
SENATE BILL 5190

State of Washington 63rd Legislature 2013 Regular Session

By Senators Eide, King, Frockt, Shin, and Schlicher

Read first time 01/23/13. Referred to Committee on Transportation.

1 AN ACT Relating to public contracts for transportation improvement
2 projects; amending RCW 60.28.011, 39.08.030, 39.08.030, 39.12.040,
3 47.04.082, and 47.28.140; reenacting and amending RCW 39.08.010; adding
4 a new section to chapter 47.28 RCW; providing an effective date; and
5 providing an expiration date.

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

7 **Sec. 1.** RCW 60.28.011 and 2011 c 231 s 2 are each amended to read
8 as follows:

9 (1)(a) Except as provided in (b) of this subsection, public
10 improvement contracts shall provide, and public bodies shall reserve,
11 a contract retainage not to exceed five percent of the moneys earned by
12 the contractor as a trust fund for the protection and payment of: (i)
13 The claims of any person arising under the contract; and (ii) the state
14 with respect to taxes, increases, and penalties imposed pursuant to
15 Titles 50, 51, and 82 RCW which may be due from such contractor.

16 (b) Public improvement contracts (~~involving the construction,~~
17 ~~alteration, repair, or improvement of any highway, road, or street~~)
18 funded in whole or in part by federal transportation funds shall rely
19 upon the contract bond as referred to in chapter 39.08 RCW for the

1 protection and payment of: (i) The claims of any person or persons
2 arising under the contract to the extent such claims are provided for
3 in RCW 39.08.010; and (ii) the state with respect to taxes (~~imposed~~
4 ~~pursuant to~~), increases, and penalties incurred on the public
5 improvement project under Titles 50, 51, and 82 RCW which may be due.
6 The contract bond must remain in full force and effect until, at a
7 minimum, all claims filed in compliance with chapter 39.08 RCW are
8 resolved.

9 (2) Every person performing labor or furnishing supplies toward the
10 completion of a public improvement contract shall have a lien upon
11 moneys reserved by a public body under the provisions of a public
12 improvement contract. However, the notice of the lien of the claimant
13 shall be given within forty-five days of completion of the contract
14 work, and in the manner provided in RCW 39.08.030.

15 (3) The contractor at any time may request the contract retainage
16 be reduced to one hundred percent of the value of the work remaining on
17 the project.

18 (a) After completion of all contract work other than landscaping,
19 the contractor may request that the public body release and pay in full
20 the amounts retained during the performance of the contract, and sixty
21 days thereafter the public body must release and pay in full the
22 amounts retained (other than continuing retention of five percent of
23 the moneys earned for landscaping) subject to the provisions of
24 chapters 39.12 and 60.28 RCW.

25 (b) Sixty days after completion of all contract work the public
26 body must release and pay in full the amounts retained during the
27 performance of the contract subject to the provisions of chapters 39.12
28 and 60.28 RCW.

29 (4) The moneys reserved by a public body under the provisions of a
30 public improvement contract, at the option of the contractor, shall be:

31 (a) Retained in a fund by the public body;

32 (b) Deposited by the public body in an interest bearing account in
33 a bank, mutual savings bank, or savings and loan association. Interest
34 on moneys reserved by a public body under the provision of a public
35 improvement contract shall be paid to the contractor;

36 (c) Placed in escrow with a bank or trust company by the public
37 body. When the moneys reserved are placed in escrow, the public body
38 shall issue a check representing the sum of the moneys reserved payable

1 to the bank or trust company and the contractor jointly. This check
2 shall be converted into bonds and securities chosen by the contractor
3 and approved by the public body and the bonds and securities shall be
4 held in escrow. Interest on the bonds and securities shall be paid to
5 the contractor as the interest accrues.

6 (5) The contractor or subcontractor may withhold payment of not
7 more than five percent from the moneys earned by any subcontractor or
8 sub-subcontractor or supplier contracted with by the contractor to
9 provide labor, materials, or equipment to the public project. Whenever
10 the contractor or subcontractor reserves funds earned by a
11 subcontractor or sub-subcontractor or supplier, the contractor or
12 subcontractor shall pay interest to the subcontractor or sub-
13 subcontractor or supplier at a rate equal to that received by the
14 contractor or subcontractor from reserved funds.

