

SSB 5931 - S AMD 440

By Senators Baumgartner, Kastama, Tom

ADOPTED 05/17/2011

1 On page 4, beginning on line 10, strike all of section 104 and
2 insert the following:

3
4 "NEW SECTION. **Sec. 104.** A new section is added to chapter 43.19
5 RCW to read as follows:

6 (1) The executive powers and management of the department shall be
7 administered as described in this section.

8 (2) The executive head and appointing authority of the department
9 is the director. The director is appointed by the governor, subject to
10 confirmation by the senate. The director serves at the pleasure of the
11 governor. The director is paid a salary fixed by the governor in
12 accordance with RCW 43.03.040. If a vacancy occurs in the position of
13 director while the senate is not in session, the governor shall make a
14 temporary appointment until the next meeting of the senate at which
15 time he or she shall present to that body his or her nomination for
16 the position.

17 (3) The director may employ staff members, who are exempt from
18 chapter 41.06 RCW, and any additional staff members as are necessary
19 to administer this chapter, and such other duties as may be authorized
20 by law. The director may delegate any power or duty vested in him or
21 her by this act or other law, including authority to make final
22 decisions and enter final orders in hearings conducted under chapter
23 34.05 RCW.

24 (4) The internal affairs of the department are under the control
25 of the director in order that the director may manage the department
26 in a flexible and intelligent manner as dictated by changing
27 contemporary circumstances. Unless specifically limited by law, the

1 director has complete charge and supervisory powers over the
2 department. The director may create the administrative structures as
3 the director deems appropriate, except as otherwise specified by law,
4 and the director may employ personnel as may be necessary in
5 accordance with chapter 41.06 RCW, except as otherwise provided by
6 law.

7 (5) At the beginning of each fiscal biennium, the office of
8 financial management shall conduct a review of the programs and
9 services that are performed by the department to determine whether the
10 program or service may be performed by the private sector in a more
11 cost-efficient and effective manner than being performed by the
12 department. In conducting this review, the office of financial
13 management shall:

14 (a) Examine the existing activities currently being performed by
15 the department, including but not limited to an examination of
16 services for their performance, staffing, capital requirements, and
17 mission. Programs may be broken down into discrete services or
18 activities or reviewed as a whole; and

19 (b) Examine the activities to determine which specific services
20 are available in the marketplace and what potential for efficiency
21 gains or savings exist.

22 (6) The office of financial management shall select at least six
23 activities or services that have been determined as an activity that
24 may be provided by the private sector at an effective and cost-
25 efficient manner, including for the 2011-2013 fiscal biennium the bulk
26 printing services. Priority for selection shall be given to agency
27 activities or services that are significant, ongoing functions. For
28 each of the selected activities, the department of enterprise services
29 shall use a request for information, request for proposal, or other
30 procurement process to determine if a contract for the activity would
31 result in the activity being provided at a reduced cost and with
32 greater efficiency. The department of enterprise services may contract
33 with one or more vendors to provide the service as a result of the
34 procurement process.

1 (7) If the office of financial management determines via the
2 procurement process that the activity cannot be provided by the
3 private sector at a reduced cost and greater efficiency, the
4 department of enterprise services may cancel the procurement without
5 entering into a contract and shall promptly notify the legislative
6 fiscal committees of such a decision.

7 (8) The office of financial management shall prepare a biennial
8 report summarizing the results of the examination of the agency's
9 programs and services. In addition to the programs and services
10 examined and the result of the examination, the report shall provide
11 information on any procurement process that does not result in a
12 contract for the services. During each regular legislative session
13 held in odd-numbered years, the legislative fiscal committees shall
14 hold a public hearing on the report and the department's activities
15 under subsections (5) through (7) of this section.

16 (9) The joint legislative and audit review committee shall conduct
17 an audit of the implementation of subsections (5) through (7) of this
18 section, and report to the legislature by January 1, 2018, on the
19 results of the audit."
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21 On page 78, line 37, after "The" strike "requirements" and insert:
22 "~~((requirements))~~ processes set forth in subsections (1), (4), and
23 (5)"

24 On page 78, line 37, after "to" insert ": (a)"
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26 On page 79, line 1, after "74.13.031(5)" strike all material
27 through "agency" on line 3 and insert ";

28 (b) the acquisition of printing services by a state agency;

29 (c) the department of enterprise services; and

30 (d) the consolidated technology services agency"
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EFFECT: Directs the contract letting shall be done by the
department of enterprise services, not the office of financial
management, and provides clarifying language about the procurement
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process.

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