
Judiciary Committee

HB 1601

Title: An act relating to venue of actions by or against counties.

Brief Description: Concerning venue of actions by or against counties.

Sponsors: Representative Rodne.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Voids any contract provision in a public works contract with any county that requires an action be brought in the superior court of that county.
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Hearing Date: 2/18/15

Staff: Brent Campbell (786-7152).

Background:

Contract terms are generally enforceable based on the theory of freedom of contract. For example, arbitration agreements, agreements where a neutral third party is selected to hear and resolve a dispute between contracting parties, is a contract term that is generally enforceable. However, a contract or its terms may be void and unenforceable if the contract violates certain principles of contract law. For example, a contract may be unenforceable if there is no consideration, if it is unconscionable, or if it contravenes public policy.

Contract terms are unenforceable on grounds of public policy when the interest in their enforcement is clearly outweighed by a public policy against the enforcement of the terms. In order to determine whether a contract violates public policy, courts ask if the contract has a tendency to be against the public good, or to be injurious to the public.

Examples of contracts, or their terms, that are declared by statute to be void as against public policy in Washington include contracts that require:

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- a bidder on a public building or construction contract to obtain or procure any surety bonds or insurance specified in connection with the contract; and
- a party to a construction contract to indemnify against liability for negligence caused by the sole negligence of the person requesting indemnification.

Summary of Bill:

Any provision in a public works contract with any county that requires a civil action be commenced in the superior court of that county is void and unenforceable as against public policy. This does not apply to any provisions that requires a dispute be submitted to arbitration.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.