

WASHINGTON LEGISLATIVE UPDATE – 2025 CONTRACTS & PROCUREMENT

WASHINGTON ASSOCIATION OF CONTRACTS SPECIALISTS DATED MARCH 5, 2025

Agenda

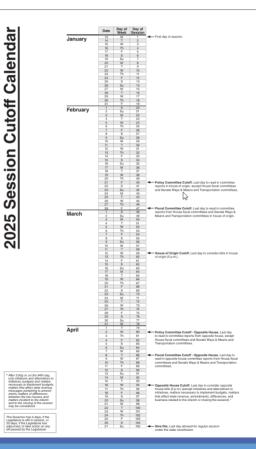
- 69th Washington State Legislature
- Goods/Services Contracting & Procurement
- Public Works Contracting & Procurement
- Other Contracts
- Bills That Would Have Impacted Contracts, But Are Dead

69TH WASHINGTON STATE LEGISLATURE

LEGISLATIVE UPDATE - 2025

69TH WASHINGTON STATE LEGISLATURE

- Long Session
 - 105 Days
 - January 6 April 27, 2025
- Biennial Budgets
 - (July 1, 2025 June 30, 2027):
 - Operations
 - Capital
 - Transportation
- 2025 Session Cutoff Calendar



LEGISLATIVE UPDATE - 2025

BILLS THAT IMPACT GOODS/SERVICES CONTRACTS & PROCUREMENT

KEY BILLS

- 2SHB 1174 Court interpreters
- 2SHB 1462 Hydrofluorocarbons
- HB 2032 Language access providers
- 2SSB 5061 Prevailing wages

2SHB 1174 – COURT INTERPRETERS

- <u>2SHB 1174</u> Amends <u>RCW 2.43</u> Interpreters for Non-English-
 - Speaking Persons
 - Peterson; Objective:
 - Revise Administrative Office of the Courts' credentialing of court interpreters.

Sponsors:

Thai; et al.

2SHB 1462 - Hydrofluorocarbons

- Amends <u>RCW 70A.60</u> Hydrofluorocarbons Emissions Reduction
- Objective:
- <u>2SHB 1462</u>
- Sponsors: Duerr;
 Berry; et al.
- Reduce greenhouse gas emissions pertaining to certain hydrofluorocarbons (refrigerants).
- Note:
 - Ecology is directed to establish a task force and adopt rules.
 - Legislative amendment adopted as the Second Substitute deleted proposed revisions to Procurement Code for Goods/Services (<u>RCW 39.26.310</u>).

HB 2032 – LANGUAGE ACCESS PROVIDERS

- Amends Procurement Code for Goods/Services (RCW 39.26) to add a new section
- Objective:
 - Require language access providers (LAP) to be fully compensated within 30 days of invoice submission.
 - Prohibits daily limits on LAP time.
 - Prohibits requirements for LAP registration that publishes personal contact information.
 - Requires contracting agencies to adopt rules.
- Note:
 - Would apply to agencies purchasing LAP services under <u>RCW 39.26.300</u> [L&I; DSHS; DCYF; & Enterprise Services].

• <u>HB 2032</u>

 Sponsors: Schmidt

2SSB 5061 – Prevailing Wages

- Amends <u>RCW 39.12.030</u> Prevailing Wages on Public Works
- Objective:
- <u>2SSB 5061</u>

 Sponsors: Conway;
 Saldana; et al.

- Except for small works roster projects, require public works contracts to stipulate that the hourly minimum rate of wage for laborers, workers, or mechanics must be adjusted annually, based on the contract date, to provide that such wage is not less than the latest prevailing rate of wage.
- Note:
 - Prevailing wage requirements apply to certain goods/services contracts – e.g., janitorial services; HVAC maintenance.

