

The Buy Clean and Buy Fair Washington Act

Leveraging public purchasing to cut emissions and grow clean manufacturing

Buy Clean and Buy Fair policies promote spending taxpayer dollars on materials that are manufactured with high environmental and labor standards. This harnesses existing state spending to cut industrial carbon emissions and level the playing field for local and domestic manufacturers with responsible business practices that invest in reducing pollution.

THE CHALLENGE

Washington, like most states, currently does not consider carbon pollution or working conditions in purchasing materials for publicly funded infrastructure projects. Polluting and exploitative manufacturers—often outside the United States—are treated the same as manufacturers that meet high environmental and labor standards. This puts clean and responsible producers at a competitive disadvantage and drives manufacturers out of state and offshore in search of lower-cost production.

The resultant decline in local and domestic manufacturing has eroded the middle class and contributed to soaring income inequality. Washington has been hit especially hard by trade-related job loss—and it is accelerating. Recent analysis from the Washington Fair Trade Coalition Education Fund shows that trade-related job loss increased 133% from 2017-2019 relative to 2014-2016.¹

This race to the bottom is also bad for our climate. Each year, the United States imports manufactured goods containing 1.4 gigatons of “embodied” greenhouse gas emissions. Many of these materials could be produced by American workers but are now imported from countries with lower environmental standards. Researchers estimate that nearly 25 percent of the world’s total emissions pass through this “carbon loophole”.²

THE OPPORTUNITY

Washington can leverage the hundreds of millions of taxpayer dollars it spends each year on public

works to close the carbon loophole and promote fair competition by incorporating carbon emissions and labor standards into purchasing of materials for state-funded infrastructure projects.

Actions like these promote competitiveness for Washington manufacturers with high environmental and labor standards. It also sets the stage for a new era of Washington manufacturing by growing demand for fairly produced low-carbon materials.

Demand for low-carbon materials is already rising rapidly. For example, Apple recently announced that it is tackling emissions throughout its supply chains by integrating cutting-edge, low-carbon aluminum.³ With its green electric grid and skilled workforce, Washington is perfectly positioned to capture this demand. The state is already home to multiple world-class manufacturing facilities for materials like steel rebar and aerospace aluminum plate.⁴

POLICY SUMMARY

The Buy Clean and Buy Fair Washington Act (HB 1103) is an important first step toward cutting embodied carbon and leveling the playing field for state and domestic manufacturers with high environmental standards that treat workers fairly.

The policy establishes reporting on the quantity and carbon content of structural materials purchased for public works, as well as the labor conditions at production facilities. It also directs the Washington State Department of Commerce to maintain a publicly accessible database to enable reporting and promote transparency.

Disclosure will yield insight into existing purchasing and material use. This will provide policymakers with useful data to establish ambitious but reasonable performance standards that are Washington-specific. In addition, disclosure requirements will build industry capacity to meet future performance standards.

Leveraging public purchasing to maximize public good is not novel. Washington currently requires state contractors to pay prevailing wage and meet apprenticeship utilization requirements. Provisions like these promote high-road jobs and maintains a skilled and trained workforce. The Buy Clean and Buy Fair Washington Act similarly aligns public spending with the state's climate change and economic goals.

Buy Clean and Buy Fair also advances Washington's commitment to high-performance buildings. State-funded building projects over 5,000 square feet and major renovations must meet at least LEED Silver Standards. Executive Order 20-01 further raised the bar by calling for all new state buildings to be zero energy or zero energy-capable and to consider net-embodied carbon. In November 2020, Governor Inslee and the Pacific Coast Collaborative launched a low-carbon construction task force aimed at making the Northwest a leader on embodied carbon. The Buy Clean and Buy Fair Washington Act helps achieve these important goals.

POLICY DETAIL

Covered projects: The policy applies to construction projects larger than 50,000 square feet or building renovation projects where the cost is greater than 50 percent of the assessed value and the project is larger than 50,000 square feet.

Covered products: The policy applies to a specific set of products across four materials categories: structural concrete, reinforcing steel, structural steel, and engineered wood products. Structural materials account for 80 percent of a building's embodied carbon footprint.⁵

Embodied carbon reporting: The policy requires state contractors to submit Type III environmental product declarations (EPDs) for covered products. Often described as "nutrition labels", EPDs are the building industry standard for reporting embodied carbon. The Buy Clean and Buy Fair Washington Act requires that EPDs include supply-chain specific data for production processes that contribute to 80 percent or more of a product's cradle-to-gate global warming potential and report the overall percentage of supply-chain specific data. This ensures accurate reporting because end-stage fabricators or manufacturers cannot substitute industry averages

product's carbon footprint. It is important to note that EPDs can only be used to evaluate the carbon footprint of products within a product category; they cannot be used to compare products across material categories.

Labor conditions reporting: State contractors must also collect and report data from suppliers on the working conditions at their production facilities and supply chain management. The labor reporting requirements are modeled on well-established precedents, including Washington's Annual Tax Performance Reports and the California Transparency in Supply Chains Act.

Health certifications reporting: State contractors must disclose whether covered products have a health certification, such as a Health Product Declaration.

Data reporting and compliance: The 2021-2023 biennial operating budget funded the creation of a database to enable reporting and promote transparency. Reporting requirements will be phased in over a period of three years to allow manufacturers that do not already have EPDs an opportunity to generate data.

For more information, contact Jessica Koski, Washington State Policy Coordinator, BlueGreen Alliance at jkoski@bluegreenalliance.org.

ENDNOTES

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5. Urban Land Institute, *Embodied Carbon in Buildings Materials for Real Estate*. 2019. Available online: https://2os2f877tnl1dvtmc3wy0aq1-wpengine.netdna-ssl.com/wp-content/uploads/ULI-Documents/Greenprint-Embodied-Carbon-Report_FINAL.pdf