15 (6) A contractor may submit a bond for all or any portion of the
16 contract retainage in a form acceptable to the public body and from a
17 bonding company meeting standards established by the public body. The
18 public body shall accept a bond meeting these requirements unless the
19 public body can demonstrate good cause for refusing to accept it. This
20 bond and any proceeds therefrom are subject to all claims and liens and
21 in the same manner and priority as set forth for retained percentages
22 in this chapter. The public body shall release the bonded portion of
23 the retained funds to the contractor within thirty days of accepting
24 the bond from the contractor. Whenever a public body accepts a bond in
25 lieu of retained funds from a contractor, the contractor shall accept
26 like bonds from any subcontractors or suppliers from which the
27 contractor has retained funds. The contractor shall then release the
28 funds retained from the subcontractor or supplier to the subcontractor
29 or supplier within thirty days of accepting the bond from the
30 subcontractor or supplier.

31 (7) If the public body administering a contract, after a
32 substantial portion of the work has been completed, finds that an
33 unreasonable delay will occur in the completion of the remaining
34 portion of the contract for any reason not the result of a breach
35 thereof, it may, if the contractor agrees, delete from the contract the
36 remaining work and accept as final the improvement at the stage of
37 completion then attained and make payment in proportion to the amount
38 of the work accomplished and in this case any amounts retained and

1 accumulated under this section shall be held for a period of sixty days
2 following the completion. In the event that the work is terminated
3 before final completion as provided in this section, the public body
4 may thereafter enter into a new contract with the same contractor to
5 perform the remaining work or improvement for an amount equal to or
6 less than the cost of the remaining work as was provided for in the
7 original contract without advertisement or bid. The provisions of this
8 chapter are exclusive and shall supersede all provisions and
9 regulations in conflict herewith.

10 (8) Whenever the department of transportation has contracted for
11 the construction of two or more ferry vessels, sixty days after
12 completion of all contract work on each ferry vessel, the department
13 must release and pay in full the amounts retained in connection with
14 the construction of the vessel subject to the provisions of RCW
15 60.28.021 and chapter 39.12 RCW. However, the department of
16 transportation may at its discretion condition the release of funds
17 retained in connection with the completed ferry upon the contractor
18 delivering a good and sufficient bond with two or more sureties, or
19 with a surety company, in the amount of the retained funds to be
20 released to the contractor, conditioned that no taxes shall be
21 certified or claims filed for work on the ferry after a period of sixty
22 days following completion of the ferry; and if taxes are certified or
23 claims filed, recovery may be had on the bond by the department of
24 revenue, the employment security department, the department of labor
25 and industries, and the material suppliers and laborers filing claims.

26 (9) Except as provided in subsection (1) of this section,
27 reservation by a public body for any purpose from the moneys earned by
28 a contractor by fulfilling its responsibilities under public
29 improvement contracts is prohibited.

30 (10) Contracts on projects funded in whole or in part by farmers
31 home administration and subject to farmers home administration
32 regulations are not subject to subsections (1) through (9) of this
33 section.

34 (11) This subsection applies only to a public body that has
35 contracted for the construction of a facility using the general
36 contractor/construction manager procedure, as defined under RCW
37 39.10.210. If the work performed by a subcontractor on the project has
38 been completed within the first half of the time provided in the

1 general contractor/construction manager contract for completing the
2 work, the public body may accept the completion of the subcontract.
3 The public body must give public notice of this acceptance. After a
4 forty-five day period for giving notice of liens, and compliance with
5 the retainage release procedures in RCW 60.28.021, the public body may
6 release that portion of the retained funds associated with the
7 subcontract. Claims against the retained funds after the forty-five
8 day period are not valid.

9 (12) Unless the context clearly requires otherwise, the definitions
10 in this subsection apply throughout this section.

11 (a) "Contract retainage" means an amount reserved by a public body
12 from the moneys earned by a person under a public improvement contract.

13 (b) "Person" means a person or persons, mechanic, subcontractor, or
14 materialperson who performs labor or provides materials for a public
15 improvement contract, and any other person who supplies the person with
16 provisions or supplies for the carrying on of a public improvement
17 contract.

18 (c) "Public body" means the state, or a county, city, town,
19 district, board, or other public body.

20 (d) "Public improvement contract" means a contract for public
21 improvements or work, other than for professional services, or a work
22 order as defined in RCW 39.10.210.

