
SUBSTITUTE HOUSE BILL 2427

State of Washington

64th Legislature

2016 Regular Session

By House Local Government (originally sponsored by Representatives Springer, Stokesbary, Fitzgibbon, Muri, Appleton, and Kilduff)

1 AN ACT Relating to local government modernization; amending RCW
2 19.360.020, 19.360.030, 19.360.040, 19.360.050, 19.360.060,
3 36.62.252, 36.32.235, 36.32.245, and 35.58.585; and creating a new
4 section.

5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

6 NEW SECTION. **Sec. 1.** Local governments must be efficient and
7 prudent stewards of our residents' tax resources. To best serve our
8 communities, certain local government statutes must be amended to
9 reflect technological and organizational change. It is the intent of
10 the legislature to clarify current authorities so that local
11 government can better serve their residents, and it is the intent of
12 the legislature that the following sections allow local government to
13 pursue modern methods of serving their residents while preserving the
14 public's right to access public records, and judiciously using scarce
15 county resources to achieve maximum benefit.

16 **Sec. 2.** RCW 19.360.020 and 2015 c 72 s 2 are each amended to
17 read as follows:

18 (1) Unless specifically provided otherwise by law or agency rule,
19 whenever the use of a written signature is authorized or required by
20 this code with a state or local agency, an electronic signature may

1 be used with the same force and effect as the use of a signature
2 affixed by hand, as long as the electronic signature conforms to the
3 definition in RCW 19.360.030 and the writing conforms to RCW
4 19.360.040.

5 (2) Except as otherwise provided by law, each state or local
6 agency may determine whether, and to what extent, the agency will
7 send and accept electronic records and electronic signatures to and
8 from other persons and otherwise create, generate, communicate,
9 store, process, use, and rely upon electronic records and electronic
10 signatures. Nothing in this act requires a state or local agency to
11 send or accept electronic records or electronic signatures when a
12 writing or signature is required by statute.

13 (3) Except as otherwise provided by law, for governmental affairs
14 and governmental transactions with state agencies, each state agency
15 electing to send and accept shall establish the method that must be
16 used for electronic submissions and electronic signatures. The method
17 and process for electronic submissions and the use of electronic
18 signatures must be established by policy or rule and be consistent
19 with the policies, standards, or guidance established by the chief
20 information officer required in subsection (4) of this section.

21 (4)(a) The chief information officer, in coordination with state
22 agencies, must establish standards, guidelines, or policies for the
23 electronic submittal and receipt of electronic records and electronic
24 signatures for governmental affairs and governmental transactions.
25 The standards, policies, or guidelines must take into account
26 reasonable access by and ability of persons to participate in
27 governmental affairs or governmental transactions and be able to rely
28 on transactions that are conducted electronically with agencies.
29 Through the standards, policies, or guidelines, the chief information
30 officer should encourage and promote consistency and interoperability
31 among state agencies.

32 (b) In order to provide a single point of access, the chief
33 information officer must establish a web site that maintains or links
34 to the agency rules and policies established pursuant to subsection
35 (3) of this section.

36 (5) Except as otherwise provided by law, for governmental affairs
37 and governmental transactions with local agencies, each local agency
38 electing to send and accept shall establish the method that must be
39 used for electronic submissions and electronic signatures. The method
40 and process for electronic submissions and the use of electronic

1 signatures must be established by ordinance, resolution, policy, or
2 rule. The local agency shall also establish standards, guidelines, or
3 policies for the electronic submittal and receipt of electronic
4 records and electronic signatures for governmental affairs and
5 governmental transactions. The standards, policies, or guidelines
6 must take into account reasonable access by and ability of persons to
7 participate in governmental affairs or governmental transactions and
8 be able to rely on transactions that are conducted electronically
9 with agencies.

