SENATE BILL 5081

State of Washington 64th Legislature 2015 Regular Session

By Senators Miloscia, Hill, Bailey, Becker, and Dammeier

Read first time 01/13/15. Referred to Committee on Ways & Means.

- AN ACT Relating to increasing transparency of state government expenditures related to state employees, state vendors and other public entities; amending RCW 43.82.150, 39.26.140, 39.26.150, 39.26.200, and 39.26.210; adding a new section to chapter 43.88 RCW; and adding new sections to chapter 44.48 RCW.
- 6 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- NEW SECTION. Sec. 1. A new section is added to chapter 43.88 RCW to read as follows:
- 9 (1) In order to facilitate public inspection of state collective 10 bargaining agreements, the office of financial management must 11 maintain a web site that is accessible to the public of all 12 agreements collectively bargained under the authority of chapters 13 41.80 and 47.64 RCW and RCW 41.56.026, 41.56.028, 41.56.029, 14 41.56.473, 41.56.510, and 74.39A.270.
- 15 (2) In order to facilitate public understanding of state collective bargaining agreements, the office of financial management must prepare a summary of each agreement subject to subsection (1) of this section for posting on the web site. The summary must identify the following information for each agreement regardless of whether the collective bargaining agreement itself includes a provision addressing the subject:

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1 (a) The term of agreement;

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- 2 (b) The bargaining units covered by the agreement by state 3 agency;
 - (c) Base compensation;
 - (d) Eligibility for and rate of overtime pay;
 - (e) Eligibility for and rate of compensatory time;
- (f) Eligibility for and rate of any other compensation, including but not limited to shift premium pay, on-call pay, stand-by pay, assignment pay, special pay, or employer provided housing or meals;
- 10 (g) Eligibility for and rate of pay for each paid leave 11 provision;
- 12 (h) Eligibility for and rate of pay for any cash out provisions 13 for compensatory time or paid leave;
 - (i) Temporary layoff provision;
 - (j) Dues deduction calculation and/or amount authorized as an employee payroll deduction in the state central personnel-payroll system or any separate payroll system of a state agency or institution of higher education;
 - (k) Impasse procedure;
- 20 (1) Employer and employee health care benefits expressed as a 21 percentage of cost or as a dollar amount;
 - (m) Any retirement benefit subject to bargaining;
- 23 (n) A brief description of each component and its cost that 24 comprise the amount funded by the legislature to implement the 25 compensation and fringe benefits of the agreement;
 - (o) Number of bargaining unit members covered by the agreement as of the date the agreement is implemented; and
- 28 (p) Content of any agency specific supplemental agreements 29 affecting (a) through (n) of this subsection.
 - (3) Information may include links to salary schedules, pay ranges, and other information on state or federal agency web sites to summarize information. Information may include links to specific language within an agreement to summarize information.
 - (4) The web site must be updated within sixty days of implementation of any agreement or revisions to an agreement.
- 36 (5) No later than January 1, 2016, the information under this 37 section must be incorporated into the state expenditure information 38 web site maintained by the legislative evaluation and accountability 39 program committee under RCW 44.48.150.

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Sec. 2. RCW 43.82.150 and 2007 c 506 s 7 are each amended to 2 read as follows:

- (1) The office of financial management shall develop and maintain an inventory system to account for all owned or leased facilities utilized by state government. At a minimum, the inventory system must include the facility owner, location, type, condition, and size of each facility. In addition, for owned facilities, the inventory system must include the date and cost of original construction and the cost of any major remodeling or renovation. The inventory must be updated by June 30th of each year. The office of financial management shall publish a report summarizing information contained in the inventory system for each agency by October 1st of each year, beginning in 2010 and shall submit this report to the appropriate fiscal committees of the legislature.
 - (2) All agencies, departments, boards, commissions, and institutions of the state of Washington shall provide to the office of financial management a complete inventory of owned and leased facilities by September 1, 2010. The inventory must be updated and submitted to the office of financial management by September 1st of each subsequent year. The inventories required under this subsection must be submitted in a standard format prescribed by the office of financial management.
 - (3) The office of financial management shall report to the legislature by September 1, 2008, on recommended improvements to the inventory system, redevelopment costs, and an implementation schedule for the redevelopment of the inventory system. The report shall also make recommendations on other improvements that will improve accountability and assist in the evaluation of budget requests and facility management by the governor and the legislature.
- 30 (4) No later than January 1, 2016, the inventory under this section must be incorporated into the state expenditure information web site maintained by the legislative evaluation and accountability program committee under RCW 44.48.150.
- 34 <u>(5)</u> For the purposes of this section, "facilities" means 35 buildings and other structures with walls and a roof. "Facilities" 36 does not mean roads, bridges, parking areas, utility systems, and 37 other similar improvements to real property.
- **Sec. 3.** RCW 39.26.140 and 2012 c 224 s 16 are each amended to 39 read as follows:

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(1) Agencies must submit sole source contracts to the department and make the contracts available for public inspection not less than ten working days before the proposed starting date of the contract. Agencies must provide documented justification for sole source contracts to the department when the contract is submitted, and must include evidence that the agency posted the contract opportunity at a minimum on the state's enterprise vendor registration and bid notification system.

