



STATE OF WASHINGTON
Capital Projects Advisory Review Board

December 20, 2023

The Honorable Davina Duerr, Chair
House Local Government Committee
House of Representatives
Post Office Box 40600
Olympia, Washington 98504-0600

The Honorable Liz Lovelett, Chair
Senate Local Government, Land Use
& Tribal Affairs Committee
State Senate
Post Office Box 40440
Olympia, Washington 9804-0440

Re: 2023 SHB 1621 Review Report

Dear Representative Duerr and Senator Lovelett:

The 2023 Legislature passed Substitute House Bill 1621 standardizing a number of issues and limits for multiple public entities, including first and second-class cities, public utility districts (PUDs), water-sewer districts, and fire districts. The effective date of the bill was delayed to June 30, 2024, to allow the Capital Projects Advisory Review Board (CPARB) to review and make recommendations to the legislature by December 31, 2023.

Public entity stakeholder representatives have restated SHB 1621's purpose is to address the need for flexibility to perform work with regularly employed personnel in situations when the practice provides an efficient and effective means to address an exigent circumstance.

Labor, private industry, and subcontractor stakeholder representatives do not support SHB1621's purpose and effective date given the breadth of the policy questions and impacts on contractors who pursue smaller public works contracting projects. This bill, by increasing thresholds for self-perform work by public entities, effectively reduces the number of public bid project opportunities which may otherwise be offered to public contractors, including small and disadvantaged businesses.

The CPARB created the SHB 1621 Review Committee with members of public, private industry and stakeholders to consider the impacts of this bill and identify recommendations. The Committee met biweekly from June to December 2023 and submitted their recommendations to CPARB. The CPARB Recommendations on SHB 1621 Report shares CPARB's unanimous recommendations for your consideration and is the beginning of deeper conversations with impacted stakeholder groups for further recommendations.

CPARB appreciates the continued opportunity to serve the legislature and thank you for entrusting us to provide the stakeholder work needed for such multifaceted legislation. If you have any questions, please contact lead staff for CPARB, Nancy Deakins at nancy.deakins@des.wa.gov or (360) 280-6236 or myself at zahn.j@portseattle.org or (206) 388-8584.

Sincerely,

Janice Zahn, P.E.
CPARB Chair

cc: CPARB Members
Tara Smith, Director, Department of Enterprise Services
Ashlee Delaney, Government Relations, Department of Enterprise Services
Maurice Perigo, Chief Operations Officer, Department of Enterprise Services
Bill Frare, Assistant Director FPS, Department of Enterprise Services
Janet Jansen, EAS Program Manager, Department of Enterprise Services
Nancy Deakins, CPARB Staff, Department of Enterprise Services