

SENATE BILL REPORT

SB 5086

As Reported By Senate Committee On:
Government Operations, February 22, 1995

Title: An act relating to clarifying the authority to recover cost for contracts administration services within the department of general administration.

Brief Description: Clarifying the authority to recover cost for contracts administration services within the department of general administration.

Sponsors: Senators Haugen, Winsley, Deccio and Heavey; by request of Department of General Administration.

Brief History:

Committee Activity: Government Operations: 1/31/95, 2/22/95 [DPS].

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Majority Report: That Substitute Senate Bill No. 5086 be substituted therefor, and the substitute bill do pass.

Signed by Senators Haugen, Chair; Sheldon, Vice Chair; Drew, Hale, Heavey, McCaslin and Winsley.

Staff: Eugene Green (786-7405)

Background: The Office of State Procurement within the Department of General Administration has two main divisions: Central Stores, which operates from a revolving fund, and Purchasing and Contracts Administration, which operates through an appropriated account within the Central Stores revolving fund. The 1993-1995 legislative budget notes authorized Purchasing and Contracts Administration to use a transaction-based fee to recover costs.

Summary of Substitute Bill: The authority for the Director of General Administration to recover costs of purchasing and material control operations by charging an amount sufficient to cover costs is put into statute.

Substitute Bill Compared to Original Bill: Language is stricken authorizing the Director General Administration to require suppliers to apply a service charge.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This will allow this program to be self-supporting.

Testimony Against: There are concerns about the supplier being required to apply a service charge.

Testified: John Franklin, Nancy Locke, General Administration (pro).