

HOUSE BILL REPORT

HB 1738

As Passed House:
March 13, 2013

Title: An act relating to authorized purchases by political subdivisions.

Brief Description: Authorizing political subdivisions to purchase certain technology and services from the United States government.

Sponsors: Representatives Hayes, Sells, Seaquist, Dunshee and Ryu.

Brief History:

Committee Activity:

Local Government: 2/15/13, 2/21/13 [DP].

Floor Activity:

Passed House: 3/13/13, 95-2.

Brief Summary of Bill

- Authorizes political subdivisions of the state to purchase electronic data processing and telecommunication equipment, software, and services from the federal government without calling for bids.

HOUSE COMMITTEE ON LOCAL GOVERNMENT

Majority Report: Do pass. Signed by 9 members: Representatives Takko, Chair; Fitzgibbon, Vice Chair; Taylor, Ranking Minority Member; Kochmar, Assistant Ranking Minority Member; Buys, Crouse, Liias, Springer and Upthegrove.

Staff: Michaela Murdock (786-7289).

Background:

Generally, all purchases of or contracts for goods (*i.e.*, products, materials, supplies, or equipment provided by a contractor) must be based on a competitive solicitation process. Competitive solicitation is a documented formal process providing an equal and open opportunity to bidders and culminating in a selection based on predetermined criteria. Intergovernmental agreements awarded to any governmental entity, whether federal, state, or

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local and any department, division, or subdivision of that entity, are exempt from competitive solicitation.

Notwithstanding the general requirement of competitive solicitation, political subdivisions of the state may purchase supplies, materials, or equipment from the federal government without calling for bids. The political subdivision must be authorized by ordinance or resolution of its legislative body to do so.

Acquisition of Electronic Data Processing and Telecommunication Systems.

Municipalities, including cities, counties, towns, and various special purpose districts and public agencies, are currently authorized by statute to acquire electronic data processing or telecommunication equipment, software, or services through competitive negotiation rather than through competitive bidding. Competitive negotiation involves: (1) submitting a request for proposals to qualified sources and publishing it in a newspaper of general circulation; (2) evaluating the proposals received; and (3) selecting a qualified bidder whose proposal is most advantageous to the municipality.

Summary of Bill:

In addition to purchases of supplies, materials, and equipment, any political subdivision of the state may purchase electronic data processing and telecommunication equipment, software, and services from the federal government without calling for bids. However, the political subdivision must be authorized by ordinance or resolution of its legislative body to make such purchases.

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.

Staff Summary of Public Testimony:

(In support) The federal government maintains a list of products and services that have been negotiated between vendors and the federal government at a bulk pricing structure, which results in lower prices for local governments and agencies that are able to purchase off of the General Services Administration (GSA) schedule. In addition to other items, the GSA schedule makes available certain technology equipment, including software. State law currently allows local government to purchase supplies, material, and equipment off of the list but not technology. For those items it can purchase, local government buys them off of the GSA schedule at the listed price and does not have to go through a bid process.

This bill will update state law to be more compatible with federal law. In 2002 at the federal level, technology products were added to the list of items that could be purchased without bids. The state statute has not been updated since 1945. Although the state law already

permits purchases of equipment without bids, it does not specifically list technology like the federal statute.

Snohomish County has specifically requested this bill to address a concern. Specifically, Snohomish County would like to upgrade its technology to the New World System, which would integrate county databases for police dispatching, records management, corrections, prosecution, etc. Although it is available on the federal GSA schedule, Snohomish County has been unable to purchase the system because statute does not expressly permit purchases of technology.

The bill requires cities and counties to pass an ordinance authorizing them to waive bidding procedures for purchases of these products. It does not force cities and counties to use the list.

(Opposed) None.

Persons Testifying: Representative Hayes, prime sponsor; and Briahna Taylor, Snohomish County.

Persons Signed In To Testify But Not Testifying: None.