
SENATE BILL 6025

State of Washington

56th Legislature

1999 Regular Session

By Senators Bauer, Horn and Patterson; by request of State Board for
Community and Technical Colleges

Read first time 02/23/1999. Referred to Committee on Higher Education.

1 AN ACT Relating to purchases for resale by institutions of higher
2 education; and amending RCW 43.19.1906.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 **Sec. 1.** RCW 43.19.1906 and 1995 c 269 s 1404 are each amended to
5 read as follows:

6 Insofar as practicable, all purchases and sales shall be based on
7 competitive bids, and a formal sealed bid procedure shall be used as
8 standard procedure for all purchases and contracts for purchases and
9 sales executed by the state purchasing and material control director
10 and under the powers granted by RCW 43.19.190 through 43.19.1939. This
11 requirement also applies to purchases and contracts for purchases and
12 sales executed by agencies, including educational institutions, under
13 delegated authority granted in accordance with provisions of RCW
14 43.19.190 or under RCW 28B.10.029. However, formal sealed bidding is
15 not necessary for:

16 (1) Emergency purchases made pursuant to RCW 43.19.200 if the
17 sealed bidding procedure would prevent or hinder the emergency from
18 being met appropriately;

1 (2) Purchases not exceeding thirty-five thousand dollars, or
2 subsequent limits as calculated by the office of financial management:
3 PROVIDED, That the state director of general administration shall
4 establish procedures to assure that purchases made by or on behalf of
5 the various state agencies shall not be made so as to avoid the thirty-
6 five thousand dollar bid limitation, or subsequent bid limitations as
7 calculated by the office of financial management: PROVIDED FURTHER,
8 That the state purchasing and material control director is authorized
9 to reduce the formal sealed bid limits of thirty-five thousand dollars,
10 or subsequent limits as calculated by the office of financial
11 management, to a lower dollar amount for purchases by individual state
12 agencies if considered necessary to maintain full disclosure of
13 competitive procurement or otherwise to achieve overall state
14 efficiency and economy in purchasing and material control. Quotations
15 from four hundred dollars to thirty-five thousand dollars, or
16 subsequent limits as calculated by the office of financial management,
17 shall be secured from at least three vendors to assure establishment of
18 a competitive price and may be obtained by telephone or written
19 quotations, or both. The agency shall invite at least one quotation
20 each from a certified minority and a certified women-owned vendor who
21 shall otherwise qualify to perform such work. Immediately after the
22 award is made, the bid quotations obtained shall be recorded and open
23 to public inspection and shall be available by telephone inquiry. A
24 record of competition for all such purchases from four hundred dollars
25 to thirty-five thousand dollars, or subsequent limits as calculated by
26 the office of financial management, shall be documented for audit
27 purposes. Purchases up to four hundred dollars may be made without
28 competitive bids based on buyer experience and knowledge of the market
29 in achieving maximum quality at minimum cost: PROVIDED, That this four
30 hundred dollar direct buy limit without competitive bids may be
31 increased incrementally as required to a maximum of eight hundred
32 dollars, if warranted by increases in purchasing costs due to
33 inflationary trends;

34 (3) Purchases which are clearly and legitimately limited to a
35 single source of supply and purchases involving special facilities,
36 services, or market conditions, in which instances the purchase price
37 may be best established by direct negotiation;

38 (4) Purchases of insurance and bonds by the risk management office
39 under RCW 43.19.1935;

1 (5) Purchases and contracts for vocational rehabilitation clients
2 of the department of social and health services: PROVIDED, That this
3 exemption is effective only when the state purchasing and material
4 control director, after consultation with the director of the division
5 of vocational rehabilitation and appropriate department of social and
6 health services procurement personnel, declares that such purchases may
7 be best executed through direct negotiation with one or more suppliers
8 in order to expeditiously meet the special needs of the state's
9 vocational rehabilitation clients;

10 (6) Purchases by universities for hospital operation or biomedical
11 teaching or research purposes and by the state purchasing and material
12 control director, as the agent for state hospitals as defined in RCW
13 72.23.010, and for health care programs provided in state correctional
14 institutions as defined in RCW 72.65.010(3) and veterans' institutions
15 as defined in RCW 72.36.010 and 72.36.070, made by participating in
16 contracts for materials, supplies, and equipment entered into by
17 nonprofit cooperative hospital group purchasing organizations;

18 (7) Purchases for resale by institutions of higher education to
19 other than public agencies when such purchases may best be executed
20 through direct negotiation with one or more suppliers in order to meet
21 the special needs of the institution;

22 (8) Purchases by institutions of higher education not exceeding
23 thirty-five thousand dollars: PROVIDED, That for purchases between two
24 thousand five hundred dollars and thirty-five thousand dollars
25 quotations shall be secured from at least three vendors to assure
26 establishment of a competitive price and may be obtained by telephone
27 or written quotations, or both. For purchases between two thousand
28 five hundred dollars and thirty-five thousand dollars, each institution
29 of higher education shall invite at least one quotation each from a
30 certified minority and a certified women-owned vendor who shall
31 otherwise qualify to perform such work. A record of competition for
32 all such purchases made from two thousand five hundred to thirty-five
33 thousand dollars shall be documented for audit purposes; and

34 ~~((+8))~~ (9) Beginning on July 1, 1995, and on July 1 of each
35 succeeding odd-numbered year, the dollar limits specified in this
36 section shall be adjusted as follows: The office of financial
37 management shall calculate such limits by adjusting the previous
38 biennium's limits by the appropriate federal inflationary index

1 reflecting the rate of inflation for the previous biennium. Such
2 amounts shall be rounded to the nearest one hundred dollars.

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