

HOUSE BILL REPORT

HB 2047

As Reported By House Committee On:
State Government

Title: An act relating to mail functions of state government.

Brief Description: Providing consolidated mail service for state agencies.

Sponsors: Representatives Anderson, Wang, Reams, Veloria, Valle, R. Fisher, Springer, Orr and Conway; by request of Department of General Administration.

Brief History:

Reported by House Committee on:
State Government, March 3, 1993, DPS.

HOUSE COMMITTEE ON STATE GOVERNMENT

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Anderson, Chair; Veloria, Vice Chair; Reams, Ranking Minority Member; Vance, Assistant Ranking Minority Member; Campbell; Conway; Dyer; King; and Pruitt.

Staff: Bonnie Austin (786-7135).

Background: In 1990, the Efficiency Commission conducted a study of state mail operations. The study found redundancy in agency mail operations and under-utilization of agency mail processing equipment. The Efficiency Commission recommended consolidating state agency mail operations.

The 1991 supplemental operating budget contained funds to implement a Consolidated Mail Service (CMS) program in the Department of General Administration (GA). Facilities in GA were remodeled and in February 1992, the Consolidated Mail Service began operations.

According to GA, CMS saved \$1.6 million in fiscal year 1992 on interagency mail costs. Agencies converting from private presort contracts to CMS's presort services saved nearly \$400,000, and agencies subscribing to CMS for sorting and metering outgoing mail saved approximately \$62,300 in staff and equipment costs.

Summary of Substitute Bill: The Consolidated Mail Service is established in statute. The director of the Department of General Administration is directed to establish a consolidated mail service to handle all incoming, outgoing, and internal mail in the 98504 zip code area for state agencies in the Olympia, Tumwater, and Lacey area. Upon request, CMS will provide mail services to legislative and judicial agencies in the Olympia, Tumwater, and Lacey area. Other geographical areas may be included. The director of general administration is authorized to periodically bill state agencies and others for mail services rendered.

Substitute Bill Compared to Original Bill: Language was added clarifying that any employees transferred due to mail service consolidation will not lose any rights and that existing collective bargaining provisions will remain in force.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill contains an emergency clause and takes effect on July 1, 1993.

Testimony For: This saves the state money in presorting costs and on interagency mail costs. It also eliminates duplication between agencies, cutting staffing and equipment costs. CMS provides an increased level and quality of service. Washington is in the forefront in this area, and other states are interested in duplicating what we are doing. Full conversion will occur by September of this year. The boilerplate language for transferred employees should be added.

Testimony Against: This takes jobs away from the state printer. Agencies won't use us anymore. We provide a one day turnaround. How did we become a satellite of general administration? Where do the savings go? Morningside and other service programs work for mailrooms. This takes jobs away from them. Other agencies should be consulted.

Witnesses: (Pro): John Franklin, Director, Department of General Administration; and Mike Loe, U.S. Postal Service. (With concerns): Gary Moore; and Bill Richeson, Department of Transportation. (Con): James Rice, Local 767.