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HOUSE BILL 2427

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State of Washington

64th Legislature

2016 Regular Session

By Representatives Springer, Stokesbary, Fitzgibbon, Muri, Appleton,  
and Kilduff

Read first time 01/13/16. Referred to Committee on Local Government.

1 AN ACT Relating to local government modernization; amending RCW  
2 19.360.020, 19.360.030, 19.360.040, 19.360.050, 19.360.060,  
3 36.62.252, 36.32.235, 36.32.245, and 35.58.585; and creating a new  
4 section.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** Local governments must be efficient and  
7 prudent stewards of our residents' tax resources. To best serve our  
8 communities, certain local government statutes must be amended to  
9 reflect technological and organizational change. It is the intent of  
10 the legislature to clarify current authorities so that local  
11 government can better serve their residents, and it is the intent of  
12 the legislature that the following sections allow local government to  
13 pursue modern methods of serving their residents while preserving the  
14 public's right to access public records, and judiciously using scarce  
15 county resources to achieve maximum benefit.

16 **Sec. 2.** RCW 19.360.020 and 2015 c 72 s 2 are each amended to  
17 read as follows:

18 (1) Unless specifically provided otherwise by law or agency rule,  
19 whenever the use of a written signature is authorized or required by  
20 this code with a state or local agency, an electronic signature may

1 be used with the same force and effect as the use of a signature  
2 affixed by hand, as long as the electronic signature conforms to the  
3 definition in RCW 19.360.030 and the writing conforms to RCW  
4 19.360.040.

5 (2) Except as otherwise provided by law, each state or local  
6 agency may determine whether, and to what extent, the agency will  
7 send and accept electronic records and electronic signatures to and  
8 from other persons and otherwise create, generate, communicate,  
9 store, process, use, and rely upon electronic records and electronic  
10 signatures. Nothing in this act requires a state or local agency to  
11 send or accept electronic records or electronic signatures when a  
12 writing or signature is required by statute.

13 (3) Except as otherwise provided by law, for governmental affairs  
14 and governmental transactions with state agencies, each state agency  
15 electing to send and accept shall establish the method that must be  
16 used for electronic submissions and electronic signatures. The method  
17 and process for electronic submissions and the use of electronic  
18 signatures must be established by policy or rule and be consistent  
19 with the policies, standards, or guidance established by the chief  
20 information officer required in subsection (4) of this section.

21 (4)(a) The chief information officer, in coordination with state  
22 agencies, must establish standards, guidelines, or policies for the  
23 electronic submittal and receipt of electronic records and electronic  
24 signatures for governmental affairs and governmental transactions.  
25 The standards, policies, or guidelines must take into account  
26 reasonable access by and ability of persons to participate in  
27 governmental affairs or governmental transactions and be able to rely  
28 on transactions that are conducted electronically with agencies.  
29 Through the standards, policies, or guidelines, the chief information  
30 officer should encourage and promote consistency and interoperability  
31 among state agencies.

32 (b) In order to provide a single point of access, the chief  
33 information officer must establish a web site that maintains or links  
34 to the agency rules and policies established pursuant to subsection  
35 (3) of this section.

36 (5) Except as otherwise provided by law, for governmental affairs  
37 and governmental transactions with local agencies, each local agency  
38 electing to send and accept shall establish the method that must be  
39 used for electronic submissions and electronic signatures. The method  
40 and process for electronic submissions and the use of electronic

1 signatures must be established by ordinance, resolution, policy, or  
2 rule. The local agency shall also establish standards, guidelines, or  
3 policies for the electronic submittal and receipt of electronic  
4 records and electronic signatures for governmental affairs and  
5 governmental transactions. The standards, policies, or guidelines  
6 must take into account reasonable access by and ability of persons to  
7 participate in governmental affairs or governmental transactions and  
8 be able to rely on transactions that are conducted electronically  
9 with agencies.

