

HOUSE BILL REPORT

SB 5203

As Reported by House Committee On: Capital Budget

Title: An act relating to job order contracting requirements.

Brief Description: Modifying certain job order contracting requirements.

Sponsors: Senators Warnick, Hasegawa and Keiser; by request of Department of Enterprise Services.

Brief History:

Committee Activity:

Capital Budget: 3/17/15, 3/24/15 [DP].

Brief Summary of Bill

- Adds the Department of Enterprise Services to entities that may award a job order contract amount up to \$6 million.
- Increases the number of job order contracts the Department of Enterprise Services may have in effect at any one time from four to six.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: Do pass. Signed by 9 members: Representatives Dunshee, Chair; Stanford, Vice Chair; DeBolt, Ranking Minority Member; Smith, Assistant Ranking Minority Member; Kilduff, Kochmar, Peterson, Riccelli and Walsh.

Staff: Steve Masse (786-7115).

Background:

In 2003 job order contracting was authorized in law as an alternative public works contracting procedure. Under a job order contract, a contractor agrees to perform an indefinite quantity of public works jobs, defined by individual work orders, over a fixed period of time. A public entity may not have more than two job order contracts in effect at any one time, except for the Department of Enterprise Services (DES) which may have four contracts in effect. The maximum total dollar amount that is awarded under a job order

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contract may not exceed \$4 million per year for a maximum of three years, except for counties with a population of more than 1 million people, which may award up to a maximum of \$6 million per year for a maximum of three years. Individual work orders are limited to no more than \$350,000. No more than two work orders of \$350,000 may be issued by a public body in a 12-month period.

Job order contracts may be executed for an initial contract term of two years, with an option to extend or renew the contract for an additional year provided that any extension or renewal is priced as provided in the original proposal and is mutually agreed upon by the public body and the job order contractor. A job order contractor must subcontract 90 percent of the work under the contract, and may self-perform 10 percent.

Summary of Bill:

In addition to counties with a population more than 1 million people, the DES may award job order contracts up to a maximum of \$6 million. The number of job order contracts the DES may have in effect at any one time is increased from four to six.

Appropriation: None.

Fiscal Note: Available.

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

Staff Summary of Public Testimony:

(In support) The DES will be allowed to perform more work. It will help minority businesses that perform job order contracting.

(Opposed) None.

Persons Testifying: Senator Warnick, prime sponsor; and Bill Frare, Department of Enterprise Services.

Persons Signed In To Testify But Not Testifying: None.