

**SENATE BILL REPORT**

**SB 5230**

**AS OF FEBRUARY 4, 1991**

**Brief Description:** Requiring state building leases to be in compliance with the lowest responsible bidder statutes.

**SPONSORS:** Senators Owen, Craswell, Talmadge and Conner.

**SENATE COMMITTEE ON GOVERNMENTAL OPERATIONS**

**Staff:** Barbara Howard (786-7410)

**Hearing Dates:** February 5, 1991

**BACKGROUND:**

The Department of General Administration (GA) buys or leases most real estate for state agency offices. In developing leased space, the department, with the client agency, sets forth the project criteria -- such as location, size, parking availability or access to public transportation -- and then invites property owners to submit proposals.

Proposals received by the project deadline are evaluated by GA and a client team, and ranked by project criteria, as well as cost considerations. The most suitable offer is then selected for the lease contract. It has been suggested that it would be more economical to the state if such leases were subject to a more competitive process.

**SUMMARY:**

The Director of General Administration must ensure that all real property leases comply with the competitive process for state purchases, whereby the contract goes to the lowest responsible bidder.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** requested January 29, 1991