23 **Sec. 2.** RCW 39.08.010 and 2007 c 218 s 88 and 2007 c 210 s 3 are
24 each reenacted and amended to read as follows:

25 (1)(a) Whenever any board, council, commission, trustees, or body
26 acting for the state or any county or municipality or any public body
27 shall contract with any person or corporation to do any work for the
28 state, county, or municipality, or other public body, city, town, or
29 district, such board, council, commission, trustees, or body shall
30 require the person or persons with whom such contract is made to make,
31 execute, and deliver to such board, council, commission, trustees, or
32 body a good and sufficient bond, with a surety company as surety,
33 conditioned that such person or persons shall:

34 (i) Faithfully perform all the provisions of such contract (~~and~~);

35 (ii) Pay all laborers, mechanics, and subcontractors and material
36 suppliers, and all persons who supply such person or persons, or

1 subcontractors, with provisions and supplies for the carrying on of
2 such work(~~(, which)~~); and

3 (iii) Pay the taxes, increases, and penalties incurred on the work
4 project under Titles 50, 51, and 82 RCW.

5 (b) The bond, in cases of cities and towns, shall be filed with the
6 clerk or comptroller thereof, and any person or persons performing such
7 services or furnishing material to any subcontractor shall have the
8 same right under the provisions of such bond as if such work, services,
9 or material was furnished to the original contractor(~~(:—PROVIDED,~~
10 ~~HOWEVER, That)~~).

11 (2) The provisions of RCW 39.08.010 through 39.08.030 shall not
12 apply to any money loaned or advanced to any such contractor,
13 subcontractor, or other person in the performance of any such work(~~(:~~
14 ~~PROVIDED FURTHER, That)~~).

15 (3) On contracts of thirty-five thousand dollars or less, at the
16 option of the contractor the respective public entity may, in lieu of
17 the bond, retain fifty percent of the contract amount for a period of
18 thirty days after date of final acceptance, or until receipt of all
19 necessary releases from the department of revenue, the employment
20 security department, and the department of labor and industries and
21 settlement of any liens filed under chapter 60.28 RCW, whichever is
22 later(~~(:—PROVIDED FURTHER, That)~~).

23 (4) For contracts of one hundred thousand dollars or less, the
24 public entity may accept a full payment and performance bond from an
25 individual surety or sureties(~~(:—AND PROVIDED FURTHER, That)~~).

26 (5) The surety must agree to be bound by the laws of the state of
27 Washington and subjected to the jurisdiction of the state of
28 Washington.

29 **Sec. 3.** RCW 39.08.030 and 2009 c 473 s 1 are each amended to read
30 as follows:

31 (1) The bond mentioned in RCW 39.08.010 shall be in an amount equal
32 to the full contract price agreed to be paid for such work or
33 improvement, except under subsections (2) and (3) of this section, and
34 shall be to the state of Washington, except as otherwise provided in
35 RCW 39.08.100, and except in cases of cities and towns, in which cases
36 such municipalities may by general ordinance fix and determine the
37 amount of such bond and to whom such bond shall run: PROVIDED, The

1 Such notice shall be signed by the person or corporation making the
2 claim or giving the notice, and said notice, after being presented and
3 filed, shall be a public record open to inspection by any person, and
4 in any suit or action brought against such surety or sureties by any
5 such person or corporation to recover for any of the items hereinbefore
6 specified, the claimant shall be entitled to recover in addition to all
7 other costs, attorney's fees in such sum as the court shall adjudge
8 reasonable: PROVIDED, HOWEVER, That no attorney's fees shall be
9 allowed in any suit or action brought or instituted before the
10 expiration of thirty days following the date of filing of the notice
11 hereinbefore mentioned: PROVIDED FURTHER, That any city may avail
12 itself of the provisions of RCW 39.08.010 through 39.08.030,
13 notwithstanding any charter provisions in conflict herewith: AND
14 PROVIDED FURTHER, That any city or town may impose any other or further
15 conditions and obligations in such bond as may be deemed necessary for
16 its proper protection in the fulfillment of the terms of the contract
17 secured thereby, and not in conflict herewith. The thirty-day notice
18 requirement under this subsection does not apply to claims made by the
19 state for taxes, increases, and penalties specified in RCW 39.08.010.

20 (2) Under the job order contracting procedure described in RCW
21 39.10.420, bonds will be in an amount not less than the dollar value of
22 all open work orders.

