

HOUSE BILL REPORT

SB 5385

As Reported by House Committee On:
Postsecondary Education & Workforce
Capital Budget

Title: An act relating to work performed by institutions of higher education.

Brief Description: Concerning work performed by institutions of higher education.

Sponsors: Senators Liias, Holy, Saldaña, Shewmake and Wilson, C..

Brief History:

Committee Activity:

Postsecondary Education & Workforce: 3/15/23, 3/17/23 [DP];
Capital Budget: 3/30/23, 3/31/23 [DP].

Brief Summary of Bill

- Increases bid limits for public works projects that require competitive bidding at public institutions of higher education.

HOUSE COMMITTEE ON POSTSECONDARY EDUCATION & WORKFORCE

Majority Report: Do pass. Signed by 13 members: Representatives Slatter, Chair; Entenman, Vice Chair; Reed, Vice Chair; Ybarra, Ranking Minority Member; Waters, Assistant Ranking Minority Member; Hansen, Jacobsen, Klicker, Leavitt, McEntire, Paul, Schmidt and Timmons.

Staff: Elizabeth Allison (786-7129).

Background:

Public Works.

Public work is defined as all work, construction, alteration, repair, or improvement, other

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than ordinary maintenance, executed at the cost of the state or of any municipality. Every city, county, town, port district, district, or other public agency authorized to execute public work must follow specified requirements for competitive bidding for public works projects estimated to cost over a certain dollar amount. That amount varies depending on the entity and how many trades may be involved in the project. The awarded contract must go to the responsible bidder who submits the lowest responsive bid, otherwise referred to as the lowest responsible bidder.

Small-Works Roster.

State agencies and local governments may create a small-works roster of contractors for certain work estimated to cost \$350,000 or less. Bids may be solicited from contractors on the appropriate small-works roster to assure that a competitive price is established and to award contracts to the lowest responsible bidder. However, if the estimated cost of the work is between \$150,000 to \$300,000, a state agency or local government that chooses to solicit bids from less than all the appropriate contractors on the appropriate small-works roster must also notify the remaining contractors on the appropriate small works roster that quotations on the work are being sought. Notice may be given by newspaper, mail, or electronically.

Bid Limits for Public Institutions of Higher Education.

The bid limit established for a competitive sealed bid process for a regional university, state university, or community and technical college (CTC) is limited to an amount equal to or more than \$90,000 for any building, construction, renovation, remodeling, demolition, or other maintenance and repairs. If the work only involves one trade or craft area, the amount may be equal to or more than \$45,000.

Summary of Bill:

The bid limits established for public works projects at a regional university, state university, or CTC are increased. For any building, construction, renovation, remodeling, demolition, or other maintenance and repairs, the bid limit is increased from \$90,000 to \$110,000. For work involving only one trade or craft area it is increased from \$45,000 to \$90,000.

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) State employees exercise maintenance on campus that helps keep institutions safe for students. Bid limit thresholds have not been updated since 2009, which means there has been over a decade of inflation costs since then. The cost of materials and wages have gone up significantly. Work that would normally be done by members in the public sector has to be put out for a lengthy public bid process. This bill provides a modest increase in bid limits and allows workers to do their jobs and serve the public. This bill saves the state and higher education institutions money.

(Opposed) None.

Persons Testifying: Brandon Anderson and Paula Lukaszek, Washington Federation of State Employees.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: Do pass. Signed by 28 members: Representatives Tharinger, Chair; Callan, Vice Chair; Hackney, Vice Chair; Steele, Ranking Minority Member; Abbarno, Assistant Ranking Minority Member; Sandlin, Assistant Ranking Minority Member; Alvarado, Bateman, Cheney, Christian, Couture, Dye, Eslick, Farivar, Fosse, Kloba, Leavitt, Maycumber, McClintock, Morgan, Mosbrucker, Orwall, Peterson, Reed, Rule, Shavers, Stearns and Waters.

Staff: John Wilson-Tepeli (786-7115).

Summary of Recommendation of Committee On Capital Budget Compared to Recommendation of Committee On Postsecondary Education & Workforce:

No new changes were recommended.

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) This is a pro labor and fiscally responsible bill. The statutes determine which projects are bid internally or competitively. This threshold has not been updated for inflation since 2009. The competitive bid process takes time and money for these institutions. These changes would save colleges time and money and result in budget

savings. This is a bill with broad, bipartisan support.

(Opposed) None.

Persons Testifying: Brandon Anderson, Washington Federation of State Employees.

Persons Signed In To Testify But Not Testifying: None.