10 **Sec. 3.** RCW 19.360.030 and 2015 c 72 s 3 are each amended to  
11 read as follows:

12 (1) Unless specifically provided otherwise by law or rule or  
13 unless the context clearly indicates otherwise, whenever the term  
14 "signature" is used in this code for governmental affairs and is  
15 authorized by state or local agency ordinance, resolution, rule, or  
16 policy pursuant to RCW 19.360.020, the term includes an electronic  
17 signature as defined in subsection (2) of this section.

18 (2) "Electronic signature" means an electronic sound, symbol, or  
19 process attached to or logically associated with a contract or other  
20 record and executed or adopted by a person with the intent to sign  
21 the record.

22 **Sec. 4.** RCW 19.360.040 and 2015 c 72 s 4 are each amended to  
23 read as follows:

24 (1) Unless specifically provided otherwise by law or rule or  
25 unless the context clearly indicates otherwise, whenever the term  
26 "writing" is used in this code for governmental affairs and is  
27 authorized by state or local agency ordinance, resolution, rule, or  
28 policy pursuant to RCW 19.360.020, the term means a record.

29 (2) "Record," as used in subsection (1) of this section, means  
30 information that is inscribed on a tangible medium or that is stored  
31 in an electronic or other medium and is retrievable in perceivable  
32 form, except as otherwise defined for the purpose of state or local  
33 agency record retention, preservation, or disclosure.

34 **Sec. 5.** RCW 19.360.050 and 2015 c 72 s 5 are each amended to  
35 read as follows:

36 (1) Unless specifically provided otherwise by law or rule or  
37 unless the context clearly indicates otherwise, whenever the term

1 "mail" is used in this code and authorized by state or local agency  
2 ordinance, resolution, rule, or policy pursuant to RCW 19.360.020 to  
3 transmit a writing with a state or local agency, the term includes  
4 the use of mail delivered through an electronic system such as email  
5 or secure mail transfer if authorized by the state agency in rule.

6 (2) For the purposes of this section, "electronic" means relating  
7 to technology having electrical, digital, magnetic, wireless,  
8 optical, electromagnetic, or similar capabilities.

9 **Sec. 6.** RCW 19.360.060 and 2015 c 72 s 6 are each amended to  
10 read as follows:

11 For purposes of RCW 19.360.020 through 19.360.050, "state agency"  
12 means any state board, commission, bureau, committee, department,  
13 institution, division, or tribunal in the executive branch of state  
14 government, including statewide elected offices and institutions of  
15 higher education created and supported by the state government.  
16 "Local agency" means every county, city, town, municipal corporation,  
17 quasi-municipal corporation, special purpose district, or other local  
18 public agency.

19 **Sec. 7.** RCW 36.62.252 and 1984 c 26 s 20 are each amended to  
20 read as follows:

21 Every county which maintains a county hospital or infirmary shall  
22 establish a "county hospital fund" into which fund shall be deposited  
23 all unrestricted moneys received from any source for hospital or  
24 infirmary services including money received for services to  
25 recipients of public assistance and other persons without income and  
26 resources sufficient to secure such services. The county may maintain  
27 other funds for restricted moneys. Obligations incurred by the  
28 hospital shall be paid from such funds by the county treasurer in the  
29 same manner as general county obligations are paid, except that in  
30 counties where a contract has been executed in accordance with RCW  
31 36.62.290, warrants may be issued by the hospital administrator for  
32 the hospital, if authorized by the county legislative authority and  
33 the county treasurer. The county treasurer shall furnish to the  
34 county legislative authority a monthly report of receipts and  
35 disbursements in the county hospital funds which report shall also  
36 show the balance of cash on hand.

1       **Sec. 8.** RCW 36.32.235 and 2009 c 229 s 6 are each amended to  
2 read as follows:

3       (1) In each county with a population of four hundred thousand or  
4 more which by resolution establishes a county purchasing department,  
5 the purchasing department shall enter into leases of personal  
6 property on a competitive basis and purchase all supplies, materials,  
7 and equipment on a competitive basis, for all departments of the  
8 county, as provided in this chapter and chapter 39.04 RCW, except  
9 that the county purchasing department is not required to make  
10 purchases that are paid from the county road fund or equipment rental  
11 and revolving fund.