23 (3)(a) On highway construction contracts administered by the
24 department of transportation with an estimated contract price of two
25 hundred fifty million dollars or more, the department may authorize
26 bonds in an amount less than the full contract price of the project.
27 If a bond less than the full contract price is authorized by the
28 department, the bond must be in the form of a performance bond and a
29 separate payment bond. The department shall fix the amount of the
30 performance bond on a contract-by-contract basis to adequately protect
31 one hundred percent of the state's exposure to loss. The amount of the
32 performance bond must not be less than two hundred fifty million
33 dollars. The payment bond must be in an amount fixed by the department
34 but must not be less than the amount of the performance bond. The
35 secretary of transportation must approve each performance bond and
36 payment bond authorized to be less than the full contract price of a
37 project. Before the secretary may approve any bond authorized to be
38 less than the full contract price of a project, the office of financial

1 management shall review and approve the analysis supporting the amount
2 of the bond set by the department to ensure that one hundred percent of
3 the state's exposure to loss is adequately protected. All the
4 requirements of this chapter apply respectively to the individual
5 performance and payment bonds. The performance bond is solely for the
6 protection of the department. The payment bond is solely for: (i) The
7 protection of laborers, mechanics, subcontractors, and suppliers
8 mentioned in RCW 39.08.010; and (ii) the state, with respect to the
9 taxes specified in RCW 39.08.010.

10 (b) The department shall develop risk assessment guidelines and
11 gain approval of these guidelines from the office of financial
12 management before implementing (a) of this subsection. The guidelines
13 must include a clear process for how the department measures the
14 state's exposure to loss and how the performance bond amount,
15 determined under (a) of this subsection, adequately protects one
16 hundred percent of the state's exposure to loss.

17 (c) The department shall report to the house of representatives and
18 senate transportation committees by December 1, 2012: Each project
19 where the department authorized bonds that were less than the full
20 contract price; the difference between the project amount and the bond
21 requirements; the number of bidders on the project; and other
22 information that documents the effects of the reduced bond amounts on
23 the project.

24 (4) Where retainage is not withheld pursuant to RCW
25 60.28.011(1)(b), upon final acceptance of the public works project, the
26 state, county, municipality, or other public body shall within thirty
27 days notify the department of revenue, the employment security
28 department, and the department of labor and industries of the
29 completion of contracts over thirty-five thousand dollars.

30 **Sec. 4.** RCW 39.08.030 and 2007 c 218 s 89 are each amended to read
31 as follows:

32 (1) The bond mentioned in RCW 39.08.010 shall be in an amount equal
33 to the full contract price agreed to be paid for such work or
34 improvement, except under subsection (2) of this section, and shall be
35 to the state of Washington, except as otherwise provided in RCW
36 39.08.100, and except in cases of cities and towns, in which cases such
37 municipalities may by general ordinance fix and determine the amount of

1 Such notice shall be signed by the person or corporation making the
2 claim or giving the notice, and said notice, after being presented and
3 filed, shall be a public record open to inspection by any person, and
4 in any suit or action brought against such surety or sureties by any
5 such person or corporation to recover for any of the items hereinbefore
6 specified, the claimant shall be entitled to recover in addition to all
7 other costs, attorney's fees in such sum as the court shall adjudge
8 reasonable: PROVIDED, HOWEVER, That no attorney's fees shall be
9 allowed in any suit or action brought or instituted before the
10 expiration of thirty days following the date of filing of the notice
11 hereinbefore mentioned: PROVIDED FURTHER, That any city may avail
12 itself of the provisions of RCW 39.08.010 through 39.08.030,
13 notwithstanding any charter provisions in conflict herewith: AND
14 PROVIDED FURTHER, That any city or town may impose any other or further
15 conditions and obligations in such bond as may be deemed necessary for
16 its proper protection in the fulfillment of the terms of the contract
17 secured thereby, and not in conflict herewith. The thirty-day notice
18 requirement under this subsection does not apply to claims made by the
19 state for taxes, increases, and penalties specified in RCW 39.08.010.

20 (2) Under the job order contracting procedure described in RCW
21 (~~39.10.130~~) 39.10.420, bonds will be in an amount not less than the
22 dollar value of all open work orders.

23 (3) Where retainage is not withheld pursuant to RCW
24 60.28.011(1)(b), upon final acceptance of the public works project, the
25 state, county, municipality, or other public body shall within thirty
26 days notify the department of revenue, the employment security
27 department, and the department of labor and industries of the
28 completion of contracts over thirty-five thousand dollars.