LEGISLATIVE UPDATE - 2025

BILLS THAT IMPACT PUBLIC WORKS CONTRACTS & PROCUREMENT

KEY BILLS

- 2SHB 1549 Responsible bidder criteria
- HB 1633 Prime contractor bidding submission requirements
- SHB 1967 Design-build projects bonds
- 2SSB 5061 Prevailing wages

2SHB 1549 – Responsible Bidder Criteria

- Amends Procurement Code for Public Works (RCW 39.04)
- Objective:
- <u>2SHB 1549</u>

 Sponsors: Fosse; Obras; et al.

- Allow contractors to bid on public works projects without receiving training on public works and prevailing wage if contractor has completed at least 1 public works project within the previous 3 years and not received a citation for certain violations within that time.
- Requires bidders who are awarded a contract with apprentice utilization requirements to submit an apprentice utilization plan, unless the bidder met or exceeded apprentice utilization requirements on the last public works project it completed.

HB 1633 – PRIME CONTRACTOR BIDDING SUBMISSION REQ.

Objective:

 Amends Public Works Bidding Statute Regarding Subcontractor Identification (<u>RCW 39.30.060</u>)

■ <u>HB 1633</u>

 Sponsors: Hill; Waters; et al.

- Requires that certain subcontractors named by prime contractors in public works projects be licensed at the time they are named by the prime contractor.
- Removes the inability of a subcontractor to obtain the necessary license as a basis for which a prime contractor may substitute a listed subcontractor.

SHB 1967 – DESIGN-BUILD PROJECTS – BONDS

 Amends Alternative Public Works Procurement Code (<u>RCW 39.10.330</u>) & Contractor Bond Statute (<u>RCW 39.08.030</u>)

SHB 1967

- Sponsors: Zahn; Griffey; Nance
- Objective:
 For design-build public works projects, the performance and payment bond must be in an amount not less than the dollar value of the contracted amount of the construction portion of the contract.
 - Performance and payment bond is not required for the portion of the design-build contract that includes design services.

2SSB 5061 – Prevailing Wages

Objective:

 Amends <u>RCW 39.12.030</u> – Prevailing Wages on Public Works

- <u>2SSB 5061</u>
- Sponsors: Conway;
 Saldana; et al.
- Except for small works roster projects, require public works contracts to stipulate that the hourly minimum rate of wage for laborers, workers, or mechanics must be adjusted annually, based on the contract date, to provide that such wage is not less than the latest prevailing rate of wage.

OTHER BILLS THAT IMPACT CONTRACTS

LEGISLATIVE UPDATE - 2025

Key Bills

- HB 1006/SB 5108 Service contracts
- SHB 1550 EV batteries
- HB 1970 Transportation procurement (WSDOT)
- SSB 5074 Turfgrass seed contracts
- 2SSB 5175 Photovoltaic module stewardship & takeback program
- ESSB 5459 Call centers
- SSB 5773 Transportation procurement (WSDOT)

HB 1006 – Service Contracts & Protection Product Guarantees

Amends <u>RCW 48.110</u> – Service Contracts & Protection Product Guarantees

• <u>HB 1006</u> <u>SB 5108</u>

 Sponsors: Ryu; McClintock; Reeves Objective:
 Modifies financial responsibility provisions for protection product guarantee providers and service contract providers for motor vehicles.

 Makes changes to requirements for reimbursement insurance policies used by service contract providers and protection product guarantee providers.

SHB 1550 – EV BATTERIES

Objective:

- <u>SHB 1550</u>
- Improving the End-of-Life Management of Electric Vehicle Batteries
- Sponsors: Street; Doglio; et al.
- Establishes registration, reporting, and management responsibilities for providers, secondary users, secondary handlers, and recyclers of electric vehicle propulsion batteries.

HB 1970 – TRANSPORTATION PROCUREMENT (WSDOT)

- State Highway Construction Project Alternative Contracting Procedures
- Objective:

- <u>HB 1970</u>
- Sponsors: Zahn; Donaghy

- Authorizes WSDOT to use alternative public works contracting procedures, as defined in public works statutes, including design-build, progressive design-build, or general contracting/construction manager (GC/CM) processes.
- Includes progressive design-build and GC/CM procedures in the WSDOT processes for awarding competitively bid highway construction contracts using alternative public works contracting procedures.

