

SENATE BILL REPORT

2SHB 1721

As of March 28, 1997

Title: An act relating to commercial activity by government agencies.

Brief Description: Providing economic opportunities for private enterprise.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives McMorris, Koster, Honeyford, Van Luven and Mulliken).

Brief History:

Committee Activity: Government Operations: 4/1/97.

SENATE COMMITTEE ON GOVERNMENT OPERATIONS

Staff: Eugene Green (786-7405)

Background: The Legislature enacted legislation in 1987 requiring institutions of higher education to consult with local business organizations and representatives of the small business community to develop: comprehensive policies that define the legitimate purposes under which these institutions could provide goods, services, or facilities that were available from private businesses; a mechanism for reviewing current and proposed commercial activities to ensure they are consistent with institutional policies; and a mechanism for receiving, reviewing, and responding to enquiries from private businesses regarding commercial activities by higher education. No similar statutory provisions exist for state agencies or units of local government.

Summary of Bill: By December 1, 1997, the Office of Financial Management (OFM) must develop a methodology for reflecting the fully allocated costs of conducting a commercial activity by a state agency or institution of higher education. By January 1, 1998, each state agency or institution of higher education must determine the fully allocated costs of commercial activities it conducts in which it sells or rents goods, services or facilities to the general public. OFM must report on how this is being implemented by July 1, 1998.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.