29 **Sec. 5.** RCW 39.12.040 and 2012 c 129 s 1 are each amended to read
30 as follows:

31 (1)(a) Except as provided in subsection (2) of this section, before
32 payment is made by or on behalf of the state, or any county,
33 municipality, or political subdivision created by its laws, of any sum
34 or sums due on account of a public works contract, it shall be the duty
35 of the officer or person charged with the custody and disbursement of
36 public funds to require the contractor and each and every subcontractor
37 from the contractor or a subcontractor to submit to such officer a

1 "Statement of Intent to Pay Prevailing Wages". For a contract in
2 excess of ten thousand dollars, the statement of intent to pay
3 prevailing wages shall include:

4 ((+a)) (i) The contractor's registration certificate number; and
5 ((+b)) (ii) The prevailing rate of wage for each classification of
6 workers entitled to prevailing wages under RCW 39.12.020 and the
7 estimated number of workers in each classification.

8 (b) Each statement of intent to pay prevailing wages must be
9 approved by the industrial statistician of the department of labor and
10 industries before it is submitted to the disbursing officer. Unless
11 otherwise authorized by the department of labor and industries, each
12 voucher claim submitted by a contractor for payment on a project
13 estimate shall state that the prevailing wages have been paid in
14 accordance with the prefiled statement or statements of intent to pay
15 prevailing wages on file with the public agency. Following the final
16 acceptance of a public works project, it shall be the duty of the
17 officer charged with the disbursement of public funds, to require the
18 contractor and each and every subcontractor from the contractor or a
19 subcontractor to submit to such officer an ((=)) affidavit of wages
20 paid((=)) before the funds retained according to the provisions of RCW
21 60.28.011 are released to the contractor. On a public works project
22 where no retainage is withheld pursuant to RCW 60.28.011(1)(b), the
23 affidavit of wages paid must be submitted to the state, county,
24 municipality, or other public body charged with the duty of disbursing
25 or authorizing disbursement of public funds prior to final acceptance
26 of the public works project. If a subcontractor performing work on a
27 public works project fails to submit an ((=)) affidavit of wages
28 paid((=)) form, the contractor or subcontractor with whom the
29 subcontractor had a contractual relationship for the project may file
30 the forms on behalf of the nonresponsive subcontractor. Affidavit
31 forms may only be filed on behalf of a nonresponsive subcontractor who
32 has ceased operations or failed to file as required by this section.
33 ~~((Filings made on behalf of a subcontractor may not be accepted sooner~~
34 ~~than thirty one days after the acceptance date of the public works~~
35 ~~project—and)) The contractor filing the affidavit must accept
36 responsibility for payment of prevailing wages unpaid by the
37 subcontractor on the project pursuant to RCW 39.12.020 and 39.12.065.
38 Intentionally filing a false affidavit on behalf of a subcontractor~~

1 subjects the filer to the same penalties as are provided in RCW
2 39.12.050. Each affidavit of wages paid must be certified by the
3 industrial statistician of the department of labor and industries
4 before it is submitted to the disbursing officer.

5 (2) As an alternate to the procedures provided for in subsection
6 (1) of this section, for public works projects of two thousand five
7 hundred dollars or less and for projects where the limited public works
8 process under RCW 39.04.155(3) is followed:

9 (a) An awarding agency may authorize the contractor or
10 subcontractor to submit the statement of intent to pay prevailing wages
11 directly to the officer or person charged with the custody or
12 disbursement of public funds in the awarding agency without approval by
13 the industrial statistician of the department of labor and industries.
14 The awarding agency shall retain such statement of intent to pay
15 prevailing wages for a period of not less than three years.

16 (b) Upon final acceptance of the public works project, the awarding
17 agency shall require the contractor or subcontractor to submit an
18 affidavit of wages paid. Upon receipt of the affidavit of wages paid,
19 the awarding agency may pay the contractor or subcontractor in full,
20 including funds that would otherwise be retained according to the
21 provisions of RCW 60.28.011. Within thirty days of receipt of the
22 affidavit of wages paid, the awarding agency shall submit the affidavit
23 of wages paid to the industrial statistician of the department of labor
24 and industries for approval.

25 (c) A statement of intent to pay prevailing wages and an affidavit
26 of wages paid shall be on forms approved by the department of labor and
27 industries.

