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SENATE BILL 5658

State of Washington

68th Legislature

2023 Regular Session

By Senator Hunt

- 1 AN ACT Relating to competitive bidding thresholds for
- 2 institutions of higher education; and amending RCW 28B.10.029.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 28B.10.029 and 2016 c 197 s 1 are each amended to read as follows:
- (1) (a) An institution of higher education may, consistent with RCW 28B.10.925 and 28B.10.926, exercise independently those powers otherwise granted to the director of enterprise services in chapters 43.19 and 39.26 RCW in connection with the purchase and disposition of all material, supplies, services, and equipment needed for the support, maintenance, and use of the respective institution of higher education.
- 13 (b) Property disposition policies followed by institutions of 14 higher education shall be consistent with policies followed by the 15 department of enterprise services.
- (c) (i) Except as provided in (c) (ii) and (iii) of this subsection and elsewhere as provided by law, purchasing policies and procedures followed by institutions of higher education shall be in compliance with chapters 39.19, 39.26, and 43.03 RCW, and RCW 43.19.1917, 43.19.685, and 43.19.560 through 43.19.637.

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(ii) Institutions of higher education may use all appropriate means for making and paying for travel arrangements including, but not limited to, electronic booking and reservations, advance payment and deposits for tours, lodging, and other necessary expenses, and other travel transactions based on standard industry practices and federal accountable plan requirements. Such arrangements shall support student, faculty, staff, and other participants' travel, by groups and individuals, both domestic and international, in the most cost-effective and efficient manner possible, regardless of the source of funds.

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- (iii) Formal sealed, electronic, or web-based competitive bidding 11 12 is not necessary for purchases or personal services contracts by institutions of higher education for less than ((one hundred thousand 13 14 dollars)) \$100,000. However, for purchases and personal services contracts of ((ten thousand dollars or more and less than one hundred 15 thousand dollars)) less than \$100,000 and either (A) \$10,000 or more, 16 17 or (B) at or above a direct buy purchase threshold established by an institution of higher education consistent with this section and RCW 18 19 39.26.125(3), whichever is higher, quotations must be secured from at least three vendors to assure establishment of a competitive price 20 21 and may be obtained by telephone, electronic, or written quotations, 22 or any combination thereof. As part of securing the three vendor quotations, institutions of higher education must invite at least one 23 quotation each from a certified minority and a certified woman-owned 24 25 vendor that otherwise qualifies to perform the work. A record of 26 competition for all such purchases and personal services contracts of ((ten thousand dollars)) \$10,000 or more and less than ((one hundred 27 28 thousand dollars)) \$100,000 must be documented for audit purposes.
 - (d) Purchases under chapter 39.26, 43.19, or 43.105 RCW by institutions of higher education may be made by using contracts for materials, supplies, services, or equipment negotiated or entered into by, for, or through group purchasing organizations.
- 33 (e) The community and technical colleges shall comply with RCW 43.19.450.
- 35 (f) Except for the University of Washington, institutions of 36 higher education shall comply with RCW 43.19.769, 43.19.763, and 37 43.19.781.
- 38 (g) If an institution of higher education can satisfactorily 39 demonstrate to the director of the office of financial management 40 that the cost of compliance is greater than the value of benefits

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from any of the following statutes, then it shall be exempt from them: RCW 43.19.685 and 43.19.637.

- (h) When any institution of higher education exercises its independent purchasing authority for a commodity or group of commodities, the director of enterprise services shall not be required to provide those services for that institution for the duration of the enterprise services contract term for that commodity or group of commodities.
- 9 (2) The council of presidents and the state board for community 10 and technical colleges shall convene its correctional industries 11 business development advisory committee, and work collaboratively 12 with correctional industries, to:
 - (a) Reaffirm purchasing criteria and ensure that quality, service, and timely delivery result in the best value for expenditure of state dollars;
- 16 (b) Update the approved list of correctional industries products 17 from which higher education shall purchase; and
 - (c) Develop recommendations on ways to continue to build correctional industries' business with institutions of higher education.
 - (3) Higher education and correctional industries shall develop a plan to build higher education business with correctional industries to increase higher education purchases of correctional industries products, based upon the criteria established in subsection (2) of this section. The plan shall include the correctional industries' production and sales goals for higher education and an approved list of products from which higher education institutions shall purchase, based on the criteria established in subsection (2) of this section. Higher education and correctional industries shall report to the legislature regarding the plan and its implementation no later than January 30, 2005.
 - (4) (a) Institutions of higher education shall set as a target to contract, beginning not later than June 30, 2006, to purchase one percent of the total goods and services required by the institutions each year produced or provided in whole or in part from class II inmate work programs operated by the department of corrections. Institutions of higher education shall set as a target to contract, beginning not later than June 30, 2008, to purchase two percent of the total goods and services required by the institutions each year

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produced or provided in whole or in part from class II inmate work programs operated by the department of corrections.

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(b) Institutions of higher education shall endeavor to assure the department of corrections has notifications of bid opportunities with the goal of meeting or exceeding the purchasing target in (a) of this subsection.

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