12       (2) As used in this section, "public works" has the same  
13 definition as in RCW 39.04.010.

14       (3) Except as otherwise specified in this chapter or in chapter  
15 36.77 RCW, all counties subject to these provisions shall contract on  
16 a competitive basis for all public works after bids have been  
17 submitted to the county upon specifications therefor. Such  
18 specifications shall be in writing and shall be filed with the clerk  
19 of the county legislative authority for public inspection.

20       (4) An advertisement shall be published in the county official  
21 newspaper stating the time and place where bids will be opened((  ))  
22 and the time after which bids will not be received((  )). The  
23 advertisement must also provide the uniform resource locator (URL)  
24 internet address to a web site established and maintained by the  
25 county that states the character of the work to be done, the  
26 materials and equipment to be furnished, and that specifications  
27 therefor may be seen at the office of the clerk of the county  
28 legislative authority. An advertisement shall also be published in a  
29 legal newspaper of general circulation in or as near as possible to  
30 that part of the county in which such work is to be done. If the  
31 county official newspaper is a newspaper of general circulation  
32 covering at least forty percent of the residences in that part of the  
33 county in which such public works are to be done, then the  
34 publication of an advertisement of the applicable specifications in  
35 the county official newspaper is sufficient. Such advertisements  
36 shall be published at least once at least thirteen days prior to the  
37 last date upon which bids will be received.

38       (5) The bids shall be in writing, may be in either hard copy or  
39 electronic form as specified by the county, shall be filed with the  
40 clerk, shall be opened and read in public at the time and place named

1 therefor in the advertisements, and after being opened, shall be  
2 filed for public inspection. No bid may be considered for public work  
3 unless it is accompanied by a bid deposit in the form of a surety  
4 bond, postal money order, cash, cashier's check, or certified check  
5 in an amount equal to five percent of the amount of the bid proposed.

6 (6) The contract for the public work shall be awarded to the  
7 lowest responsible bidder. Any or all bids may be rejected for good  
8 cause. The county legislative authority shall require from the  
9 successful bidder for such public work a contractor's bond in the  
10 amount and with the conditions imposed by law.

11 (7) If the bidder to whom the contract is awarded fails to enter  
12 into the contract and furnish the contractor's bond as required  
13 within ten days after notice of the award, exclusive of the day of  
14 notice, the amount of the bid deposit shall be forfeited to the  
15 county and the contract awarded to the next lowest and best bidder.  
16 The bid deposit of all unsuccessful bidders shall be returned after  
17 the contract is awarded and the required contractor's bond given by  
18 the successful bidder is accepted by the county legislative  
19 authority. Immediately after the award is made, the bid quotations  
20 obtained shall be recorded and open to public inspection and shall be  
21 available by telephone inquiry.

22 (8) As limited by subsection (10) of this section, a county  
23 subject to these provisions may have public works performed by county  
24 employees in any annual or biennial budget period equal to a dollar  
25 value not exceeding ten percent of the public works construction  
26 budget, including any amount in a supplemental public works  
27 construction budget, over the budget period.

28 Whenever a county subject to these provisions has had public  
29 works performed in any budget period up to the maximum permitted  
30 amount for that budget period, all remaining public works except  
31 emergency work under subsection (12) of this section within that  
32 budget period shall be done by contract pursuant to public notice and  
33 call for competitive bids as specified in subsection (3) of this  
34 section. The state auditor shall report to the state treasurer any  
35 county subject to these provisions that exceeds this amount and the  
36 extent to which the county has or has not reduced the amount of  
37 public works it has performed by public employees in subsequent  
38 years.

