CERTIFICATION OF ENROLLMENT

ENGROSSED HOUSE BILL 1086

Chapter 238, Laws of 2023

68th Legislature 2023 Regular Session

LOCAL GOVERNMENT CONTRACTING—COMMUNITY SERVICE ORGANIZATIONS

EFFECTIVE DATE: July 23, 2023

Passed by the House April 17, 2023 CERTIFICATE Yeas 94 Nays 2 I, Bernard Dean, Chief Clerk of the House of Representatives of the LAURIE JINKINS State of Washington, do hereby Speaker of the House of certify that the attached is ENGROSSED HOUSE BILL 1086 as passed Representatives by the House of Representatives and the Senate on the dates hereon set forth. Passed by the Senate April 7, 2023 Yeas 44 Nays 4 BERNARD DEAN Chief Clerk DENNY HECK President of the Senate Approved May 4, 2023 10:06 AM FILED May 4, 2023

JAY INSLEE State of Washington

Governor of the State of Washington

ENGROSSED HOUSE BILL 1086

AS AMENDED BY THE SENATE

Passed Legislature - 2023 Regular Session

State of Washington 68th Legislature 2023 Regular Session

By Representatives Shavers, Ryu, Ramel, Lekanoff, Callan, Simmons, Timmons, Thai, Paul, Santos, Ormsby, and Tharinger

Prefiled 12/27/22. Read first time 01/09/23. Referred to Committee on Local Government.

- 1 AN ACT Relating to increasing local governments' ability to
- 2 contract with community service organizations; amending RCW
- 3 35.21.278; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** The legislature finds that office of financial management forecasts are showing state population growth of
- 7 more than 2.2 million people by the year 2050. In the face of this
- 8 dramatic growth, the legislature finds that it is more important than
- 9 ever to help preserve, maintain, and enhance local parks, trails, and
- 10 open spaces that are key contributors to the state's quality of life.
- 11 The legislature further finds that local parks and recreation
- 12 agencies confronted with this growth are still dealing with severe
- 13 budget impacts brought on by the COVID-19 pandemic and facing a
- 14 pending economic slowdown, even as the utilization of parks, open
- 15 spaces, and trails has spiked up dramatically.
- 16 The legislature finds that local parks agencies desperately need
- 17 additional funding and tools to address the significant growth in use
- 18 and to better empower nonprofit and service organizations to make a
- 19 positive impact in their communities.
- The legislature finds that community service organizations can
- 21 help local agencies bring people together in a way that fosters an

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ethic of service, builds cohesion among residents, and provides more free and accessible outdoor recreation opportunities, particularly in underserved communities.

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The legislature finds that increased use of volunteers, and agreements with community service organizations, can help smaller agencies stretch local dollars further and take on bigger projects than they otherwise would be able to.

The legislature finds that one way to incentivize these types of agreements with community service organizations is by modernizing the state laws around contracting with such organizations, which have not been updated since 1988.

The legislature further finds that years of inflation and growth should be taken into account in updating these state laws, which currently restrict many local agencies to a \$25,000 per year limit for all community service organization contracts.

Therefore, it is the intent of the legislature to modernize the state laws around contracting with community service organizations in a manner that accounts for three and a half decades of growth and inflationary costs, so that local parks agencies can operate with more reasonable and up-to-date limits that are in keeping with today's budget and cost realities. Doing so will provide local agencies one additional tool to address maintenance backlogs, quality open spaces, and better serve communities experiencing inequities and lacking access to parks and recreation facilities and programs that support healthy living. The legislature therefore intends to increase the dollar limit from \$25,000 to \$75,000 for smaller agencies. It is the intent of the legislature that this limit apply annually to all contracts entered into by an agency under RCW 35.21.278 in any one year, and that this limit not be interpreted to apply on a per contract basis so as to allow any number of individual contracts of up to \$75,000.

It is the intent of the legislature that this authority be used to provide additional opportunities for public service organizations to meaningfully participate in the betterment of their community, rather than as a way for local agencies to advantage nonprofits over other businesses in public contracting.

37 **Sec. 2.** RCW 35.21.278 and 2019 c 352 s 7 are each amended to 38 read as follows:

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- 1 (1) Without regard to competitive bidding laws for public works, a county, city, town, school district, metropolitan park district, 2 park and recreation district, port district, or park and recreation 3 service area may contract with a chamber of commerce, a service 4 organization, a community, youth, or athletic association, or other 5 6 similar association located and providing service in the immediate 7 neighborhood, for drawing design plans, making improvements to a park, school playground, public square, other public spaces, or port 8 habitat site, installing equipment or artworks, or providing 9 maintenance services for such a project, or for a facility or 10 facilities as a community or neighborhood project, or for an 11 12 environmental justice stewardship or sustainability project, and may reimburse the contracting association its expense. The contracting 13 14 association may use volunteers to whom no wage or salary compensation is paid in the project and provide the volunteers with clothing or 15 16 tools; meals or refreshments; accident/injury insurance coverage; and 17 reimbursement of their expenses. The consideration to be received by 18 the public entity through the value of the improvements, artworks, equipment, or maintenance shall have a value at least equal to 19 ((three)) two times that of the payment to the contracting 20 association. All payments made by a public entity under the authority 21 22 of this section for all such contracts in any one year shall not 23 exceed ((twenty-five thousand dollars)) \$75,000 or two dollars per resident within the boundaries of the public entity, whichever is 24 25 greater. 26
 - (2) A county, city, town, school district, metropolitan park district, park and recreation district, or park and recreation service area may ratify an agreement, which qualifies under subsection (1) of this section and was made before June 9, 1988.
 - (3) Without regard to competitive bidding laws for public works, a school district, institution of higher education, or other governmental entity that includes training programs for students may contract with a community service organization, nonprofit organization, or other similar entity, to build tiny houses for low-income housing, if the students participating in the building of the tiny houses are in:
- 37 (a) Training in a community and technical college construction or 38 construction management program;
 - (b) A career and technical education program;

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(c) A state-recognized apprenticeship preparation program; or

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1 (d) Training under a construction career exploration program for 2 high school students administered by a nonprofit organization.

> Passed by the House April 17, 2023. Passed by the Senate April 7, 2023. Approved by the Governor May 4, 2023. Filed in Office of Secretary of State May 4, 2023.

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