
Higher Education Committee

SB 5516

Brief Description: Allowing advance payments for equipment maintenance services for institutions of higher education.

Sponsors: Senators Tom, Hill, Becker, Kilmer, White and Shin.

<p style="text-align: center;">Brief Summary of Bill</p> <ul style="list-style-type: none">• Allows institutions of higher education to make advance payments for equipment maintenance services to be performed up to 60 months after such payment, rather than the 12 month limit to which all other state agencies are subject.

Hearing Date: 3/16/11

Staff: Cece Clynch (786-7195).

Background:

The State Treasurer is required to receive, keep, and disburse all public funds of the state that are not expressly required by law to be received, kept, and disbursed by other persons. The single exception to this general provision concerns public funds of institutions of higher education that are not subject to appropriation.

Disbursements of public funds are subject to certain rules, including the following:

(1) Disbursements must be upon forms or by alternative means prescribed by the Director of Financial Management;

(2) The forms or alternative means must provide for authentication and certification by the agency head or his or her designee that:

- services have been rendered;
- materials furnished;
- loans or grants authorized by law; or
- with respect to periodic maintenance services to be performed on state owned equipment, a written contract is in effect;

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(3) Except with respect to equipment maintenance providers, before an advance payment for services is made by a state agency, the private individual or business entity must provide a cash deposit or furnish surety bond coverage in an amount which will fully indemnify the state against any and all losses on account of breach of promise to fully perform such services; and
(4) No payments shall be made in advance for any equipment maintenance services to be performed more than 12 month after such payment.

Summary of Bill:

Institutions of higher education may make payments in advance for equipment maintenance services to be performed up to 60 months after such payment.

Appropriation: None.

Fiscal Note: Available.

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