

1 **SHB 2810** - H AMDS

2 By Representative Silver

3 On page 13, line 8, after "individuals" strike "or business
4 entities" and insert ", business entities, cities, counties, or
5 nonprofit organizations"

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7 On page 13, beginning on line 12, strike all of subsection
8 (2) and insert the following:

9 "(2) The office of financial management shall adopt rules to
10 ensure that departments, agencies, or institutions of higher
11 education:

12 (a)(i) Can demonstrate that classified employees could not
13 provide these services; or

14 (ii) Have conducted a feasibility study demonstrating that
15 the purchase would be cost effective. The study shall include
16 both direct and indirect costs and demonstrate why such savings
17 cannot be achieved through alternative management practices or
18 through the more efficient use of existing personnel; and

19 (b) Provide managers and employees with training to prepare
20 them to succeed in a competitive environment. This should
21 include but not be limited to training in structuring bids,
22 preparing business plans, conducting market analysis, and
23 estimating costs."

EFFECT: The amendment adds cities, counties, and nonprofit organizations as entities that the state can contract with for the purchase of services. The feasibility study must demonstrate that the purchase of services would be cost effective, instead of that the purchase would be fiscally prudent and result in reduced expenditure of public funds while maintaining quality services. The amendment adds that OFM's rules must include provisions requiring training for managers and employees in issues such as structuring bids,

2810-S AMH SILV CORD 5

preparing business plans, conducting market analysis, and
estimating costs.