

SENATE BILL REPORT

SB 6721

As Reported By Senate Committee On:
State & Local Government, February 3, 2000

Title: An act relating to the office of financial management's budgeting, accounting, and reporting requirements for state agencies.

Brief Description: Modifying the office of financial management's contract requirements for state agencies.

Sponsors: Senator Patterson; by request of State Board for Community and Technical Colleges.

Brief History:

Committee Activity: State & Local Government: 2/2/2000, 2/3/2000 [DPS, DNPS].

SENATE COMMITTEE ON STATE & LOCAL GOVERNMENT

Majority Report: That Substitute Senate Bill No. 6721 be substituted therefor, and the substitute bill do pass.

Signed by Senators Patterson, Chair; Gardner, Vice Chair; Hale and Kline.

Minority Report: Do not pass substitute.

Signed by Senators Haugen and Horn.

Staff: Roger Brodniak (786-7445)

Background: State agencies contract with firms or vendors who perform maintenance on state-owned equipment. Advance payments to these vendors must be made no later than three months prior to the performance of the contract. Before making advance payments, agencies are required by law to do the following: (1) obtain a bond or surety from the firm performing the maintenance contract; and (2) file a copy of each maintenance contract with the Office of Financial Management.

Summary of Substitute Bill: State agencies are given greater flexibility when contracting with firms or vendors performing maintenance on state-owned equipment. Agencies are:

- (1) allowed to make advance payments on contracts for maintenance of state-owned equipment up to 12 months in advance; and
- (2) given the option whether to require a bond or surety from the firm performing maintenance on state-owned equipment; and
- (3) state agencies are no longer required to file a copy of each maintenance contract with the Office of Financial Management.

Substitute Bill Compared to Original Bill: The original bill requires state agencies to file a copy of each maintenance contract with the Office of Financial Management.

Appropriation: None.

Fiscal Note: Not requested.

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

Testimony For: This bill will allow state agencies and colleges to get up to speed with commonly accepted business practices. Eliminates a glut of contract filings for routine, periodic maintenance.

Testimony Against: None.

Testified: Tony Birch, Clark College (pro).