10 **Sec. 3.** RCW 19.360.030 and 2015 c 72 s 3 are each amended to
11 read as follows:

12 (1) Unless specifically provided otherwise by law or rule or
13 unless the context clearly indicates otherwise, whenever the term
14 "signature" is used in this code for governmental affairs and is
15 authorized by state or local agency ordinance, resolution, rule, or
16 policy pursuant to RCW 19.360.020, the term includes an electronic
17 signature as defined in subsection (2) of this section.

18 (2) "Electronic signature" means an electronic sound, symbol, or
19 process attached to or logically associated with a contract or other
20 record and executed or adopted by a person with the intent to sign
21 the record.

22 **Sec. 4.** RCW 19.360.040 and 2015 c 72 s 4 are each amended to
23 read as follows:

24 (1) Unless specifically provided otherwise by law or rule or
25 unless the context clearly indicates otherwise, whenever the term
26 "writing" is used in this code for governmental affairs and is
27 authorized by state or local agency ordinance, resolution, rule, or
28 policy pursuant to RCW 19.360.020, the term means a record.

29 (2) "Record," as used in subsection (1) of this section, means
30 information that is inscribed on a tangible medium or that is stored
31 in an electronic or other medium and is retrievable in perceivable
32 form, except as otherwise defined for the purpose of state or local
33 agency record retention, preservation, or disclosure.

34 **Sec. 5.** RCW 19.360.050 and 2015 c 72 s 5 are each amended to
35 read as follows:

36 (1) Unless specifically provided otherwise by law or rule or
37 unless the context clearly indicates otherwise, whenever the term

1 "mail" is used in this code and authorized by state or local agency
2 ordinance, resolution, rule, or policy pursuant to RCW 19.360.020 to
3 transmit a writing with a state or local agency, the term includes
4 the use of mail delivered through an electronic system such as email
5 or secure mail transfer if authorized by the state agency in rule.

6 (2) For the purposes of this section, "electronic" means relating
7 to technology having electrical, digital, magnetic, wireless,
8 optical, electromagnetic, or similar capabilities.

9 **Sec. 6.** RCW 19.360.060 and 2015 c 72 s 6 are each amended to
10 read as follows:

11 For purposes of RCW 19.360.020 through 19.360.050, "state agency"
12 means any state board, commission, bureau, committee, department,
13 institution, division, or tribunal in the executive branch of state
14 government, including statewide elected offices and institutions of
15 higher education created and supported by the state government.
16 "Local agency" means every county, city, town, municipal corporation,
17 quasi-municipal corporation, special purpose district, or other local
18 public agency.

19 **Sec. 7.** RCW 36.62.252 and 1984 c 26 s 20 are each amended to
20 read as follows:

21 Every county which maintains a county hospital or infirmary shall
22 establish a "county hospital fund" into which fund shall be deposited
23 all unrestricted moneys received from any source for hospital or
24 infirmary services including money received for services to
25 recipients of public assistance and other persons without income and
26 resources sufficient to secure such services. The county may maintain
27 other funds for restricted moneys. Obligations incurred by the
28 hospital shall be paid from such funds by the county treasurer in the
29 same manner as general county obligations are paid, except that in
30 counties where a contract has been executed in accordance with RCW
31 36.62.290, warrants may be issued by the hospital administrator for
32 the hospital, if authorized by the county legislative authority and
33 the county treasurer. The county treasurer shall furnish to the
34 county legislative authority a monthly report of receipts and
35 disbursements in the county hospital funds which report shall also
36 show the balance of cash on hand.

1 **Sec. 8.** RCW 36.32.235 and 2009 c 229 s 6 are each amended to
2 read as follows:

3 (1) In each county with a population of four hundred thousand or
4 more which by resolution establishes a county purchasing department,
5 the purchasing department shall enter into leases of personal
6 property on a competitive basis and purchase all supplies, materials,
7 and equipment on a competitive basis, for all departments of the
8 county, as provided in this chapter and chapter 39.04 RCW, except
9 that the county purchasing department is not required to make
10 purchases that are paid from the county road fund or equipment rental
11 and revolving fund.