- (2) The department must approve sole source contracts before any such contract becomes binding and before any services may be performed or goods provided under the contract. These requirements shall also apply to all sole source contracts except as otherwise exempted by the director.
- (3) The director may provide an agency an exemption from the requirements of this section for a contract or contracts. Requests for exemptions must be submitted to the director in writing.
- (4) Contracts awarded by institutions of higher education from nonstate funds are exempt from the requirements of this section.
- 19 (5) No later than January 1, 2016, the department must maintain a 20 web site of sole source contracts that is accessible to the public to 21 enable inspection as required in subsection (1) of this section.
- **Sec. 4.** RCW 39.26.150 and 2012 c 224 s 17 are each amended to 23 read as follows:
 - (1) Agencies must provide public notice for all competitive solicitations. Agencies must post all contract opportunities on the state's enterprise vendor registration and bid notification system. In addition, agencies may notify contractors and potential bidders by sending notices by mail, electronic transmission, newspaper advertisements, or other means as may be appropriate.
 - (2) Agencies should try to anticipate changes in a requirement before the bid submittal date and to provide reasonable notice to all prospective bidders of any resulting modification or cancellation. If, in the opinion of the agency, it is not possible to provide reasonable notice, the submittal date for receipt of bids may be postponed and all bidders notified.
- 36 (3) No later than January 1, 2016, the department must maintain a
 37 web site of all current contract opportunities on the state's
 38 enterprise vendor registration and bid notification system that is

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- 1 <u>accessible to the public without requiring registration as a vendor</u>
- 2 or other entity within the system.

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- 3 **Sec. 5.** RCW 39.26.200 and 2013 2nd sp.s. c 34 s 1 are each 4 amended to read as follows:
 - (1)(a) The director shall provide notice to the contractor of the director's intent to debar with the specific reason for the debarment. The department must establish the debarment process by rule.
- 9 (b) After reasonable notice to the contractor and reasonable opportunity for that contractor to be heard, the director has the authority to debar a contractor for cause from consideration for award of contracts. The debarment must be for a period of not more than three years.
- 14 (2) The director may debar a contractor based on a finding of one 15 or more of the following causes:
 - (a) Conviction for commission of a criminal offense as an incident to obtaining or attempting to obtain a public or private contract or subcontract, or in the performance of such contract or subcontract;
 - (b) Conviction or a final determination in a civil action under state or federal statutes of fraud, embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, violation of the federal false claims act, 31 U.S.C. Sec. 3729 et seq., or the state medicaid fraud false claims act, chapter 74.66 RCW, or any other offense indicating a lack of business integrity or business honesty that currently, seriously, and directly affects responsibility as a state contractor;
- 28 (c) Conviction under state or federal antitrust statutes arising 29 out of the submission of bids or proposals;
- 30 (d) Two or more violations within the previous five years of the 31 federal labor relations act as determined by the national labor 32 relations board or court of competent jurisdiction;
 - (e) Violation of contract provisions, as set forth in this subsection, of a character that is regarded by the director to be so serious as to justify debarment action:
- 36 (i) Deliberate failure without good cause to perform in 37 accordance with the specifications or within the time limit provided 38 in the contract; or

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- (ii) A recent record of failure to perform or of unsatisfactory performance in accordance with the terms of one or more contracts, however the failure to perform or unsatisfactory performance caused by acts beyond the control of the contractor may not be considered to be a basis for debarment;
- 6 (f) Violation of ethical standards set forth in RCW 39.26.020; 7 and
- 8 (g) Any other cause the director determines to be so serious and 9 compelling as to affect responsibility as a state contractor, 10 including debarment by another governmental entity for any cause 11 listed in regulations.
- 12 (3) The director must issue a written decision to debar. The 13 decision must:
 - (a) State the reasons for the action taken; and

