



Delay the Clean Buildings Law for Hospitals until 2028

Background

Washington State's clean buildings law requires commercial building owners to make energy efficiency investments in their buildings to satisfy the state's energy performance standard. For most hospitals, planning must be underway now for compliance in 2026 and 2027. However, many hospitals are facing financial difficulties due to significant and unsustainable losses resulting from the aftermath of the COVID-19 pandemic, which impacts their ability to prepare for compliance. Limited financial resources, plus rising costs due to inflation, have created an environment in which it is difficult for hospitals to comply with this new law.

WSHA Position

Hospitals want to comply with the law, as cleaner buildings help foster healthier communities and ultimately save resources. But upfront resources for investments are scarce. Allowing hospitals to use the existing 2028 compliance date for smaller buildings provides larger hospitals time to recover from the pandemic and make the necessary investments to reduce their energy use.

Key Messages

- Hospitals have lost \$1.66 billion from operations as of September 2022. Losses as a result from increasing employee wages, paying high cost for temporary labor and increases in supply costs. Resources are currently limited for the tasks necessary to comply with the clean buildings law.
- Delaying hospitals' compliance until 2028 provides more time to plan while their finances improve. This will help foster compliance, rather than imposing fines or granting special exemptions for the law's inaugural compliance cycle.
- Over 90% of surveyed acute care hospitals report that the COVID-19 pandemic and aftermath has negatively impacted their compliance planning. Beyond financial challenges, hospitals are facing project price increases due to inflation, supply chain challenges, vendor shortages, internal staffing challenges to complete compliance work and difficulty focusing organizational attention on compliance. Delaying the law for hospitals until 2028 allows them to cope with these factors.
- Hospital building improvement projects require careful planning to ensure projects are on budget, on schedule, and compliant with applicable federal and state regulations. Delaying hospitals' compliance until 2028 will provide extra time to implement energy efficiency measures on a schedule that reflects hospitals' current operational needs.

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