12 (2) As used in this section, "public works" has the same
13 definition as in RCW 39.04.010.

14 (3) Except as otherwise specified in this chapter or in chapter
15 36.77 RCW, all counties subject to these provisions shall contract on
16 a competitive basis for all public works after bids have been
17 submitted to the county upon specifications therefor. Such
18 specifications shall be in writing and shall be filed with the clerk
19 of the county legislative authority for public inspection.

20 (4) An advertisement shall be published in the county official
21 newspaper stating: The time and place where bids will be opened((τ));
22 the time after which bids will not be received((τ)); a concise
23 summary in plain language of the character of the work to be
24 done((τ)) or the materials and equipment to be furnished((τ)); the
25 uniform resource locator (URL) internet address to a web site
26 established and maintained by the county that provides further
27 information; the name and phone number of the appropriate county
28 official to contact for further information; and that specifications
29 ((therefor)) for the work, materials, or equipment may be seen at the
30 office of the clerk of the county legislative authority. An
31 advertisement shall also be published in a legal newspaper of general
32 circulation in or as near as possible to that part of the county in
33 which such work is to be done. If the county official newspaper is a
34 newspaper of general circulation covering at least forty percent of
35 the residences in that part of the county in which such public works
36 are to be done, then the publication of an advertisement of the
37 applicable specifications in the county official newspaper is
38 sufficient. Such advertisements shall be published at least once at
39 least thirteen days prior to the last date upon which bids will be
40 received.

1 (5) The bids shall be in writing, may be in either hard copy or
2 electronic form as specified by the county, shall be filed with the
3 clerk, shall be opened and read in public at the time and place named
4 therefor in the advertisements, and after being opened, shall be
5 filed for public inspection. No bid may be considered for public work
6 unless it is accompanied by a bid deposit in the form of a surety
7 bond, postal money order, cash, cashier's check, or certified check
8 in an amount equal to five percent of the amount of the bid proposed.

9 (6) The contract for the public work shall be awarded to the
10 lowest responsible bidder. Any or all bids may be rejected for good
11 cause. The county legislative authority shall require from the
12 successful bidder for such public work a contractor's bond in the
13 amount and with the conditions imposed by law.

14 (7) If the bidder to whom the contract is awarded fails to enter
15 into the contract and furnish the contractor's bond as required
16 within ten days after notice of the award, exclusive of the day of
17 notice, the amount of the bid deposit shall be forfeited to the
18 county and the contract awarded to the next lowest and best bidder.
19 The bid deposit of all unsuccessful bidders shall be returned after
20 the contract is awarded and the required contractor's bond given by
21 the successful bidder is accepted by the county legislative
22 authority. Immediately after the award is made, the bid quotations
23 obtained shall be recorded and open to public inspection and shall be
24 available by telephone inquiry.

25 (8) As limited by subsection (10) of this section, a county
26 subject to these provisions may have public works performed by county
27 employees in any annual or biennial budget period equal to a dollar
28 value not exceeding ten percent of the public works construction
29 budget, including any amount in a supplemental public works
30 construction budget, over the budget period.

31 Whenever a county subject to these provisions has had public
32 works performed in any budget period up to the maximum permitted
33 amount for that budget period, all remaining public works except
34 emergency work under subsection (12) of this section within that
35 budget period shall be done by contract pursuant to public notice and
36 call for competitive bids as specified in subsection (3) of this
37 section. The state auditor shall report to the state treasurer any
38 county subject to these provisions that exceeds this amount and the
39 extent to which the county has or has not reduced the amount of

1 public works it has performed by public employees in subsequent
2 years.

