

FINAL BILL REPORT

SB 5342

C 43 L 23

Synopsis as Enacted

Brief Description: Concerning transit agencies' ability to enter into interlocal agreements for procurement.

Sponsors: Senators Kauffman, King, Lias, Kuderer, Nobles and Wilson, C..

Senate Committee on Transportation

House Committee on Transportation

Background: Public agencies are authorized to use interlocal agreements with other public agencies of any other state or of the United States to the extent legally permitted. Interlocal agreements executed between two or more public agencies must specify the duration of the agreement, precise organization, composition and nature of any separate legal or administrative entity created, purpose, financing, and budget. If a separate legal entity is not created, entities must form a joint board comprised of members from both agencies to cover the acquisition, holding, or disposal of real property.

In 2015, the federal government passed the Fixing America's Surface Transportation Act (FAST), in which Federal Transit Authority (FTA) parameters were modified for innovative procurement and leasing, authorizing states to utilize cooperative procurement schedules. Under state cooperative procurement schedules, state governments may enter into a cooperative procurement contract with one or more vendors if the vendors agree to provide an option to purchase rolling stock and related equipment to the state government and any other participant, and the state government acts as the lead procurement agency. Under prior law, FTA referred to these types of state contracts as state purchasing schedules and, as such, are only available to recipients within that state. Under FAST, a grantee may purchase rolling stock and related equipment from any state's cooperative procurement contract or schedule. Cooperative procurement schedules authorized by FAST waive a number of administrative requirements previously mandated under state and federal law, including many provisions required as part of state interlocal agreements. Current state law is silent on cooperative procurement schedules outlined in FAST.

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

Summary: An exemption is established to certain interlocal agreement requirements for transit agencies when purchasing rolling stock and related equipment from state cooperative procurement schedules. Transit agencies are exempt from requirements to specify the duration of the agreement, precise organization, composition and nature of any separate legal or administrative entity created, purpose, financing, and budget, as well as the requirement to form a joint board if a separate legal entity is not created.

Votes on Final Passage:

Senate 49 0

House 96 0

Effective: July 23, 2023