
SUBSTITUTE HOUSE BILL 2035

State of Washington

62nd Legislature

2011 Regular Session

By House State Government & Tribal Affairs (originally sponsored by Representatives Hudgins, Hunt, and Ryu)

READ FIRST TIME 04/08/11.

1 AN ACT Relating to effectuating financial stability for the public
2 printer; amending RCW 43.78.030, 43.78.070, 43.78.080, 43.78.100,
3 43.78.110, 28A.300.040, and 28B.10.029; adding new sections to chapter
4 43.78 RCW; adding a new section to chapter 43.41 RCW; adding a new
5 section to chapter 43.09 RCW; creating new sections; and repealing RCW
6 1.08.039, 15.24.085, 15.62.190, 16.67.170, 43.78.020, and 43.78.090.

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

8 NEW SECTION. **Sec. 1.** The purpose of this act is to establish a
9 more competitive environment and to provide assurances to state
10 agencies that they are receiving a competitive price by allowing the
11 solicitation of bids from the public printer and from private vendors
12 for all jobs that require the services of a print shop.

13 The legislature intends to enable the public printer to compete
14 effectively by eliminating price caps that make it difficult to recover
15 its production costs, thereby permitting it to set its own prices for
16 individual jobs with the overall goal of achieving long-term financial
17 stability, better utilization of taxpayer resources, and value for the
18 state of Washington.

1 **Sec. 2.** RCW 43.78.030 and 2010 1st sp.s. c 37 s 927 are each
2 amended to read as follows:

3 (1) The public printer shall print and bind the session laws, the
4 journals of the two houses of the legislature, all bills, resolutions,
5 documents, and other printing and binding of either the senate or
6 house, as ~~((the same))~~ may be ordered by the legislature; and such
7 forms, blanks, record books, and printing and binding ~~((of every
8 description))~~ as may be ordered by ~~((all state officers, boards,
9 commissions, and institutions, and))~~ the supreme court~~((,))~~ and the
10 court of appeals ~~((and officers thereof, as the same may be ordered on
11 requisition, from time to time, by the proper authorities))~~. This
12 section shall not apply to the printing of the supreme court and the
13 court of appeals reports~~((,))~~ or to the printing of bond certificates
14 or bond offering disclosure documents~~((, to the printing of educational
15 publications of the state historical societies, or to any printing done
16 or contracted for by institutions of higher education: PROVIDED, That
17 institutions of higher education, in consultation with the public
18 printer, develop vendor selection procedures comparable to those used
19 by the public printer for contracted printing jobs. Where any
20 institution or institution of higher learning of the state is or may
21 become equipped with facilities for doing such work, it may do any
22 printing: (1) For itself, or (2) for any other state institution when
23 such printing is done as part of a course of study relative to the
24 profession of printer. Any printing and binding of whatever
25 description as may be needed by any institution or agency of the state
26 department of social and health services not at Olympia, or the supreme
27 court or the court of appeals or any officer thereof, the estimated
28 cost of which shall not exceed one thousand dollars, may be done by any
29 private printing company in the general vicinity within the state of
30 Washington so ordering, if in the judgment of the officer of the agency
31 so ordering, the saving in time and processing justifies the award to
32 such local private printing concern.~~

33 Beginning on July 1, 1989, and on July 1 of each succeeding odd-
34 numbered year, the dollar limit specified in this section shall be
35 adjusted as follows: The office of financial management shall
36 calculate such limit by adjusting the previous biennium's limit by an
37 appropriate federal inflationary index reflecting the rate of inflation

1 ~~for the previous biennium. Such amounts shall be rounded to the~~
2 ~~nearest fifty dollars.~~

3 ~~During the 2009-2011 fiscal biennium, this section does not apply~~
4 ~~to pilot printing projects authorized by the office of financial~~
5 ~~management to allow state agencies and institutions to directly acquire~~
6 ~~printing services)).~~

7 (2) State agencies, boards, commissions, and institutions of higher
8 education requiring the services of a print shop may use the public
9 printer. If a print job is put out for bid, the public printer must be
10 included in the bid solicitation. All solicitations must be posted on
11 the state's common vendor registration and bid notification system and
12 results provided to the public printer. All solicitations must include
13 the requirement to use recycled copy and printing paper for all jobs
14 printed on white copy and printing paper as is required of the public
15 printer in RCW 43.78.170. All bid specifications must require the use
16 of biodegradable ink.