3 (9) If a county subject to these provisions has public works
4 performed by public employees in any budget period that are in excess
5 of this ten percent limitation, the amount in excess of the permitted
6 amount shall be reduced from the otherwise permitted amount of public
7 works that may be performed by public employees for that county in
8 its next budget period. Ten percent of the motor vehicle fuel tax
9 distributions to that county shall be withheld if two years after the
10 year in which the excess amount of work occurred, the county has
11 failed to so reduce the amount of public works that it has performed
12 by public employees. The amount withheld shall be distributed to the
13 county when it has demonstrated in its reports to the state auditor
14 that the amount of public works it has performed by public employees
15 has been reduced as required.

16 (10) In addition to the percentage limitation provided in
17 subsection (8) of this section, counties subject to these provisions
18 containing a population of four hundred thousand or more shall not
19 have public employees perform a public works project in excess of
20 ninety thousand dollars if more than a single craft or trade is
21 involved with the public works project, or a public works project in
22 excess of forty-five thousand dollars if only a single craft or trade
23 is involved with the public works project. A public works project
24 means a complete project. The restrictions in this subsection do not
25 permit the division of the project into units of work or classes of
26 work to avoid the restriction on work that may be performed by public
27 employees on a single project.

28 The cost of a separate public works project shall be the costs of
29 materials, supplies, equipment, and labor on the construction of that
30 project. The value of the public works budget shall be the value of
31 all the separate public works projects within the budget.

32 (11) In addition to the accounting and recordkeeping requirements
33 contained in chapter 39.04 RCW, any county which uses public
34 employees to perform public works projects under RCW 36.32.240(1)
35 shall prepare a year-end report to be submitted to the state auditor
36 indicating the total dollar amount of the county's public works
37 construction budget and the total dollar amount for public works
38 projects performed by public employees for that year.

1 The year-end report submitted pursuant to this subsection to the
2 state auditor shall be in accordance with the standard form required
3 by RCW 43.09.205.

4 (12) Notwithstanding any other provision in this section,
5 counties may use public employees without any limitation for
6 emergency work performed under an emergency declared pursuant to RCW
7 36.32.270, and any such emergency work shall not be subject to the
8 limitations of this section. Publication of the description and
9 estimate of costs relating to correcting the emergency may be made
10 within seven days after the commencement of the work. Within two
11 weeks of the finding that such an emergency existed, the county
12 legislative authority shall adopt a resolution certifying the damage
13 to public facilities and costs incurred or anticipated relating to
14 correcting the emergency. Additionally this section shall not apply
15 to architectural and engineering or other technical or professional
16 services performed by public employees in connection with a public
17 works project.

18 (13) In lieu of the procedures of subsections (3) through (11) of
19 this section, a county may let contracts using the small works roster
20 process provided in RCW 39.04.155.

21 Whenever possible, the county shall invite at least one proposal
22 from a minority or woman contractor who shall otherwise qualify under
23 this section.

24 (14) The allocation of public works projects to be performed by
25 county employees shall not be subject to a collective bargaining
26 agreement.

27 (15) This section does not apply to performance-based contracts,
28 as defined in RCW 39.35A.020(4), that are negotiated under chapter
29 39.35A RCW.

30 (16) Nothing in this section prohibits any county from allowing
31 for preferential purchase of products made from recycled materials or
32 products that may be recycled or reused.

33 (17) This section does not apply to contracts between the public
34 stadium authority and a team affiliate under RCW 36.102.060(4), or
35 development agreements between the public stadium authority and a
36 team affiliate under RCW 36.102.060(7) or leases entered into under
37 RCW 36.102.060(8).

