

FINAL BILL REPORT

EHB 1086

C 238 L 23

Synopsis as Enacted

Brief Description: Increasing local governments' ability to contract with community service organizations.

Sponsors: Representatives Shavers, Ryu, Ramel, Lekanoff, Callan, Simmons, Timmons, Thai, Paul, Santos, Ormsby and Tharinger.

House Committee on Local Government

Senate Committee on Local Government, Land Use & Tribal Affairs

Background:

In general, public works contracts in Washington are subject to competitive bidding. The exact process required can depend on the agency conducting the project and on the cost of the project. For more expensive projects, full competitive bidding may be required, while agencies may be able to utilize small public works rosters or a limited public works process for less expensive projects.

In some circumstances, however, projects are exempt from competitive bidding requirements altogether. One such exemption allows counties, cities, school districts, park districts, or port districts to contract with community service organizations for certain local improvement projects.

In order to qualify for this exemption, the community service organization must be a chamber of commerce, service organization, youth or sports association, or other similar association located in, and providing service to, its immediate neighborhood. The work must involve drawing design plans; making improvements to a park, school playground, public square, or port habitat site; installing equipment or art; or providing maintenance services as a community, neighborhood, or environmental stewardship project. The community service organization may use volunteers for the project, and may provide clothing, tools, meals, insurance coverage, and reimbursement of the volunteers' expenses. The local government may reimburse the community service organizations for its expenses,

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but the value of the work must be at least three times as much as the payment to the community service organization.

The yearly total payments made to community service organizations under this exemption cannot exceed the greater of \$25,000 or \$2 per resident in the local government's jurisdiction. The \$25,000 limit is therefore applicable to a local government with fewer than 12,500 residents within its jurisdiction.

Summary:

A contract that is exempt from competitive bidding requirements between a local government and a community service organization may also include improvements to a general public space, in addition to improvements to a park, school playground, public square, or port habitat site. The maintenance services that can be included in such a contract are those related to the community service project, to a facility or facilities as part of a community or neighborhood project, or for an environmental justice stewardship or sustainability project.

When working on a project, the community service organization may use volunteers that are not paid a wage or salary.

The value of the work to the local government must be at least twice the amount paid to the community service organization. The total yearly payments made by a local government to all community service organizations under the competitive bidding exemption cannot exceed the greater of \$75,000 or \$2 per resident in the local government's jurisdiction. The \$75,000 limit is therefore applicable to a local government with fewer than 37,500 residents within its jurisdiction.

Votes on Final Passage:

House	84	9	
Senate	44	4	(Senate amended)
House	94	2	(House concurred)

Effective: July 23, 2023