17 **Sec. 3.** RCW 43.78.070 and 2009 c 549 s 5148 are each amended to
18 read as follows:

19 ~~((The public printer shall use the state printing plant upon the~~
20 ~~following conditions, to wit:~~

21 ~~(1) He or she shall do the public printing, and charge therefor the~~
22 ~~fees as provided by law. He or she may print the Washington Reports~~
23 ~~for the publishers thereof under a contract approved in writing by the~~
24 ~~governor.~~

25 ~~(2) The gross income of the public printer shall be deposited in an~~
26 ~~account designated "state printing plant revolving fund" in~~
27 ~~depositories approved by the state treasurer, and shall be disbursed by~~
28 ~~the public printer by check and only as follows:~~

29 ~~First, in payment of the actual cost of labor, material, supplies,~~
30 ~~replacements, repairs, water, light, heat, telephone, rent, and all~~
31 ~~other expenses necessary in the operation of the plant: PROVIDED, That~~
32 ~~no machinery shall be purchased except on written approval of the~~
33 ~~governor;~~

34 ~~Second, in payment of the cost of reasonable insurance upon the~~
35 ~~printing plant, payable to the state and of all fidelity bonds required~~
36 ~~by law of the public printer;~~

1 ~~Third, in payment to the public printer of a salary which shall be~~
2 ~~fixed by the governor in accordance with the provisions of RCW~~
3 ~~43.03.040;~~

4 ~~Fourth, in remitting the balance to the state treasurer for the~~
5 ~~general fund: PROVIDED, That a reasonable sum to be determined by the~~
6 ~~governor, the public printer, and the director of financial management~~
7 ~~shall be retained in the fund for working capital for the public~~
8 ~~printer.)) (1) The public printer must use the state printing plant and~~
9 ~~charge fees as provided by law. Any machinery purchased must have~~
10 ~~written approval of the governor.~~

11 ~~(2) The public printer may print the Washington Reports for the~~
12 ~~publishers under a contract approved in writing by the governor.~~

13 ~~(3) The public printer shall be paid a salary fixed by the governor~~
14 ~~in accordance with RCW 43.03.040.~~

15 NEW SECTION. Sec. 4. A new section is added to chapter 43.78 RCW
16 to read as follows:

17 (1) The public printing revolving account is created in the custody
18 of the state treasurer. All receipts from public printing must be
19 deposited in the account. Expenditures from the account may be used
20 only for the administrative and operating purposes related to public
21 printing. Only the public printer or the public printer's designee may
22 authorize expenditures from the account. The account is subject to
23 allotment procedures but an appropriation is not required for
24 expenditures.

25 (2) Receipts remaining in the account after expenses, plus a
26 reasonable sum for working capital, as determined by the governor, the
27 public printer, and the director of financial management, shall be
28 deposited in the general fund.

29 Sec. 5. RCW 43.78.080 and 1972 ex.s. c 1 s 1 are each amended to
30 read as follows:

31 All printing, ruling, binding, and other work done or supplies
32 furnished by the state printing plant (~~for the various state~~
33 ~~departments, commissions, institutions, boards, and officers)) shall be~~
34 paid for on an actual cost basis as determined from a standard cost
35 finding system to be maintained by the state printing plant. (~~In no~~
36 ~~event shall the price charged the various state departments,~~

1 commissions, institutions, boards, and officers exceed those
2 established by the Porte Publishing Company's Franklin Printing
3 Catalogue for similar and comparable work. All bills for printing,
4 ruling, binding, and other work done or for supplies furnished by the
5 state printing plant shall be certified and sworn to by the public
6 printer.

7 The public printing shall be divided into the following classes:

8 FIRST CLASS. The bills, resolutions, and other matters that may be
9 ordered by the legislature, or either branch thereof, in bill form,
10 shall constitute the first class, and shall be printed in such form as
11 the legislature shall provide.

12 SECOND CLASS. The second class shall consist of printing and
13 binding of journals of the senate and house of representatives, and the
14 annual and biennial reports of the several state officers, state
15 commissions, boards, and institutions, with the exception of the
16 reports of the attorney general and the governor's message to the
17 legislature, which shall be printed and bound in the same style as
18 heretofore. Said journals and reports shall be printed in such form as
19 the senate and house of representatives and the various state officers,
20 commissions, boards, and institutions shall respectively provide.