38 **Sec. 9.** RCW 36.32.245 and 2007 c 88 s 1 are each amended to read
39 as follows:

1 (1) No contract for the purchase of materials, equipment, or
2 supplies may be entered into by the county legislative authority or
3 by any elected or appointed officer of the county until after bids
4 have been submitted to the county. Bid specifications shall be in
5 writing and shall be filed with the clerk of the county legislative
6 authority for public inspection. An advertisement shall be published
7 in the official newspaper of the county stating: The time and place
8 where bids will be opened((τ)); the time after which bids will not be
9 received((τ)); a concise summary in plain language of the materials,
10 equipment, supplies, or services to be purchased((τ)); the uniform
11 resource locator (URL) internet address to a web site established and
12 maintained by the county that provides further information; the name
13 and phone number of the appropriate county official to contact for
14 further information; and that ((the)) specifications for the
15 materials, equipment, supplies, or services may be seen at the office
16 of the clerk of the county legislative authority. The advertisement
17 shall be published at least once at least thirteen days prior to the
18 last date upon which bids will be received.

19 (2) The bids shall be in writing, may be in either hard copy or
20 electronic form as specified by the county, and shall be filed with
21 the clerk. The bids shall be opened and read in public at the time
22 and place named in the advertisement. Contracts requiring competitive
23 bidding under this section may be awarded only to the lowest
24 responsible bidder. Immediately after the award is made, the bid
25 quotations shall be recorded and open to public inspection and shall
26 be available by telephone inquiry. Any or all bids may be rejected
27 for good cause.

28 (3) For advertisement and formal sealed bidding to be dispensed
29 with as to purchases between ((five)) ten thousand and ((twenty-
30 five)) fifty thousand dollars, the county legislative authority must
31 use the uniform process to award contracts as provided in RCW
32 39.04.190. Advertisement and formal sealed bidding may be dispensed
33 with as to purchases of less than ((five)) ten thousand dollars upon
34 the order of the county legislative authority.

35 (4) This section does not apply to performance-based contracts,
36 as defined in RCW 39.35A.020(4), that are negotiated under chapter
37 39.35A RCW; or contracts and purchases for the printing of election
38 ballots, voting machine labels, and all other election material
39 containing the names of candidates and ballot titles.

1 (5) Nothing in this section shall prohibit the legislative
2 authority of any county from allowing for preferential purchase of
3 products made from recycled materials or products that may be
4 recycled or reused.

5 (6) This section does not apply to contracting for public
6 defender services by a county.

7 **Sec. 10.** RCW 35.58.585 and 2008 c 123 s 2 are each amended to
8 read as follows:

9 (1) Both a metropolitan municipal corporation and a city-owned
10 transit system may establish, by resolution, a schedule of fines and
11 penalties for civil infractions established in RCW 35.58.580. Fines
12 established shall not exceed those imposed for class 1 infractions
13 under RCW 7.80.120.

14 (2)(a) Both a metropolitan municipal corporation and a city-owned
15 transit system may designate persons to monitor fare payment who are
16 equivalent to, and are authorized to exercise all the powers of, an
17 enforcement officer as defined in RCW 7.80.040. Both a metropolitan
18 municipal corporation and a city-owned transit system may employ
19 personnel to either monitor fare payment or contract for such
20 services, or both.

21 (b) In addition to the specific powers granted to enforcement
22 officers under RCW 7.80.050 and 7.80.060, persons designated to
23 monitor fare payment may also take the following actions:

24 (i) Request proof of payment from passengers;

25 (ii) Request personal identification from a passenger who does
26 not produce proof of payment when requested;

27 (iii) Issue a citation for a civil infraction established in RCW
28 35.58.580 conforming to the requirements established in RCW 7.80.070,
29 except that the form for the notice of civil infraction must be
30 approved by the administrative office of the courts and must not
31 include vehicle information; and

32 (iv) Request that a passenger leave the bus or other mode of
33 public transportation when the passenger has not produced proof of
34 payment after being asked to do so by a person designated to monitor
35 fare payment.

36 (3) Both a metropolitan municipal corporation and a city-owned
37 transit system shall keep records of citations in the manner
38 prescribed by RCW 7.80.150. All civil infractions established by this

1 section and RCW 35.58.580 and 35.58.590 shall be heard and determined
2 by a district court as provided in RCW 7.80.010 (1) and (4).

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