

SENATE BILL REPORT

SB 5516

As of February 10, 2011

Title: An act relating to advance payments for equipment maintenance services for institutions of higher education.

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

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

Brief History:

Committee Activity: Higher Education & Workforce Development: 2/09/11.

SENATE COMMITTEE ON HIGHER EDUCATION & WORKFORCE DEVELOPMENT

Staff: Kimberly Cushing (786-7421)

Background: The Treasurer of the state of Washington must receive, keep, and disburse all public funds of the state that are not required by law to be received, kept, and disbursed by someone else, except for the public funds of institutions of higher education which are not subject to appropriation. Under current law, agencies cannot make payments more than one year in advance for equipment maintenance services.

Under RCW 28B.10.016, institutions of higher education are defined as the University of Washington (UW), Washington State University, Western Washington University (WWU), Central Washington University (CWU), Eastern Washington University, The Evergreen State College, the community colleges, and the technical colleges.

Summary of Bill: Institutions of higher education may make payments in advance for equipment maintenance services to be performed up to 60 months (5 years) after such payment.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: The bill gives us the strength to negotiate with some vendors and allows for greater savings over time. UW believes it will save \$100,000 to \$200,000 annually. The current maintenance agreements cause us potential increased costs. We routinely purchase air conditioning, dining hall, and lab equipment. We can only enter one-year agreements and the ability to extend agreements over five years would allow us to save on agreements. Community and technical colleges are part of the consortium agreement for efficiencies. Even without being on the same scale, community and technical colleges would achieve savings. In some cases, Pierce College has had to drop maintenance services on big equipment because it can't get a one-year agreement. This requires the college to go through a third-party, which is more expensive.

Persons Testifying: PRO: Margaret Shepherd, UW; Steve DuPont, CWU; Sherry Burkey, WWU; Linda Schoonmaker, State Board for Community and Technical Colleges; Joann Wiszmann, Pierce College.