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SECOND SUBSTITUTE HOUSE BILL 2257

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State of Washington                      59th Legislature                      2005 Regular Session

By House Committee on Appropriations (originally sponsored by Representatives Williams, Conway, Morrell and Wood)

READ FIRST TIME 03/07/05.

1            AN ACT Relating to requiring state agencies to contract for  
2 services in a manner consistent with the state's best interests; adding  
3 new sections to chapter 39.29 RCW; and creating a new section.

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

5            NEW SECTION.    **Sec. 1.** It is essential that the legislature and  
6 state agencies spend tax dollars in a manner that is both responsible  
7 and consistent with the best interests of the state and the nation.  
8 The legislature and state agencies should, therefore, consider indirect  
9 benefits that may be achieved when entering into state contracts for  
10 goods and services. Such benefits include, but are not limited to, job  
11 creation, capital investment, and economic stimulus. Additionally,  
12 such benefits include greater protection of privacy interests, less  
13 risk of disclosure of personal information, and avoidance of undue  
14 risk.

15            NEW SECTION.    **Sec. 2.** A new section is added to chapter 39.29 RCW  
16 to read as follows:

17            The office of financial management, in consultation with  
18 representatives of state agency management, business, labor, and

1 agricultural groups, shall develop and implement procurement policies  
2 and procedures necessary to determine whether civil service contracts  
3 and contracts for public works, personal services, purchased services,  
4 information services, highway design and construction, and materials,  
5 supplies, and equipment, and any subcontracts awarded under such  
6 contracts, are in the best interests of Washington state, its  
7 residents, and its economy. These procurement policies and procedures  
8 shall require consideration of the following when making decisions to  
9 enter into contracts:

10 (1) The extent to which the contract, or any subcontract awarded  
11 under the contract, will be performed at a location outside the United  
12 States;

13 (2) The extent to which international trade agreements apply to the  
14 contract, or any subcontract awarded under the contract;

15 (3) The extent to which awarding the contract to a Washington  
16 business will result in job creation or retention or other economic  
17 benefits to Washington, its residents, and its economy; and

18 (4) The extent to which the contract, or any subcontract awarded  
19 under the contract, involves solicitation or disclosure of personal  
20 information.

21 NEW SECTION. **Sec. 3.** A new section is added to chapter 39.29 RCW  
22 to read as follows:

23 The office of financial management, in consultation with  
24 representatives of state agency management, business, labor, and  
25 agricultural groups, shall conduct a study of the indirect benefits of  
26 adopting procurement policies giving Washington businesses a price  
27 preference when determining the lowest responsible bidder on civil  
28 service contracts and contracts for public works, personal services,  
29 purchased services, information services, highway design and  
30 construction, and materials, supplies, and equipment. These benefits  
31 shall include, but are not limited to, job creation and retention,  
32 capital investment, state and local tax revenue, and economic stimulus.  
33 The office of financial management shall report its findings, and any  
34 recommendations for legislation adopting procurement policies giving  
35 Washington businesses a price preference, to the legislature by

1 December 1, 2005.

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