21 THIRD CLASS. The third class shall consist of all reports,
22 communications, and all other documents that may be ordered printed in
23 book form by the legislature or either branch thereof, and all reports,
24 books, pamphlets, and other like matter printed in book form required
25 by all state officers, boards, commissions, and institutions shall be
26 printed in such form and style, and set in such size type, and printed
27 on such grade of paper as may be desired by the state officer, board,
28 commission, or institution ordering them, and which they think will
29 best serve the purpose for which intended.

30 FOURTH CLASS. The fourth class shall consist of the session laws,
31 and shall be printed and bound in such form as the statute law
32 committee shall provide.

33 FIFTH CLASS. The fifth class shall consist of the printing of all
34 stationery blanks, record books, and circulars, and all printing and
35 binding required by the respective state officers, boards, commissions,
36 and institutions not covered by classes one, two, three, and four.))

37 The public printer must update its budgeted hourly rate model, as
38 needed, to accurately reflect its operational costs.

1 **Sec. 6.** RCW 43.78.100 and 1993 c 379 s 106 are each amended to
2 read as follows:

3 The public printer shall furnish all paper, stock, and binding
4 materials required in all public work, and shall charge the same to the
5 state, as it is actually used, at the actual price at which it was
6 purchased plus up to five percent for waste, insurance, storage, and
7 handling. This section does not apply to institutions of higher
8 education.

9 **Sec. 7.** RCW 43.78.110 and 2009 c 486 s 12 are each amended to read
10 as follows:

11 (1) Whenever in the judgment of the public printer certain
12 printing, ruling, binding, or supplies can be secured from private
13 sources more economically than by doing the work or preparing the
14 supplies in the state printing plant, the public printer may obtain
15 such work or supplies from such private sources. The bid solicitation
16 (~~((for the contract opportunity))~~) must be posted (~~((on the state's common
17 vendor registration and bid))~~) to the public printer vendor notification
18 system. The public printer shall develop procurement policies and
19 procedures, such as unbundled contracting and subcontracting, that
20 encourage and facilitate the purchase of such services or supplies from
21 Washington small businesses to the maximum extent practicable and
22 consistent with international trade agreement commitments.

23 (2) In the event any work or supplies are secured on behalf of the
24 state under this section, ~~the~~ (~~((state printing plant shall be entitled
25 to))~~) public printer may add up to five percent to the cost (~~((thereof))~~)
26 to cover the handling of the orders (~~((which shall be added to the bills
27 and charged to the respective authorities ordering the work or
28 supplies. The five percent handling charge shall not apply to
29 contracts with institutions of higher education))~~)).

30 (3) The definitions in this subsection apply throughout this
31 section.

32 (a) "Common vendor registration and bid notification system" has
33 the definition in RCW 39.29.006.

34 (b) "Small business" has the definition in RCW 39.29.006.

35 NEW SECTION. **Sec. 8.** A new section is added to chapter 43.78 RCW
36 to read as follows:

1 (1) To reduce duplication of services, streamline the coordination
2 and management of printing services for the state, and minimize long-
3 term costs, state agencies and institutions of higher education as
4 defined in RCW 28B.10.016 with in-house print shops must consolidate
5 printing equipment and staff with the public printer. Some excess
6 capacity is permitted at the public printer to accommodate normal
7 fluctuations in demand.

8 (2) This section does not apply to the legislature.

9 NEW SECTION. **Sec. 9.** A new section is added to chapter 43.41 RCW
10 to read as follows:

11 To improve the efficiency and minimize the costs of agency-based
12 printing, the office shall establish rules and guidelines for all
13 agencies to use in managing their printing operations, including both
14 agency-based printing and those jobs that require the services of a
15 print shop, as based on the successes of implementation of existing
16 print management programs in state agencies. At a minimum, the rules
17 and guidelines must implement managed print strategies to track,
18 manage, and reduce agency-based printing.

19 NEW SECTION. **Sec. 10.** The office of financial management must
20 determine which agencies have print shops and shall prepare proposed
21 legislation by November 15, 2011, to transfer the print shop personnel,
22 equipment, and activities of state agencies and institutions of higher
23 education as defined in RCW 28B.10.016 to the public printer.

24 NEW SECTION. **Sec. 11.** A new section is added to chapter 43.09 RCW
25 to read as follows:

26 By November 1, 2016, building on the findings of the 2011 audit,
27 the state auditor shall conduct a comprehensive performance audit of
28 state printing services in accordance with RCW 43.09.470. Following
29 the audit in 2016, the state auditor shall conduct follow-up audits as
30 deemed necessary to ensure effective implementation of this act.

