
HOUSE BILL 3171

State of Washington 58th Legislature 2004 Regular Session

By Representative Woods

Read first time 02/03/2004. Referred to Committee on State Government.

1 AN ACT Relating to purchasing state services; reenacting and
2 amending RCW 43.19.1905; and creating new sections.

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

4 NEW SECTION. **Sec. 1.** The legislature finds that the department of
5 social and health services' medical assistance administration's
6 brokerage contracting services implemented in 1988 has saved the state
7 and taxpayers millions of dollars.

8 The legislature intends that all administrative departments in
9 state government participate in the competitive bidding process of the
10 department of social and health services' medical assistance
11 administration's brokerage system. It is intended that this
12 participation will save tax dollars while increasing the services
13 provided to a greater number of persons.

14 **Sec. 2.** RCW 43.19.1905 and 2002 c 299 s 5 and 2002 c 285 s 1 are
15 each reenacted and amended to read as follows:

16 The director of general administration shall establish overall
17 state policy for compliance by all state agencies, including

1 educational institutions, regarding the following purchasing and
2 material control functions:

3 (1) Development of a state commodity coding system, including
4 common stock numbers for items maintained in stores for reissue;

5 (2) Determination where consolidations, closures, or additions of
6 stores operated by state agencies and educational institutions should
7 be initiated;

8 (3) Institution of standard criteria for determination of when and
9 where an item in the state supply system should be stocked;

10 (4) Establishment of stock levels to be maintained in state stores,
11 and formulation of standards for replenishment of stock;

12 (5) Formulation of an overall distribution and redistribution
13 system for stock items which establishes sources of supply support for
14 all agencies, including interagency supply support;

15 (6) Determination of what function data processing equipment,
16 including remote terminals, shall perform in statewide purchasing and
17 material control for improvement of service and promotion of economy;

18 (7) Standardization of records and forms used statewide for supply
19 system activities involving purchasing, receiving, inspecting, storing,
20 requisitioning, and issuing functions, including a standard
21 notification form for state agencies to report cost-effective direct
22 purchases, which shall at least identify the price of the goods as
23 available through the division of purchasing, the price of the goods as
24 available from the alternative source, the total savings, and the
25 signature of the notifying agency's director or the director's
26 designee;

27 (8) Screening of supplies, material, and equipment excess to the
28 requirements of one agency for overall state need before sale as
29 surplus;

30 (9) Establishment of warehouse operation and storage standards to
31 achieve uniform, effective, and economical stores operations;

32 (10) Establishment of time limit standards for the issuing of
33 material in store and for processing requisitions requiring purchase;

34 (11) Formulation of criteria for determining when centralized
35 rather than decentralized purchasing shall be used to obtain maximum
36 benefit of volume buying of identical or similar items, including
37 procurement from federal supply sources;

1 (12) Development of criteria for use of leased, rather than state
2 owned, warehouse space based on relative cost and accessibility;

3 (13) Institution of standard criteria for purchase and placement of
4 state furnished materials, carpeting, furniture, fixtures, and nonfixed
5 equipment, in newly constructed or renovated state buildings;

6 (14) Determination of how transportation costs incurred by the
7 state for materials, supplies, services, and equipment can be reduced
8 by improved freight and traffic coordination and control;

9 (15) Establishment of a formal certification program for state
10 employees who are authorized to perform purchasing functions as agents
11 for the state under the provisions of chapter 43.19 RCW;

12 (16) Development of performance measures for the reduction of total
13 overall expense for material, supplies, equipment, and services used
14 each biennium by the state;

15 (17) Establishment of a standard system for all state organizations
16 to record and report dollar savings and cost avoidance which are
17 attributable to the establishment and implementation of improved
18 purchasing and material control procedures;

19 (18) Development of procedures for mutual and voluntary cooperation
20 between state agencies, including educational institutions, and
21 political subdivisions for exchange of purchasing and material control
22 services;

23 (19) Resolution of all other purchasing and material matters which
24 require the establishment of overall statewide policy for effective and
25 economical supply management;

26 (20) Development of guidelines and criteria for the purchase of
27 vehicles, high gas mileage vehicles, alternate vehicle fuels and
28 systems, equipment, and materials that reduce overall energy-related
29 costs and energy use by the state, including investigations into all
30 opportunities to aggregate the purchasing of clean technologies by
31 state and local governments, and including the requirement that new
32 passenger vehicles purchased by the state meet the minimum standards
33 for passenger automobile fuel economy established by the United States
34 secretary of transportation pursuant to the energy policy and
35 conservation act (15 U.S.C. Sec. 2002);

36 (21) Development of goals for state use of recycled or
37 environmentally preferable products through specifications for products

1 and services, processes for requests for proposals and requests for
2 qualifications, contractor selection, and contract negotiations; and
3 (22) Implementation of a purchasing system requiring state agencies
4 that purchase services on a regional basis to utilize the brokerage
5 system developed and managed by the department of social and health
6 services' medical assistance administration in accordance with RCW
7 39.29.040 and 43.19.190.

8 NEW SECTION. Sec. 3. The director of general administration shall
9 report to the legislature by December 1, 2004, on services provided by
10 state agencies that should use the brokerage system under RCW
11 43.19.1905(22).

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