# Washington State House of Representatives Office of Program Research



## **Local Government Committee**

### **HB 1086**

**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.

#### **Brief Summary of Bill**

• Increases the limit on the yearly value of contracts that can be provided to community service organizations without competitive bidding by smaller local government jurisdictions from \$25,000 to \$75,000.

**Hearing Date:** 1/17/23

Staff: Kellen Wright (786-7134).

#### **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. 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

House Bill Analysis - 1 - HB 1086

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

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; providing maintenance services as a community or neighborhood project; or an environmental stewardship project. The community service organization can use volunteers for the project, and can provide clothing, tools, meals, insurance coverage, and reimbursement of expenses. The local government can reimburse the community service organizations for its expenses, 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 applicable to a local government with fewer than 12,500 residents within its jurisdiction.

#### **Summary of Bill:**

The total yearly payments made to community service organizations under the competitive bidding exemption for local governments contracting with community service organizations cannot exceed the greater of \$75,000 or \$2 per resident in the local government's jurisdiction. The \$75,000 limit is applicable to a local government with fewer than 37,500 residents within its jurisdiction.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** The bill takes effect 90 days after adjournment of the session in which the bill is passed.