
SECOND SUBSTITUTE HOUSE BILL 2257

State of Washington

59th Legislature

2005 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Williams, Conway, Morrell and Wood)

READ FIRST TIME 03/07/05.

AN ACT Relating to requiring state agencies to contract for services in a manner consistent with the state's best interests; adding new sections to chapter 39.29 RCW; and creating a new section.

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

NEW SECTION. Sec. 1 It is essential that the legislature and state agencies spend tax dollars in a manner that is both responsible and consistent with the best interests of the state and the nation. The legislature and state agencies should, therefore, consider indirect benefits that may be achieved when entering into state contracts for goods and services. Such benefits include, but are not limited to, job creation, capital investment, and economic stimulus. Additionally, such benefits include greater protection of privacy interests, less risk of disclosure of personal information, and avoidance of undue risk.

NEW SECTION. Sec. 2 A new section is added to chapter 39.29 RCW to read as follows:

The office of financial management, in consultation with representatives of state agency management, business, labor, and agricultural groups, shall develop and implement procurement policies and procedures necessary to determine whether civil service contracts and contracts for public works, personal services, purchased services, information services, highway design and construction, and materials, supplies, and equipment, and any subcontracts awarded under such contracts, are in the best interests of Washington state, its residents, and its economy. These procurement policies and procedures shall require consideration of the following when making decisions to enter into contracts:

- (1) The extent to which the contract, or any subcontract awarded under the contract, will be performed at a location outside the United States;
- (2) The extent to which international trade agreements apply to the contract, or any subcontract awarded under the contract;
- (3) The extent to which awarding the contract to a Washington business will result in

job creation or retention or other economic benefits to Washington, its residents, and its economy; and

(4) The extent to which the contract, or any subcontract awarded under the contract, involves solicitation or disclosure of personal information.

NEW SECTION. **Sec. 3** A new section is added to chapter 39.29 RCW to read as follows:

The office of financial management, in consultation with representatives of state agency management, business, labor, and agricultural groups, shall conduct a study of the indirect benefits of adopting procurement policies giving Washington businesses a price preference when determining the lowest responsible bidder on civil service contracts and contracts for public works, personal services, purchased services, information services, highway design and construction, and materials, supplies, and equipment. These benefits shall include, but are not limited to, job creation and retention, capital investment, state and local tax revenue, and economic stimulus. The office of financial management shall report its findings, and any recommendations for legislation adopting procurement policies giving Washington businesses a price preference, to the legislature by December 1, 2005.

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