

HOUSE BILL REPORT

HB 3066

As Reported by House Committee On:
State Government

Title: An act relating to donation of surplus construction property to nonprofit corporations.

Brief Description: Donating surplus construction property to nonprofit corporations.

Sponsors: Representatives Romero, Moeller, Clibborn, Simpson, D. and Ormsby.

Brief History:

Committee Activity:

State Government: 2/6/04 [DPS].

Brief Summary of Substitute Bill

- Allows surplus building materials to be donated to nonprofit organizations.
- Mandates that surplus building materials that are donated must be used, or the money from their sale used, in the construction or repair of housing for the poor or infirm.

HOUSE COMMITTEE ON STATE GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Haigh, Chair; Miloscia, Vice Chair; Armstrong, Ranking Minority Member; Shabro, Assistant Ranking Minority Member; Hunt, McDermott, Nixon, Tom and Wallace.

Staff: Matt Kuehn (786-7291).

Background:

The state sells or exchanges its surplus building materials through the Department of General Administration's (GA) purchasing department. Proceeds from the sale of the property replenish the fund which was used to originally purchase the property. Where the originating fund no longer exists, the proceeds are paid into the state general fund.

There are exceptions: abandoned historical archaeological resources are the property of the state; surplus school textbooks and educational aids must be offered to other school

districts; and surplus computers are donated to school districts.

Tangible surplus personal property may be donated to emergency homeless shelters where no other agencies need the property, the agency which owns the property has authorized the donation, the nature of the property is directly germane to the needs of the homeless, and the director of the GA has determined that the donation is in the best interest of the state.

Summary of Substitute Bill:

The GA must consult with a variety of interested parties, including but not limited to: nonprofit organizations identified in the section; the Building Construction Trades Council; low-income housing groups; representatives of the used building material industry; Associated General Contractors; the Department of Labor and Industries (L&I); the Higher Education Coordinating Board; the State Board for Community and Technical Colleges; representatives from construction programs at institutions of higher education; and the Department of Transportation

The agency making the property available will make the property available for curbside or dockside pick up.

The nonprofit corporation may not engage in demolition activities. If workers for the nonprofit corporation engage in construction or demolition activities those workers are no longer exempt from the prevailing wage rate set by the L&I.

Substitute Bill Compared to Original Bill:

The substitute bill narrows the range of qualified nonprofit corporations that may receive the surplus material to those that are actively engaged and have the primary purpose of providing housing to the poor and infirm. The bill also instructs that in establishing the procedure for identification and distribution of surplus property the director of the GA will consult with a specific, but not limited, list of interested parties.

The substitute bill also describes the method by which the surplus material will be made available. It prohibits the nonprofit from engaging in demolition activities to collect the surplus.

If the nonprofit engages in demolition or construction activities in collecting the surplus items, the exemption from the prevailing wage rate for nonprofit corporation workers removing donated surplus property if they engage in construction or demolition activities.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: Nonprofits such as Habitat for Humanity benefit greatly from receiving surplus material. The bill makes materials much more available to low-income housing builders. It is better to pass the bill with the proposed amendment. The proposed amendment allows the current bill to conform with the bill that is moving forward in the Senate. The amendment is the result of consultation with several other agencies.

Testimony Against: None.

Persons Testifying: Representative Romero, prime sponsor; Maureen Howard, Habitat for Humanity of Washington; Nick Federici, Washington Low-Income Housing Alliance; and Lawson Schaller, Second Use Building Materials, Inc.

Persons Signed In To Testify But Not Testifying: None.