

# SENATE BILL REPORT

## SB 5533

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As of February 14, 1997

**Title:** An act relating to revising certain competitive bid dollar amounts to account for inflation.

**Brief Description:** Readjusting certain public contract bid amounts for inflation.

**Sponsors:** Senators Haugen and Jacobsen.

**Brief History:**

**Committee Activity:** Government Operations: 2/21/97.

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### SENATE COMMITTEE ON GOVERNMENT OPERATIONS

**Staff:** Diane Smith (786-7410)

**Background:** First class cities may use city employees to perform public works of a dollar value not exceeding 10 percent of the city's public works construction budget. For any project within that 10 percent limitation, public works which are permitted to be performed by public employees are further limited on a per-project basis. For first class cities with populations in excess of 150,000, public employees may perform public works projects of \$50,000 or less if more than a single craft or trade is involved and \$25,000 or less if only a single craft or trade is involved.

For first class cities of 150,000 population or less, public employees may perform public works projects of \$35,000 or less if more than a single craft or trade is involved and \$20,000 or less if only a single craft or trade is involved.

These dollar amounts have not been changed since they were established in 1987. As of 1997, the first class cities of populations in excess of 150,000 are Seattle, Spokane and Tacoma.

Second class cities and towns public employees may perform public works projects of \$30,000 or less if more than one craft or trade is involved and \$20,000 if only a single craft or trade is involved. There is no percentage of the public works budget which operates as an overall maximum for the performance of public works by public employees for second class cities and towns.

These dollar amounts have not been changed since they were established in 1987.

**Summary of Bill:** The per-public-works-project limitations on the use of public employees by first class cities with populations exceeding 150,000 are raised to \$60,000 when more than a single craft or trade is involved and to \$30,000 if only single craft or trade is involved. For first class cities with populations of 150,000 or less, the limitations are raised to \$40,000 and to \$25,000 respectively.

For second class cities and towns, the per-public-works-projects limitations on the use of public employees are raised to \$35,000 if more than one craft or trade is involved and to \$25,000 if only a single craft or trade is involved. These dollar limitations are subject to adjustment for inflation beginning July 1, 1999.

**Appropriation:** None.

**Fiscal Note:** Not requested.

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