

FINAL BILL REPORT

SHB 2427

C 95 L 16
Synopsis as Enacted

Brief Description: Concerning local government modernization.

Sponsors: House Committee on Local Government (originally sponsored by Representatives Springer, Stokesbary, Fitzgibbon, Muri, Appleton and Kilduff).

House Committee on Local Government
Senate Committee on Government Operations & Security

Background:

Electronic Signatures and Records – State Agencies.

State agencies may accept electronic signatures with the same force and effect as that of a signature affixed by hand, unless specifically provided otherwise by law or agency rule. Each state agency may determine whether and to what extent it will create, generate, communicate, store, process, use, and rely upon electronic records and electronic signatures. A state agency is not required to send or accept electronic records or electronic signatures for an agency transaction.

The Chief Information Officer (CIO) within the Office of Financial Management (OFM) must establish policies, standards, or guidelines for electronic submission and receipt of electronic records and signatures, and the CIO should encourage and promote consistency and interoperability among state agencies. The CIO is required to establish a website that maintains or links to an agency's rules and policies for electronic records and signatures.

"Electronic signature" is defined as an electronic sound, symbol, or process attached to or logically associated with a contract or other record and executed or adopted by a person with the intent to sign the record. "Record" is defined as information that is inscribed on a tangible medium or that is stored in an electronic or other medium and is retrievable in perceivable form.

County Hospitals.

The legislative authority of any county may establish, provide, and maintain county hospitals. The board of trustees of a county hospital may enter into a contract with the board

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of regents of a state university to provide hospital services under the direction of a hospital administrator, render medical services in connection with the hospital, and conduct teaching and research activities by the university in connection with the hospital. There are two state universities authorized to teach medicine as a major line and to maintain a school of medicine: the University of Washington; and Washington State University.

Every county maintaining a county hospital must establish a county hospital fund into which unrestricted moneys for hospital services must be deposited. The county may maintain other funds for restricted moneys. Obligations of the hospital must be paid by the county treasurer from the funds established for the hospital. The county treasurer must provide a monthly report to the county legislative authority of receipts, disbursements, and the fund balance for the county hospital funds.

County Purchases and Public Works – Advertisement and Competitive Bidding.

In general, county contracts for the purchase of materials, equipment, or supplies or for public works must be awarded through advertisement and formal sealed bidding.

Advertisement and formal sealed bidding may be dispensed with:

- for purchases of less than \$5,000, if the county legislative authority by order dispenses with advertisement and formal sealed bidding;
- for purchases between \$5,000 and \$25,000, if the county legislative authority uses a certain uniform process to award contracts; and
- for public works involving less than \$40,000, if the county legislative authority by order has dispensed with advertisement and competitive bidding.

For purchases and public works subject to advertisement and competitive bidding, bids must be in writing and filed with the clerk of the county legislative authority.

Counties With a Population of 400,000 or More – Contracts for Purchases and Public Works.

In counties with a population of 400,000 or more that have established a county purchasing department, the purchasing department must enter into leases of personal property, purchase all supplies, material, and equipment, and contract for all public works on a competitive basis for all departments of the county, except for purchases paid through the county road fund or equipment rental and revolving fund.

Advertisements must be published in the official county newspaper, and also under certain conditions, a legal newspaper of general circulation in the part of the county where the work will be conducted.

Public Transit Systems – Fare Payment Monitor.

Metropolitan municipal corporations and city-owned transit systems may designate persons to monitor fare payment who are equivalent to and authorized to exercise all powers of civil infraction enforcement officers. A metropolitan municipal corporation and a city-owned transit system may employ personnel to monitor fare payment, contract for services to monitor fare payment, or both.

Persons designated to monitor fare payment may:

- request proof of payment from passengers;
- request personal identification from a passenger who does not produce proof of payment when requested;
- issue a citation that conforms to certain requirements (*e.g.*, states that a specific civil infraction has been committed by the named person, states that a civil infraction is a noncriminal offense, and provides options for responding to the notice and necessary process for exercising those options); and
- request that a passenger leave the bus or other mode of public transportation when the passenger does not produce proof of payment.

