database and reporting system to collect product, manufacturer, environmental, and labor information for state-funded construction projects and to conduct a case study using pilot projects.

A final report including recommendations for the reporting system based on lessons learned and findings from the case study was submitted to the Legislature on November 1, 2022.

Summary of Bill: Reporting Requirements. Beginning July 1, 2024, an awarding authority must require in all newly executed construction contracts that the selected firm for a construction contract for a covered project larger than 100,000 gross square feet to submit the following data for each covered product used before substantial completion:

- product quantity;
- a current environmental product declaration (EPD);
- health production declaration, if any;
- manufacturer name and location;
- supplier code of conduct, if any;
- Office of Minority and Women-owned Business Enterprises certification, if any;
- names and locations of the actual production facilities; and
- working conditions at the actual production facilities for all employees.

Beginning July 1, 2026, these reporting requirements apply to all newly executed construction contracts.

If a supply chain specific EPD is not available, a product and facility specific report may be submitted.

The reporting requirements do not apply to a covered product if the awarding authority determines the requirements would cause significant delay in project completion, significant increase in overall project cost, or result in only one product supplier being able to provide the covered product.

Financial Assistance. Subject to appropriations, Commerce may provide financial assistance to small businesses to help offset the costs of producing an EPD.

Specifications. By July 1, 2024, and to the extent practicable, specifications for a bid or proposal for a project contract by an awarding authority may only include performance-based specifications for concrete used as a structural material. Awarding authorities may continue to use prescriptive specifications on structural elements to support special designs and emerging technology implementation.

Database. Commerce must continue to develop and maintain the publicly accessible

database funded in the 2021-2023 Omnibus Operating Appropriations Act and created in conjunction with the University of Washington College of Built Environments. The database must publish global warming potential as reported in the EPDs.

By July 1, 2024, Commerce must:

- further elaborate covered product definitions;
- develop measurement and reporting standards;
- create model language for specification, bid documents, and contracts; and
- produce specified educational briefs.

Work Group. By December 1, 2023, Commerce must convene a technical work group (work group). Membership includes industry professionals, manufacturers, state agencies, environmental groups, and labor unions. The purpose of the work group is to identify opportunities for and barriers to growth of the use and production of low carbon materials, promote high labor standards in manufacturing, and preserve and expand low carbon materials manufacturing in Washington.

The work group must submit two reports:

- by September 1, 2024, a low carbon materials manufacturing plan report; and
- by September 1, 2025, a report including policy recommendations and specified information such as an evaluation of options for collecting reported working condition information from product suppliers and recommendations for improving EPD quality.

Budget Instructions. The Office of Financial Management must include in its capital budget instructions, beginning with the instructions for the 2025-2027 biennium, information informing awarding authorities of the data and information requirements in this act.

Miscellaneous. The bill includes a severability clause.

Appropriation: The bill contains a section or sections to limit implementation to the availability of amounts appropriated for that specific purpose.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.