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- 15 (b) Inform the debarred contractor of the contractor's rights to 16 judicial or administrative review.
- 17 (4) No later than January 1, 2016, the department must maintain a
 18 web site of all contractors currently debarred by the director that
 19 is accessible to the public.
- 20 **Sec. 6.** RCW 39.26.210 and 2012 c 224 s 23 are each amended to 21 read as follows:
- (1) Agencies must annually submit to the department a list of all 22 23 contracts that the agency has entered into or renewed. "Contracts," for the purposes of this section, does not include purchase orders. 24 25 The department must maintain a web site with a publicly available 26 list of all contracts entered into by agencies during each fiscal year, except that contracts for the employment of expert witnesses 27 for the purposes of litigation shall not be made publicly available 28 to the extent that information is exempt from disclosure under state 29 30 Except as otherwise exempt, the data must identify the contracting agency, the contractor, the purpose of the contract, 31 effective dates and periods of performance, the cost of the contract 32 and funding source, any substantive modifications to the contract, 33 34 and whether the contract was competitively procured or awarded on a 35 sole source basis.
 - (2) The department may conduct audits of its master contracts and convenience contracts to ensure that the contractor is in compliance with the contract terms and conditions, including but not limited to

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- 1 providing only the goods and services specified in the contract at
- 2 the contract price.

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- 3 <u>NEW SECTION.</u> **Sec. 7.** A new section is added to chapter 44.48 4 RCW to read as follows:
- By January 1, 2016, in collaboration with the department of 5 enterprise services, the legislative evaluation and accountability б program committee must establish and make available to the public a 7 state contracting information web site. The web site must direct the 8 9 public to existing databases and web sites of current contracting 10 opportunities, sole source contract inspection opportunities, 11 debarred contractors, the inventory of state agency contracts entered into or renewed, and any other information that will increase public 12 accessibility to state contracting opportunities or expenditures. If 13 determined feasible and efficient, the legislative evaluation and 14 15 accountability program committee may host department of enterprise 16 services web sites related to state agency contracts or publish existing databases in different forms and formats to increase public 17 18 accessibility to the information.
- NEW SECTION. Sec. 8. A new section is added to chapter 44.48 20 RCW to read as follows:
 - (1) In order to facilitate transparency and accessibility to state expenditures to other public entities, no later than September 30th of each year, the following agencies must report to the legislative evaluation and accountability program committee the amount of funds distributed in the prior fiscal year by entity for the following programs and expenditures:
 - (a) Administrative office of the courts:
- 28 (i) State contributions for county superior court judge salaries 29 and benefits;
 - (ii) County legal financial obligation grants under RCW 2.56.190;
- 31 (iii) Court-appointed special advocate coordinator grants;
- 32 (iv) Court interpreter assistance reimbursements under RCW 2.42.120(7) and 2.43.040(5);
- (v) State contributions for district court judges and qualifying elected municipal court judge salaries under RCW 2.56.030(22);
- 36 (vi) Family and juvenile court improvement grants under RCW 37 2.56.230; and

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- 1 (vii) Distributions to counties and/or county juvenile court 2 administrators to fund the costs of processing truancy, children in 3 need of services, and at-risk youth petitions.
 - (b) Office of public defense:

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- (i) Parents representation program costs; and
- 6 (ii) Public defense improvement grants under chapter 10.101 RCW.
- 7 (c) Department of retirement systems: State contributions to the 8 law enforcement officers' and firefighters' retirement system.
- 9 (d) Secretary of state: Reimbursements to counties for the 10 state's share of primary and general election costs and the costs of 11 conducting mandatory recounts on state measures in odd-numbered year 12 elections.
 - (e) Military department:
- 14 (i) Financial assistance to counties to replace analog 911 15 telephone and network equipment with next generation 911 capable 16 technology; and
- 17 (ii) Financial assistance to counties under contract for expenses 18 authorized for reimbursement under RCW 38.52.540 and 38.52.545.
 - (f) Department of commerce:
- 20 (i) Vehicle electrification demonstration grants under RCW 21 43.325.110;
 - (ii) Growth management act grants;
- 23 (iii) Energy efficiency and solar grants to local governments, 24 institutions of higher education, and state agencies; and
 - (iv) Victim/witness assistance programs under RCW 7.68.035.
- 26 (g) Criminal justice training center: Cost of cadet basic law 27 enforcement academy training.
 - (2) State agencies must collaborate with the legislative evaluation and accountability program committee and the appropriate fiscal committees of the legislature to determine a method to assign a distribution amount by entity in those instances when the amount or entity is not readily identifiable. The method used must be disclosed in the description of the distribution.
 - (3) In their report to the legislative evaluation and accountability program committee, state agencies must provide a brief description of any changes to the program or expenditure from its prior report that affects distribution eligibility or methodology.

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