CERTIFICATION OF ENROLLMENT

SENATE BILL 5342

Chapter 43, Laws of 2023

68th Legislature 2023 Regular Session

TRANSIT AGENCIES-INTERLOCAL AGREEMENTS-PROCUREMENT

EFFECTIVE DATE: July 23, 2023

Passed by the Senate February 15, CERTIFICATE 2023 I, Sarah Bannister, Secretary of Yeas 49 Nays 0 the Senate of the State of Washington, do hereby certify that DENNY HECK the attached is **SENATE BILL 5342** as passed by the Senate and the House President of the Senate of Representatives on the dates hereon set forth. Passed by the House March 24, 2023 Yeas 96 Nays 0 SARAH BANNISTER Secretary LAURIE JINKINS Speaker of the House of Representatives Approved April 6, 2023 9:58 AM FILED April 6, 2023

JAY INSLEE State of Washington

Governor of the State of Washington

SENATE BILL 5342

Passed Legislature - 2023 Regular Session

State of Washington 68th Legislature 2023 Regular Session

By Senators Kauffman, King, Liias, Kuderer, Nobles, and C. Wilson Read first time 01/12/23. Referred to Committee on Transportation.

- AN ACT Relating to transit agencies' ability to enter into 1 interlocal agreements for procurement; and amending RCW 39.34.030.
- BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

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- Sec. 1. RCW 39.34.030 and 2021 c 176 s 5216 are each amended to 4 5 read as follows:
 - (1) Any power or powers, privileges or authority exercised or capable of exercise by a public agency of this state may be exercised and enjoyed jointly with any other public agency of this state having the power or powers, privilege or authority, and jointly with any public agency of any other state or of the United States to the extent that laws of such other state or of the United States permit such joint exercise or enjoyment. Any agency of the state government when acting jointly with any public agency may exercise and enjoy all of the powers, privileges and authority conferred by this chapter upon a public agency.
 - (2) Any two or more public agencies may enter into agreements with one another for joint or cooperative action pursuant to the provisions of this chapter, except that any such joint or cooperative action by public agencies which are educational service districts and/or school districts shall comply with the provisions of RCW 28A.320.080. Appropriate action by ordinance, resolution or otherwise

SB 5342.SL p. 1

- pursuant to law of the governing bodies of the participating public agencies shall be necessary before any such agreement may enter into force.
 - (3) Any such agreement shall specify the following:
 - (a) Its duration;

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- 6 (b) The precise organization, composition and nature of any separate legal or administrative entity created thereby together with 7 the powers delegated thereto, provided such entity may be legally 8 created. Such entity may include a nonprofit corporation organized 9 pursuant to chapter 24.03A or 24.06 RCW whose membership is limited 10 11 solely to the participating public agencies or a partnership organized pursuant to chapter 25.04 or 25.05 RCW whose partners are 12 limited solely to participating public agencies, or a limited 13 liability company organized under chapter 25.15 RCW whose membership 14 is limited solely to participating public agencies, and the funds of 15 16 any such corporation, partnership, or limited liability company shall 17 be subject to audit in the manner provided by law for the auditing of 18 public funds;
 - (c) Its purpose or purposes;
- 20 (d) The manner of financing the joint or cooperative undertaking 21 and of establishing and maintaining a budget therefor;
 - (e) The permissible method or methods to be employed in accomplishing the partial or complete termination of the agreement and for disposing of property upon such partial or complete termination; and
 - (f) Any other necessary and proper matters.
 - (4) In the event that the agreement does not establish a separate legal entity to conduct the joint or cooperative undertaking, the agreement shall contain, in addition to provisions specified in subsection (3)(a), (c), (d), (e), and (f) of this section, the following:
 - (a) Provision for an administrator or a joint board responsible for administering the joint or cooperative undertaking. In the case of a joint board, public agencies that are party to the agreement shall be represented; and
- 36 (b) The manner of acquiring, holding and disposing of real and personal property used in the joint or cooperative undertaking. Any joint board is authorized to establish a special fund with a state, county, city, or district treasurer servicing an involved public agency designated "Operating fund of joint board."

p. 2 SB 5342.SL

(5) No agreement made pursuant to this chapter relieves any public agency of any obligation or responsibility imposed upon it by law except that:

- (a) To the extent of actual and timely performance thereof by a joint board or other legal or administrative entity created by an agreement made pursuant to this chapter, the performance may be offered in satisfaction of the obligation or responsibility; and
- (b) With respect to one or more public agencies purchasing or otherwise contracting through a bid, proposal, or contract awarded by another public agency or by a group of public agencies, any obligation with respect to competitive bids or proposals that applies to the public agencies involved is satisfied if the public agency or group of public agencies that awarded the bid, proposal, or contract complied with its own statutory requirements and either (i) posted the bid or solicitation notice on a website established and maintained by a public agency, purchasing cooperative, or similar service provider, for purposes of posting public notice of bid or proposal solicitations, or (ii) provided an access link on the state's web portal to the notice.
- (6) (a) Any two or more public agencies may enter into a contract providing for the joint utilization of architectural or engineering services if:
- (i) The agency contracting with the architectural or engineering firm complies with the requirements for contracting for such services under chapter 39.80 RCW; and
- (ii) The services to be provided to the other agency or agencies are related to, and within the general scope of, the services the architectural or engineering firm was selected to perform.
- (b) Any agreement providing for the joint utilization of architectural or engineering services under this subsection must be executed for a scope of work specifically detailed in the agreement and must be entered into prior to commencement of procurement of such services under chapter 39.80 RCW.
- 34 (7) Financing of joint projects by agreement shall be as provided 35 by law.
- 36 (8) Transit agencies, as defined in RCW 81.104.015, are exempt
 37 from the interlocal agreement requirements of subsections (2) through
 38 (4) of this section when purchasing rolling stock and related
 39 equipment from state cooperative procurement schedules established
 40 under section 3019 of P.L. 114-94.

p. 3 SB 5342.SL

Passed by the Senate February 15, 2023.
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Approved by the Governor April 6, 2023.
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p. 4 SB 5342.SL