

HOUSE BILL REPORT

HB 2615

As Reported by House Committee On:
State Government

Title: An act relating to modifying the interlocal cooperation act regarding notice requirements for contracting.

Brief Description: Modifying the interlocal cooperation act regarding notice requirements for contracting.

Sponsors: Representatives Jarrett, Moeller, Ericksen, Clibborn, Edwards, Schindler, Romero and Tom.

Brief History:

Committee Activity:

State Government: 1/28/04, 1/30/04 [DP].

Brief Summary of Bill

- Statutory requirements for the purpose of any purchasing or contracting awarded by agencies under the Inter-Local Agreement Act are satisfied if the awarding agency complied with its own statutory requirements and either:
- posted the bid or solicitation notice on a web site established and maintained by a public agency, purchasing cooperative, or similar service provider, for purposes of posting public notice of bid or proposal solicitations; or
- provided an access link on the state's web portal to the notice.

HOUSE COMMITTEE ON STATE GOVERNMENT

Majority Report: Do pass. Signed by 9 members: Representatives Haigh, Chair; Miloscia, Vice Chair; Armstrong, Ranking Minority Member; Shabro, Assistant Ranking Minority Member; Hunt, McDermott, Nixon, Tom and Wallace.

Staff: Marsha Reilly (786-7135).

Background:

The Inter-Local Agreement Act (Act) was established in 1967 to permit local

governmental units to make the most efficient use of their powers by enabling them to cooperate with other public entities on a basis of mutual advantage to provide services and facilities to meet the needs and development of local communities.

The Act allows any two or more public agencies to enter into joint agreements. Public agencies entering into inter-local agreements may supply property, as well as personnel and services, to the joint undertaking.

A "public agency," for purposes of inter-local agreements, includes any agency, political subdivision, or unit of local government in this state including, but not limited to municipal corporations, quasi municipal corporations, special purpose districts, and local service districts, as well as any state agency, federal agency, Indian tribe recognized by the federal government, and political subdivision of another state.

Inter-local agreements must be filed with the county auditor and the Secretary of State before they take effect and must specify the following:

- duration of the agreement;
- the precise organization, composition and nature of any separate legal or administrative entity, including delegated powers;
- its purpose;
- financing and budget provisions;
- methods for termination and disposal of property; and
- any other necessary information.

If an inter-local agreement deals with services or facilities over which a state agency or officer has control, then the agreement must be submitted to the state agency or officer for approval. No time limit is specified in statute for the state agency or officer to respond to the proposed agreement.

Public agencies must specify the precise organization of any separate legal entity created by an inter-local agreement. This entity may include a nonprofit organization whose membership is limited to the participating public agencies or partnerships comprised of participating public agencies.

A public agency is not relieved of any obligation or responsibility imposed by law under an inter-local agreement except to the extent of actual and timely performance by a joint board or other legal or administrative entity created by the agreement, the performance may be offered in satisfaction of the obligation or responsibility.

Summary of Bill:

For public agencies purchasing or contracting through a bid, proposal, or contract

awarded by another public agency or group of public agencies, the obligation to provide notice for bids or proposals is satisfied if the public agency awarding the bid, proposal, or contract complied with its own statutory requirements and either: a) posted the bid or solicitation notice on a web site established and maintained by a public agency, purchasing cooperative, or similar service provider, for purposes of posting public notice of bid or proposal solicitations; or b) provided an access link on the state's web portal to the notice.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.

Testimony For: This bill preserves the ability to use inter-local agreements for the purchase of equipment and supplies. All school districts participate in purchasing cooperatives. It results in significant cost savings. Agreements are used for the purchases of everything from computers to school buses. It is a good use of taxpayer dollars. Smaller entities benefit from using the contracts and bids of other agencies by not having to bid or advertise. This is an important issue for cities and counties. Many entities have different laws and requirements for purchasing, and this bill allows for piggybacking off other contracts. Last year, 40 percent of purchases made by the city of Yakima were through inter-local purchases. Staffing would need to double if this were not available.

Testimony Against: None.

Persons Testifying: Ron Hack, Tacoma Public Schools; Grace Yuan, School Purchasing Coalition; Nancy Locke, City of Lynwood; Joan Cody, City of Bellingham; Susan Ownby, City of Yakima; Mike Westerman, Clark County; and Michael Transue, Associated General Contractors.

Persons Signed In To Testify But Not Testifying: None.