Metropolitan municipal corporations and city-owned transit systems must keep records of citations.

Metropolitan municipal corporations are municipal corporations containing two or more cities, at least one of which has a population of 10,000 or more, that are organized to perform specific functions, such as provide metropolitan public transportation.

Public Transportation Benefit Area.

A public transportation benefit area (PTBA) is a special purpose district authorized to provide public transportation service within all or a portion of a county or counties. In general, "public transportation service" means the transportation of packages, passengers, and their incidental baggage by means other than by chartered bus or sight-seeing bus, together with the terminals and parking facilities necessary for passenger and vehicular access to and from such systems. It also means passenger-only ferry service for those PTBAs eligible to provide passenger-only ferry service. A PTBA may collect fares for service and, with the approval of the majority of voters within the area, impose sales and use tax.

A PTBA is created, or its boundaries modified, through a conference process attended by: (1) elected representatives selected by the legislative body of each city within the county; and (2) the county legislative authority or authorities. Before convening a public hearing on the creation or modification of a PTBA, the county governing body must delineate the proposed boundaries of the PTBA and provide a copy of this delineation to each city within those boundaries. Each city must then advise the county governing body, on a preliminary basis, whether it desires to be included or excluded from the PTBA. The county governing body must then revise the boundaries to reflect the wishes of each city. The revised delineation must be considered by the conference at the public hearing on the creation or modification of the PTBA.

Summary:

Electronic Signatures and Records – Local Agencies.

In the same manner as state agencies, local agencies, which include counties, cities, towns, and special purpose districts, may accept electronic signatures with the same force and effect as that of a signature affixed by hand, unless specifically provided otherwise by law or rule. Each local agency may determine whether and to what extent it will create, generate,

communicate, store, process, use, and rely upon electronic records and electronic signatures. Local agencies are not required to send or accept electronic records or electronic signatures for an agency transaction.

Local agencies electing to send and accept electronic records and signatures must establish policies, standards, or guidelines for submission and receipt of electronic records and signatures. The local agency must take into account reasonable access by and the ability of persons to: (1) participate in governmental affairs or transactions; and (2) rely on transactions conducted electronically with agencies.

County Hospitals.

If a contract has been executed between a county hospital and the board of regents of a state university to provide hospital services and provide for teaching and research activities by the university, the hospital administrator may issue warrants when authorized by the county legislative authority and the county treasurer.

County Purchases and Public Works – Advertisement and Bids.

Bids for all county purchases that must be made through advertisement and formal sealed bidding, and for purchases or public works contracts in counties that have established a county purchasing department, are authorized to be made in hard copy or electronic form, as specified by the county.

County Purchases – Thresholds.

The thresholds that govern when advertisement and formal sealed bidding may be dispensed with for the purchase of materials, equipment, or supplies by counties are increased.

Advertisement and formal sealed bidding may be dispensed with:

- for purchases of less than \$10,000 (increased from \$5,000), if the county legislative authority by order dispenses with advertisement and formal sealed bidding; and
- for purchases between \$10,000 and \$50,000 (increased from between \$5,000 and \$25,000), if the county legislative authority uses a certain uniform process to award contracts.

Public Transit Systems – Fare Payment Monitor.

Provisions governing fare payment monitors employed or contracted by a metropolitan municipal corporation or city-owned transit system are modified. Persons designated to monitor fare payment by a municipal corporation or a city-owned transit system may issue a citation for a civil infraction established in statute for: (1) failing to pay the required fare; (2) failing to produce proof of payment; or (3) failing to depart the bus or other mode of public transportation when requested to do so by the fare payment monitor. Additionally, the form for the notice of civil infraction must be approved by the Administrative Office of the Courts.

Public Transportation Benefit Area.

In advising a county legislative authority, on a preliminary basis, whether it desires to be included or excluded from a PTBA that is proposed to be created or to have its boundaries modified, a city must advise the county by means of an ordinance adopted by the legislative body of the city.

Votes on Final Passage:

House	95	2	
Senate	45	3	(Senate amended)
House	96	1	(House concurred)

Effective: June 9, 2016