
SENATE BILL 5110

State of Washington

63rd Legislature

2013 Regular Session

By Senators Tom, Murray, Hill, and McAuliffe

Read first time 01/18/13. Referred to Committee on Governmental Operations .

1 AN ACT Relating to local government purchasing; and amending RCW
2 39.30.040.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 39.30.040 and 1989 c 431 s 58 are each amended to read
5 as follows:

6 (1) Whenever a unit of local government is required to make
7 purchases from the lowest bidder or from the supplier offering the
8 lowest price for the items desired to be purchased, the unit of local
9 government may, at its option when awarding a purchase contract, take
10 into consideration tax revenue it would receive from purchasing the
11 supplies, materials, or equipment from a supplier located within its
12 boundaries. The unit of local government must award the purchase
13 contract to the lowest bidder after such tax revenue has been
14 considered. However, any local government may allow for preferential
15 purchase of products made from recycled materials or products that may
16 be recycled or reused. The tax revenues which units of local
17 government may consider include sales taxes that the unit of local
18 government imposes upon the sale of such supplies, materials, or
19 equipment from the supplier to the unit of local government, and

1 business and occupation taxes that the unit of local government imposes
2 upon the supplier that are measured by the gross receipts of the
3 supplier from such sale. Any unit of local government which considers
4 tax revenues it would receive from the imposition of taxes upon a
5 supplier located within its boundaries, shall also consider tax
6 revenues it would receive from taxes it imposes upon a supplier located
7 outside its boundaries.

8 (2) A unit of local government may award a contract to a bidder
9 submitting the lowest bid before taxes are applied. The unit of local
10 government must provide notice of its intent to award a contract based
11 on this method prior to bids being submitted.

12 (3) As used in this section, the term "unit of local government"
13 means any county, city, town, metropolitan municipal corporation,
14 public transit benefit area, county transportation authority, or other
15 municipal or quasi-municipal corporation authorized to impose sales and
16 use taxes or business and occupation taxes.

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