
Capital Budget Committee

HB 2407

Brief Description: Concerning reporting regarding the use of out-of-state materials for public works projects.

Sponsors: Representatives Maycumber, Fey, Orcutt, Kraft, Walsh, Kilduff, Peterson, Reeves, Chapman, Kloba, Dye, Taylor, Kretz, DeBolt, Eslick, Fitzgibbon, Haler, Holy, Stambaugh, Schmick and Ormsby.

Brief Summary of Bill

- Requires Public Owners that receive funding for a project from the capital budget to report if the steel or concrete were purchased out of state, the reason for purchasing out of state, and the cost of the steel or concrete purchased.

Hearing Date: 1/12/18

Staff: Steve Masse (786-7115).

Background:

Public Works Projects.

Public works projects include construction, renovation, remodeling, and repair, other than maintenance, of real property at the cost of the state or a municipality. The capital budget provides direct appropriations and grants to state agencies, other governmental entities, and nonprofit organizations for public works projects. The transportation budget provides funding for state roads, and bridges projects. Those projects consist of labor and materials to complete. Typical materials may include concrete, steel, and other materials. Most public works projects are procured using the design-bid-build procedure when a governmental entity selects an architectural engineering firm to develop drawings and specifications for the project, then the construction contract is awarded to the lowest responsible bidder. The contractor is required to follow the specifications and drawings and may use whatever means to do so as long as the materials meet the specifications. Generally, contractors will seek out the least costly materials

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that meet that specification. Project owners often provide third-party testing services to ensure the specifications of the materials are met.

Summary of Bill:

If steel or concrete are purchased from out-of-state for projects receiving any funding from the capital budget or using an alternative financing contract, that are over five thousand square feet, or the transportation budget for roads or bridges over \$1 million, the public owner must report: (1) where the steel or concrete were purchased from; (2) reasons for using out-of-state steel or concrete; and (3) cost of the steel or concrete purchased out-of-state.

The public owner must report the information to the fiscal committees of the Legislature by November 30 of each even-numbered year.

Appropriation: None.

Fiscal Note: Requested on January 8, 2018.

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