## HOUSE BILL 1726

State of Washington 69th Legislature 2025 Regular Session

By Representatives Waters, Couture, Simmons, Springer, Kloba, Reed, Ormsby, Hill, and Scott

Read first time 01/30/25. Referred to Committee on Capital Budget.

- AN ACT Relating to prioritizing lumber procured from Washington
- 2 state lumber mills for the purpose of public works projects; adding a
- 3 new section to chapter 39.04 RCW; and creating a new section.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 39.04 6 RCW to read as follows:
- 6 RCW to read as follows:
  7 (1) The state, a school district, or a municipality entering into

a contract for the construction, reconstruction, alteration, repair,

- 9 improvement, or maintenance of a public building or other public
- 10 works project where (a) the project receives more than \$500,000 of
- 11 state funds in the state capital budget or financed through a
- 12 financing contract as defined in RCW 39.94.020, and (b) the state
- 13 funds over one-half of the cost of the project, must require that
- 14 lumber used or supplied in the performance of the contract or any
- 15 subcontract be procured, in descending order of priority, from
- 16 Washington, Oregon, and the United States, unless otherwise exempted
- 17 under this section.

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- 18 (2)(a) The requirements of subsection (1) of this section may be
- 19 waived by the director of the office of financial management on
- 20 behalf of the state, a school district superintendent on behalf of a

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school district, or the executive head of a municipality on behalf of a municipality, if the person determines that:

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- (i) Meeting the requirements would be inconsistent with the public interest;
- (ii) Lumber is not available in the priority locations in sufficient or reasonably available quantities and of satisfactory quality; or
- 8 (iii) Meeting the requirement would increase the cost of milled 9 wood products by 10 percent.
  - (b) (i) Before issuing a waiver under this subsection (2), the director, superintendent, or executive head must provide public notice on the agency website of the proposed waiver and an opportunity for public comment on the proposal for at least 30 days before making a final determination. The public notice must include information used in making the decision to propose a waiver and the public must be given the opportunity to provide comments electronically.
- (ii) The director, superintendent, or executive head must publish on the agency website a detailed justification of the decision made that addresses the public comments received. The publication must take place before the waiver taking effect.
- 22 (3) This section applies to public works projects advertised for 23 bids after the effective date of this section.
- 24 (4) For the purposes of this section, "municipality" means every 25 city, county, town, port district, district, or other public agency 26 authorized by law to require the execution of public work.
  - NEW SECTION. Sec. 2. If any part of this act is found to be in conflict with federal requirements that are a prescribed condition to the allocation of federal funds to the state, the conflicting part of this act is inoperative solely to the extent of the conflict and with respect to the agencies directly affected, and this finding does not affect the operation of the remainder of this act in its application to the agencies concerned. Rules adopted under this act must meet federal requirements that are a necessary condition to the receipt of federal funds by the state.

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