39 (9) If a county subject to these provisions has public works  
40 performed by public employees in any budget period that are in excess

1 of this ten percent limitation, the amount in excess of the permitted  
2 amount shall be reduced from the otherwise permitted amount of public  
3 works that may be performed by public employees for that county in  
4 its next budget period. Ten percent of the motor vehicle fuel tax  
5 distributions to that county shall be withheld if two years after the  
6 year in which the excess amount of work occurred, the county has  
7 failed to so reduce the amount of public works that it has performed  
8 by public employees. The amount withheld shall be distributed to the  
9 county when it has demonstrated in its reports to the state auditor  
10 that the amount of public works it has performed by public employees  
11 has been reduced as required.

12 (10) In addition to the percentage limitation provided in  
13 subsection (8) of this section, counties subject to these provisions  
14 containing a population of four hundred thousand or more shall not  
15 have public employees perform a public works project in excess of  
16 ninety thousand dollars if more than a single craft or trade is  
17 involved with the public works project, or a public works project in  
18 excess of forty-five thousand dollars if only a single craft or trade  
19 is involved with the public works project. A public works project  
20 means a complete project. The restrictions in this subsection do not  
21 permit the division of the project into units of work or classes of  
22 work to avoid the restriction on work that may be performed by public  
23 employees on a single project.

24 The cost of a separate public works project shall be the costs of  
25 materials, supplies, equipment, and labor on the construction of that  
26 project. The value of the public works budget shall be the value of  
27 all the separate public works projects within the budget.

28 (11) In addition to the accounting and recordkeeping requirements  
29 contained in chapter 39.04 RCW, any county which uses public  
30 employees to perform public works projects under RCW 36.32.240(1)  
31 shall prepare a year-end report to be submitted to the state auditor  
32 indicating the total dollar amount of the county's public works  
33 construction budget and the total dollar amount for public works  
34 projects performed by public employees for that year.

35 The year-end report submitted pursuant to this subsection to the  
36 state auditor shall be in accordance with the standard form required  
37 by RCW 43.09.205.

38 (12) Notwithstanding any other provision in this section,  
39 counties may use public employees without any limitation for  
40 emergency work performed under an emergency declared pursuant to RCW

1 36.32.270, and any such emergency work shall not be subject to the  
2 limitations of this section. Publication of the description and  
3 estimate of costs relating to correcting the emergency may be made  
4 within seven days after the commencement of the work. Within two  
5 weeks of the finding that such an emergency existed, the county  
6 legislative authority shall adopt a resolution certifying the damage  
7 to public facilities and costs incurred or anticipated relating to  
8 correcting the emergency. Additionally this section shall not apply  
9 to architectural and engineering or other technical or professional  
10 services performed by public employees in connection with a public  
11 works project.

12 (13) In lieu of the procedures of subsections (3) through (11) of  
13 this section, a county may let contracts using the small works roster  
14 process provided in RCW 39.04.155.

15 Whenever possible, the county shall invite at least one proposal  
16 from a minority or woman contractor who shall otherwise qualify under  
17 this section.

18 (14) The allocation of public works projects to be performed by  
19 county employees shall not be subject to a collective bargaining  
20 agreement.

21 (15) This section does not apply to performance-based contracts,  
22 as defined in RCW 39.35A.020(4), that are negotiated under chapter  
23 39.35A RCW.

24 (16) Nothing in this section prohibits any county from allowing  
25 for preferential purchase of products made from recycled materials or  
26 products that may be recycled or reused.

27 (17) This section does not apply to contracts between the public  
28 stadium authority and a team affiliate under RCW 36.102.060(4), or  
29 development agreements between the public stadium authority and a  
30 team affiliate under RCW 36.102.060(7) or leases entered into under  
31 RCW 36.102.060(8).

