

# HOUSE BILL REPORT

## HB 1235

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### As Reported By House Committee On: Appropriations

**Title:** An act relating to personal service contracts.

**Brief Description:** Requiring state agency personal service contracts to specify that the state owns the data generated under the contracts.

**Sponsors:** Representatives Ogden, McMorris, H. Sommers, Carlson, Wolfe, O'Brien, Dunshee, Kenney, Dickerson, Cole, Mason and Robertson; by request of Joint Legislative Audit & Review Committee.

**Brief History:**

**Committee Activity:**

Appropriations: 2/13/97, 3/7/97 [DPS].

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### HOUSE COMMITTEE ON APPROPRIATIONS

**Majority Report:** The substitute bill be substituted therefor and the substitute bill do pass. Signed by 29 members: Representatives Huff, Chairman; Alexander, Vice Chairman; Clements, Vice Chairman; Wensman, Vice Chairman; H. Sommers, Ranking Minority Member; Doumit, Assistant Ranking Minority Member; Gombosky, Assistant Ranking Minority Member; Benson; Carlson; Chopp; Cody; Cooke; Crouse; Dyer; Grant; Keiser; Kenney; Kessler; Linville; Lisk; Mastin; McMorris; Parlette; Regala; D. Schmidt; Sehlin; Sheahan; Talcott and Tokuda.

**Staff:** Jim Lux (786-7152).

**Background:** When outside expertise is needed, state agencies may contract with private consultants to conduct studies and to make reports through state-funded personal services contracts. The contracts are reviewed and approved by the Office of Financial Management. In certain instances there has been confusion or disagreement between the state agency and the consultant about what information the personal services contract requires the consultant to provide. At issue is whether the consultant, as a condition of the contract, must provide the state agency with not only the final report but also the background information used to develop it. This may include information such as technical documentation, computer models, assumptions and other data that support the findings, conclusions or recommendations found in the study or report. Without possession or access to this supporting information,

findings, conclusions, and recommendations cannot be validated by the state agency or an independent party.

**Summary of Substitute Bill:** State agencies may not enter into personal services contracts that will permit consultants to charge additional fees for access to supporting data under the contract. In circumstances where the Joint Legislative Audit and Review Committee and the state auditor are conducting audits and require access to supporting data from studies and reports, the consultant is prohibited from charging an additional fee. Data is defined as information supporting the findings, conclusions, and recommendations of the consultant's studies and reports.

**Substitute Bill Compared to Original Bill:** Language stating the state should own all data generated under a personal services contract or have reasonable access to it is removed. New language is inserted that precludes a state agency from entering a personal services contract with a consultant under which the consultant could charge additional costs to the agency, the Joint Legislative Audit Review Committee, or the state auditor for access to data generated under the contract.

**Appropriation:** None.

**Fiscal Note:** Available.

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

**Testimony For:** When state agencies contract with private consultants for a study, they need access to supporting data in order to independently verify the findings, conclusions and recommendations resulting from the study. Current statutes need to be clarified to ensure that the state owns or has reasonable access to this supporting data.

**Testimony Against:** The legislation isn't broad enough. The public should have access to this information, as required in other circumstances under the Open Public Records Act.

**Testified:** Representative Ogden, prime sponsor (pro); and Rowland Thompson, Allied Daily Newspapers (concerns).