31 **Sec. 12.** RCW 28A.300.040 and 2009 c 556 s 10 are each amended to
32 read as follows:

33 In addition to any other powers and duties as provided by law, the
34 powers and duties of the superintendent of public instruction shall be:

1 (1) To have supervision over all matters pertaining to the public
2 schools of the state;

3 (2) To report to the governor and the legislature such information
4 and data as may be required for the management and improvement of the
5 schools;

6 (3) To prepare and have printed such forms, registers, courses of
7 study, rules for the government of the common schools, and such other
8 material and books as may be necessary for the discharge of the duties
9 of teachers and officials charged with the administration of the laws
10 relating to the common schools, and to distribute the same to
11 educational service district superintendents;

12 (4) To travel, without neglecting his or her other official duties
13 as superintendent of public instruction, for the purpose of attending
14 educational meetings or conventions, of visiting schools, and of
15 consulting educational service district superintendents or other school
16 officials;

17 (5) To prepare and from time to time to revise a manual of the
18 Washington state common school code, copies of which shall be made
19 available online and which shall be sold at approximate actual cost of
20 publication and distribution per volume to public and nonpublic
21 agencies or individuals, said manual to contain Titles 28A and 28C RCW,
22 rules related to the common schools, and such other matter as the state
23 superintendent or the state board of education shall determine(~~(-~~
24 ~~Proceeds of the sale of such code shall be transmitted to the public~~
25 ~~printer who shall credit the state superintendent's account within the~~
26 ~~state printing plant revolving fund by a like amount)));~~

27 (6) To file all papers, reports and public documents transmitted to
28 the superintendent by the school officials of the several counties or
29 districts of the state, each year separately. Copies of all papers
30 filed in the superintendent's office, and the superintendent's official
31 acts, may, or upon request, shall be certified by the superintendent
32 and attested by the superintendent's official seal, and when so
33 certified shall be evidence of the papers or acts so certified to;

34 (7) To require annually, on or before the 15th day of August, of
35 the president, manager, or principal of every educational institution
36 in this state, a report as required by the superintendent of public
37 instruction; and it is the duty of every president, manager, or

1 principal, to complete and return such forms within such time as the
2 superintendent of public instruction shall direct;

3 (8) To keep in the superintendent's office a record of all teachers
4 receiving certificates to teach in the common schools of this state;

5 (9) To issue certificates as provided by law;

6 (10) To keep in the superintendent's office at the capital of the
7 state, all books and papers pertaining to the business of the
8 superintendent's office, and to keep and preserve in the
9 superintendent's office a complete record of statistics, as well as a
10 record of the meetings of the state board of education;

11 (11) With the assistance of the office of the attorney general, to
12 decide all points of law which may be submitted to the superintendent
13 in writing by any educational service district superintendent, or that
14 may be submitted to the superintendent by any other person, upon appeal
15 from the decision of any educational service district superintendent;
16 and the superintendent shall publish his or her rulings and decisions
17 from time to time for the information of school officials and teachers;
18 and the superintendent's decision shall be final unless set aside by a
19 court of competent jurisdiction;

20 (12) To administer oaths and affirmations in the discharge of the
21 superintendent's official duties;

22 (13) To deliver to his or her successor, at the expiration of the
23 superintendent's term of office, all records, books, maps, documents
24 and papers of whatever kind belonging to the superintendent's office or
25 which may have been received by the superintendent's for the use of the
26 superintendent's office;

27 (14) To administer family services and programs to promote the
28 state's policy as provided in RCW 74.14A.025;

29 (15) To promote the adoption of school-based curricula and policies
30 that provide quality, daily physical education for all students, and to
31 encourage policies that provide all students with opportunities for
32 physical activity outside of formal physical education classes;

33 (16) To perform such other duties as may be required by law.

34 **Sec. 13.** RCW 28B.10.029 and 2010 c 61 s 1 are each amended to read
35 as follows:

36 (1)(a) An institution of higher education may exercise
37 independently those powers otherwise granted to the director of general

1 administration in chapter 43.19 RCW in connection with the purchase and
2 disposition of all material, supplies, services, and equipment needed
3 for the support, maintenance, and use of the respective institution of
4 higher education.

5 (b) Property disposition policies followed by institutions of
6 higher education shall be consistent with policies followed by the
7 department of general administration.