32 **Sec. 9.** RCW 36.32.245 and 2007 c 88 s 1 are each amended to read  
33 as follows:

34 (1) No contract for the purchase of materials, equipment, or  
35 supplies may be entered into by the county legislative authority or  
36 by any elected or appointed officer of the county until after bids  
37 have been submitted to the county. Bid specifications shall be in  
38 writing and shall be filed with the clerk of the county legislative  
39 authority for public inspection. An advertisement shall be published

1 in the official newspaper of the county stating the time and place  
2 where bids will be opened((τ)) and the time after which bids will not  
3 be received((τ)). The advertisement must also provide the uniform  
4 resource locator (URL) internet address to a web site established and  
5 maintained by the county that states the materials, equipment,  
6 supplies, or services to be purchased, and that the specifications  
7 may be seen at the office of the clerk of the county legislative  
8 authority. The advertisement shall be published at least once at  
9 least thirteen days prior to the last date upon which bids will be  
10 received.

11 (2) The bids shall be in writing, may be in either hard copy or  
12 electronic form as specified by the county, and shall be filed with  
13 the clerk. The bids shall be opened and read in public at the time  
14 and place named in the advertisement. Contracts requiring competitive  
15 bidding under this section may be awarded only to the lowest  
16 responsible bidder. Immediately after the award is made, the bid  
17 quotations shall be recorded and open to public inspection and shall  
18 be available by telephone inquiry. Any or all bids may be rejected  
19 for good cause.

20 (3) For advertisement and formal sealed bidding to be dispensed  
21 with as to purchases between ((five)) ten thousand and ((twenty-  
22 five)) fifty thousand dollars, the county legislative authority must  
23 use the uniform process to award contracts as provided in RCW  
24 39.04.190. Advertisement and formal sealed bidding may be dispensed  
25 with as to purchases of less than ((five)) ten thousand dollars upon  
26 the order of the county legislative authority.

27 (4) This section does not apply to performance-based contracts,  
28 as defined in RCW 39.35A.020(4), that are negotiated under chapter  
29 39.35A RCW; or contracts and purchases for the printing of election  
30 ballots, voting machine labels, and all other election material  
31 containing the names of candidates and ballot titles.

32 (5) Nothing in this section shall prohibit the legislative  
33 authority of any county from allowing for preferential purchase of  
34 products made from recycled materials or products that may be  
35 recycled or reused.

36 (6) This section does not apply to contracting for public  
37 defender services by a county.

38 **Sec. 10.** RCW 35.58.585 and 2008 c 123 s 2 are each amended to  
39 read as follows:

1 (1) Both a metropolitan municipal corporation and a city-owned  
2 transit system may establish, by resolution, a schedule of fines and  
3 penalties for civil infractions established in RCW 35.58.580. Fines  
4 established shall not exceed those imposed for class 1 infractions  
5 under RCW 7.80.120.

6 (2)(a) Both a metropolitan municipal corporation and a city-owned  
7 transit system may designate persons to monitor fare payment who are  
8 equivalent to, and are authorized to exercise all the powers of, an  
9 enforcement officer as defined in RCW 7.80.040. Both a metropolitan  
10 municipal corporation and a city-owned transit system may employ  
11 personnel to either monitor fare payment or contract for such  
12 services, or both.

13 (b) In addition to the specific powers granted to enforcement  
14 officers under RCW 7.80.050 and 7.80.060, persons designated to  
15 monitor fare payment may also take the following actions:

16 (i) Request proof of payment from passengers;

17 (ii) Request personal identification from a passenger who does  
18 not produce proof of payment when requested;

19 (iii) Issue a citation for a civil infraction established in RCW  
20 35.58.580 conforming to the requirements established in RCW 7.80.070,  
21 except that the form for the notice of civil infraction must be  
22 approved by the administrative office of the courts and must not  
23 include vehicle information; and

24 (iv) Request that a passenger leave the bus or other mode of  
25 public transportation when the passenger has not produced proof of  
26 payment after being asked to do so by a person designated to monitor  
27 fare payment.

28 (3) Both a metropolitan municipal corporation and a city-owned  
29 transit system shall keep records of citations in the manner  
30 prescribed by RCW 7.80.150. All civil infractions established by this  
31 section and RCW 35.58.580 and 35.58.590 shall be heard and determined  
32 by a district court as provided in RCW 7.80.010 (1) and (4).

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