28 (d) In the event of a wage claim and a finding for the claimant by
29 the department of labor and industries where the awarding agency has
30 used the alternative process provided for in this subsection (2) (~~of~~
31 ~~this section~~), the awarding agency shall pay the wages due directly to
32 the claimant. If the contractor or subcontractor did not pay the wages
33 stated in the affidavit of wages paid, the awarding agency may take
34 action at law to seek reimbursement from the contractor or
35 subcontractor of wages paid to the claimant, and may prohibit the
36 contractor or subcontractor from bidding on any public works contract
37 of the awarding agency for up to one year.

1 (e) Nothing in this section shall be interpreted to allow an
2 awarding agency to subdivide any public works project of more than two
3 thousand five hundred dollars for the purpose of circumventing the
4 procedures required by subsection (1) of this section.

5 **Sec. 6.** RCW 47.04.082 and 1967 c 108 s 1 are each amended to read
6 as follows:

7 As used in (~~this act the term~~) chapter 108, Laws of 1967, "urban
8 public transportation system" (~~shall~~) means a system for the public
9 transportation of persons or property by buses, streetcars, trains,
10 electric trolley coaches, other public transit vehicles, or any
11 combination thereof operating in or through predominantly urban areas
12 and owned and operated by the state, any public agency, any city or
13 county or any municipal corporation of the state, including all
14 structures, facilities, vehicles and other property rights and interest
15 forming a part of such a system.

16 **Sec. 7.** RCW 47.28.140 and 1991 c 322 s 29 are each amended to read
17 as follows:

18 When in the opinion of the governing authorities representing the
19 department and any public agency, instrumentality, municipal
20 corporation, or political subdivision of the state of Washington, any
21 highway, road, (~~or~~) street, or urban public transportation system
22 will be benefited or improved by constructing, reconstructing,
23 locating, relocating, laying out, repairing, surveying, altering,
24 improving, or maintaining, or by the establishment adjacent to, under,
25 upon, within, or above any portion of any such highway, road, (~~or~~)
26 street (~~or an~~), or urban public transportation system, by either the
27 department or any public agency, instrumentality, municipal
28 corporation, or political subdivision of the state, and it is in the
29 public interest to do so, the authorities may enter into cooperative
30 agreements wherein either agrees to perform the work and furnish the
31 materials necessary and pay the cost thereof, including necessary
32 engineering assistance, which costs and expenses shall be reimbursed by
33 the party whose responsibility it was to do or perform the work or
34 improvement in the first instance. The work may be done by either day
35 labor or contract, and the cooperative agreement between the parties
36 shall provide for the method of reimbursement. In the case of some

1 special benefit or improvement to a state highway derived from any
2 project that assists in preventing or minimizing flood damages as
3 defined in RCW 86.16.120 or from the construction of any public works
4 project, including any urban public transportation system, the
5 department may contribute to the cost thereof by making direct payment
6 to the particular state department, agency, instrumentality, municipal
7 corporation, or political subdivision on the basis of benefits
8 received, but such payment shall be made only after a cooperative
9 agreement has been entered into for a specified amount or on an actual
10 cost basis prior to the commencement of the particular public works
11 project.

12 NEW SECTION. **Sec. 8.** A new section is added to chapter 47.28 RCW
13 to read as follows:

14 When the department plans to perform a project or work for another
15 public agency, instrumentality, municipal corporation, or political
16 subdivision that provides no benefit or improvement to a state highway
17 and the public agency, instrumentality, municipal corporation, or
18 political subdivision plans to perform a project or work for the
19 department, the department may waive application of its indirect costs
20 by entering into a reciprocal agreement with the public agency,
21 instrumentality, municipal corporation, or political subdivision in
22 which each party agrees to waive indirect costs related to a project or
23 work that will be performed by the party for the other party's benefit.
24 The reciprocal agreement must specify the project or work to be
25 performed by each party and may be for a maximum term of ten years,
26 unless amended by the parties. The reimbursement requirements of RCW
27 47.04.140, 39.34.130, and 43.09.210 are deemed to be satisfied by the
28 completion of each party's project or work under the reciprocal
29 agreement.

30 NEW SECTION. **Sec. 9.** Section 3 of this act expires June 30, 2016.

31 NEW SECTION. **Sec. 10.** Section 4 of this act takes effect June 30,
32 2016.

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