8 (c) Purchasing policies and procedures followed by institutions of
9 higher education shall be in compliance with chapters 39.19, 39.29, and
10 43.03 RCW, and RCW 43.19.1901, 43.19.1906, 43.19.1911, 43.19.1917,
11 43.19.1937, 43.19.534, 43.19.685, 43.19.700 through 43.19.704, and
12 43.19.560 through 43.19.637.

13 (d) Purchases under chapter 39.29, 43.19, or 43.105 RCW by
14 institutions of higher education may be made by using contracts for
15 materials, supplies, services, or equipment negotiated or entered into
16 by, for, or through group purchasing organizations.

17 (e) The community and technical colleges shall comply with RCW
18 43.19.450.

19 (f) Except for the University of Washington, institutions of higher
20 education shall comply with RCW 43.41.310, 43.41.290, and 43.41.350.

21 (g) If an institution of higher education can satisfactorily
22 demonstrate to the director of the office of financial management that
23 the cost of compliance is greater than the value of benefits from any
24 of the following statutes, then it shall be exempt from them: RCW
25 43.19.685, 43.19.534, and 43.19.637.

26 (h) Any institution of higher education that chooses to exercise
27 independent purchasing authority for a commodity or group of
28 commodities shall notify the director of general administration.
29 Thereafter the director of general administration shall not be required
30 to provide those services for that institution for the duration of the
31 general administration contract term for that commodity or group of
32 commodities.

33 (2) The council of presidents and the state board for community and
34 technical colleges shall convene its correctional industries business
35 development advisory committee, and work collaboratively with
36 correctional industries, to:

37 (a) Reaffirm purchasing criteria and ensure that quality, service,

1 and timely delivery result in the best value for expenditure of state
2 dollars;

3 (b) Update the approved list of correctional industries products
4 from which higher education shall purchase; and

5 (c) Develop recommendations on ways to continue to build
6 correctional industries' business with institutions of higher
7 education.

8 (3) Higher education and correctional industries shall develop a
9 plan to build higher education business with correctional industries to
10 increase higher education purchases of correctional industries
11 products, based upon the criteria established in subsection (2) of this
12 section. The plan shall include the correctional industries'
13 production and sales goals for higher education and an approved list of
14 products from which higher education institutions shall purchase, based
15 on the criteria established in subsection (2) of this section. Higher
16 education and correctional industries shall report to the legislature
17 regarding the plan and its implementation no later than January 30,
18 2005.

19 (4) Institutions of higher education shall set as a target to
20 contract, beginning not later than June 30, 2006, to purchase one
21 percent of the total goods and services required by the institutions
22 each year produced or provided in whole or in part from class II inmate
23 work programs operated by the department of corrections. Institutions
24 of higher education shall set as a target to contract, beginning not
25 later than June 30, 2008, to purchase two percent of the total goods
26 and services required by the institutions each year produced or
27 provided in whole or in part from class II inmate work programs
28 operated by the department of corrections.

29 (~~(An institution of higher education may exercise independently~~
30 ~~those powers otherwise granted to the public printer in chapter 43.78~~
31 ~~RCW in connection with the production or purchase of any printing and~~
32 ~~binding needed by the respective institution of higher education.))
33 Purchasing policies and procedures followed by institutions of higher
34 education shall be in compliance with chapter 39.19 RCW. Any
35 institution of higher education that chooses to exercise independent
36 printing production or purchasing authority shall notify the public
37 printer. Thereafter the public printer shall not be required to
38 provide those services for that institution.~~

1 NEW SECTION. **Sec. 14.** The following acts or parts of acts are
2 each repealed:

3 (1) RCW 1.08.039 (Publication, sale, and distribution of code and
4 supplements--Contracts or other arrangements) and 1955 c 235 s 8 & 1953
5 c 257 s 12;

6 (2) RCW 15.24.085 (Promotional printing not restricted by public
7 printer laws) and 2002 c 313 s 121 & 1961 c 11 s 15.24.085;

8 (3) RCW 15.62.190 (Promotional printing and literature--Exempt from
9 public printing requirements) and 1989 c 5 s 19;

10 (4) RCW 16.67.170 (Promotional printing not restricted by public
11 printer laws) and 1969 c 133 s 16;

12 (5) RCW 43.78.020 (Bond) and 2009 c 549 s 5147 & 1965 c 8 s
13 43.78.020; and

14 (6) RCW 43.78.090 (Reprinting) and 1965 c 8 s 43.78.090.

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