SSB 5074 – TURFGRASS SEED CONTRACTS

- Adds a new chapter to RCW Title 15
- Objective:
- <u>SSB 5074</u>

 Sponsors: Boehnke; Chapman; Krishnadasan

- Establishes processes and terms regulating contracts for the sale and distribution of turf seed grass.
- Authorizes the Washington State Department of Agriculture (WSDA) to adopt rules requiring a seed dealer to provide financial assurance for performance of turf seed production or purchase contracts.
- Authorizes WSDA to make mediation services available for the resolution of turf seed production and seed purchase contract disputes.

2SSB 5175 – Photovoltaic Module Stewardship & Takeback Program

Amends <u>RCW 70A.510</u> - Photovoltaic Module

Stewardship & Takeback Program

Objective:

 Sponsors: Shewmake; Hasegawa; et al.

2SSB 5175

/ HB 1789

- Provides new effective dates for implementation of the Photovoltaic Module (i.e., solar panels)
 Stewardship and Takeback Program.
- Establishes a photovoltaic module advisory committee.

ESSB 5449 – CALL CENTERS

- Adds a new chapter to RCW Title 50
- Objective:
 - Requires an employer who intends to relocate a call center to a foreign country to notify the Employment Security Department (ESD) at least 120 days before the relocation, with the exception of a state agency that has a facility in which the primary activity is providing interpretation services.
 - Imposes a civil penalty with a maximum of \$10,000 for each day in violation.
 - Requires ESD to compile a semiannual list of all employers who intend to relocate.
 - Provides that a call center employer that appears on the list is ineligible for any grants or loans awarded by a state agency for 5 years after the employer appears on the list.

• ESSB 5449

 Sponsors: Stanford; Saldana; et al.

SSB 5773 – TRANSPORTATION PROCUREMENT (WSDOT)

- Alternative Procurement & Delivery Models for Transportation Projects
- Objective:
 - Creates a new statutory framework for the implementation of publicprivate partnerships for transportation projects.
 - Requires WSDOT to develop a process for awarding contracts for highway projects over \$2 million to use a progressive design-build (PDB) or any general contractor/construction manager (GC/CM) procedure.
 - Requires WSDOT to consult with the CPARB for any recommendations or feedback after identifying PDB or GC/CM procedures as the preferred delivery method for projects over \$100 million.
 - Requires the Joint Transportation Committee to collaborate with WSDOT to evaluate the alliance contracting procedure as a potential delivery model for transportation projects, with a report due by July 1, 2027.

- <u>SSB 5773</u>
- Sponsors: Liias; King

BILLS THAT WOULD HAVE IMPACTED CONTRACTS, BUT ARE DEAD

GOODS/SERVICES

- HB 1245 Office of Entrepreneurship
- HB 1297 Reporting independent contractors to division of child support
- HB 1419 Requiring interpreters providing services under certain state contracts and purchase agreements to complete national fingerprint background checks
- <u>HB 1611/SB 5302</u> Prohibiting the purchase of small unmanned aircrafts manufactured or assembled by a covered foreign entity

PUBLIC WORKS

- HB 1256 Products manufactured in the United States
- HB 1726 Prioritizing lumber procured from Washington state lumber mills
- <u>HB 1950</u> Requiring subcontractors to be indemnified for certain expenses incurred as a result of late payments from a public works contractor or a subcontractor
- HB 1966 Public works contracting
- SSB 5176 Implementing CPARB prompt pay recommendations
- <u>SB 5293/HB 1387</u> Prevailing wages

OTHER

- SHB 1071/SB 5058 Implementing strategies to achieve higher recycling rates within Washington's existing solid waste management system
- HB 1107 Environmental impacts of fashion
- HB 1181 Minimum Wage Act
- SHB 1412 Establishing the Washington state commission on Middle Eastern and North African Americans
- HB 1959 Eliminating the Office of Equity
- <u>SB 5751</u> Government services delivery improvement

THANK YOU



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