

**SENATE BILL REPORT**

**HB 2814**

**AS PASSED SENATE, MARCH 1, 1994**

**Brief Description:** Allowing public benefit nonprofit corporations to participate in state contracts for purchases.

**SPONSORS:** Representatives Anderson, Veloria, Caver, Wolfe, Romero and Dunshee; by request of Department of General Administration

**HOUSE COMMITTEE ON STATE GOVERNMENT**

**SENATE COMMITTEE ON GOVERNMENT OPERATIONS**

**Majority Report:** Do pass.

Signed by Senators Haugen, Chairman; Drew, Vice Chairman; Loveland, Oke, Owen and Winsley.

**Staff:** Eugene Green (786-7405)

**Hearing Dates:** February 18, 1994

**BACKGROUND:**

The Office of State Procurement (OSP) is authorized to enter into purchasing agreements with local governments. These agreements are conducted under the Interlocal Cooperation Act. According to OSP, these agreements increase the volume of purchases made by OSP and thus increase the buying power of both the state and the local governments.

A public benefit nonprofit corporation is defined as a corporation that has tax exempt status and whose income is not distributable to its members, directors or officers.

**SUMMARY:**

The Office of State Procurement (OSP) is authorized to enter into agreements with public benefit nonprofit corporations that receive local, state or federal funds to participate in state purchasing contracts. These agreements must be in the form of an interlocal agreement.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** available

**TESTIMONY FOR:**

The increased purchase volumes resulting from including nonprofits will enhance the state's market leverage and could reduce pricing and costs to all participants. It will also

help conserve the resources of nonprofit organizations that receive public funding.

**TESTIMONY AGAINST:** None

**TESTIFIED:** Mike Ryherd, Community Action Agencies, Fred Hutchinson Cancer Research Center (pro); Alan Kurimura, GA