# HOUSE BILL REPORT HB 1841

## As Reported by House Committee On:

Capital Budget

**Title**: An act relating to electronic competitive bidding for state public works contracting.

**Brief Description**: Authorizing electronic competitive bidding for state public works contracting.

**Sponsors**: Representatives Stonier, Warnick, Dunshee, Morrell, Ryu and Freeman; by request of Department of Enterprise Services.

## **Brief History:**

## **Committee Activity:**

Capital Budget: 2/18/13, 2/25/13, 2/26/13 [DPS].

## **Brief Summary of Substitute Bill**

• Allows for electronic signatures for public works contracts.

#### HOUSE COMMITTEE ON CAPITAL BUDGET

**Majority Report**: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 11 members: Representatives Dunshee, Chair; Stanford, Vice Chair; Warnick, Ranking Minority Member; Hawkins, Assistant Ranking Minority Member; Appleton, Fey, MacEwen, Riccelli, Scott, Smith and Stonier.

**Staff**: Steve Masse (786-7115).

#### Background:

#### Public Works Contracts.

State agencies enter into public works contracts with the low responsive bidder after competitive bidding is done on public work projects. Contractors wishing to bid on a public works project must deliver the bid in paper form to the bid location provided by the state agency.

#### Electronic Signature.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

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Electronic bidding is the electronic transfer of proposed bidding data between the state agency and contractors bidding on public works projects. Electronic signatures are currently used by the Department of Enterprise Services for the bidding and purchase of goods and services

#### Chief Information Officer.

The Chief Information Officer (CIO) was established in 2011 by the Legislature. The CIO resides within the Office of Financial Management, and coordinates agency goals with information technology and business practices.

**Summary of Substitute Bill:** 

Electronic signatures are authorized on public works bidding documents for state agencies. The CIO is required to develop policies for using electronic signatures in public works contracts.

### Substitute Bill Compared to Original Bill:

The CIO is required to develop policies for using electronic signatures in public works contracts.

**Appropriation**: None.

**Fiscal Note**: Available. New fiscal note requested on February 26, 2013.

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

# **Staff Summary of Public Testimony:**

(In support) Currently, a contractor wanting to bid on a public works contract needs to deliver a hard copy to the bid location. This can be burdensome for contractors that are far away, and adds cost and time to putting the bid together. A contractor can put together a more accurate bid because they can submit the bid electronically right up to the bid time. Using electronic signatures is a recommendation of the 2012 Public Works Procurement study.

(Opposed) None.

**Persons Testifying**: Representative Stonier, prime sponsor; and Bill Phillips, Washington State Department of Enterprise Services.

Persons Signed In To Testify But Not Testifying: None.