

SENATE BILL REPORT

SHB 1663

As Reported by Senate Committee On:
Higher Education & Workforce Development, March 18, 2011

Title: An act relating to the purchasing authority of institutions of higher education.

Brief Description: Removing the requirement that institutions of higher education purchase from correctional industries.

Sponsors: House Committee on Higher Education (originally sponsored by Representatives Parker, Ormsby, Probst, Billig, Schmick, Fagan, Angel and Ahern).

Brief History: Passed House: 3/07/11, 95-0.

Committee Activity: Higher Education & Workforce Development: 3/16/11, 3/18/11 [DPA].

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Majority Report: Do pass as amended.

Signed by Senators Tom, Chair; Shin, Vice Chair; Hill, Ranking Minority Member; Becker, Ericksen, Kastama, Kilmer and White.

Staff: Aldo Melchiori (786-7439)

Background: Institutions of higher education are subject to various laws related to general administration that include purchasing of equipment. Under current law, these institutions must endeavor to purchase 2 percent of their material, supplies, services, and equipment from the Department of Corrections (DOC) unless they can satisfactorily demonstrate to the Director of the Office of Financial Management (OFM) that the cost of compliance is greater than the value of benefits.

In 2009 OFM granted exemptions to all six public baccalaureate institutions and the State Board of Community and Technical Colleges (on behalf of the community and technical colleges) from purchasing at least 2 percent of their products from correctional industries. In 2010 an analysis conducted by the OFM found that on average, higher education institutions purchase about 9 percent of their products from correctional industries.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Summary of Bill (Recommended Amendments): Institutions of higher education are not required to seek an exemption from the OFM with regards to purchasing from the DOC. Institutions must try to ensure that DOC receives notification of bid opportunities.

EFFECT OF CHANGES MADE BY HIGHER EDUCATION & WORKFORCE DEVELOPMENT COMMITTEE (Recommended Amendments): An emergency clause is added.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

Effective Date: The bill contains an emergency clause and takes effect immediately.

Staff Summary of Public Testimony on Substitute House Bill: PRO: This bill will help open up competition for private vendors. Vendor access to the higher education market creates jobs in Washington. Private businesses just want a level playing field. If this bill does not pass, there will be employee layoffs in the private sector. These private businesses and their employees pay taxes in Washington.

Persons Testifying: PRO: Representative Parker, prime sponsor; Kerri Brockhaug, Zebra Solutions; Mike Arnold, Manufacturer's Group; Larry Roybal, Spacesaver NW; Kurt Wood, Interior Development; Tim Jones, B&OI.