Mr. Chairman, Members of the Committee,

I am Van Collins, President and CEO of the American Council of Engineering Companies of Washington and I am here tonight testifying on behalf of ACEC and also the Washington Construction Industry Council in opposition to Engrossed Second Substitute House Bill 1851. This is a bill that has gone through a number of revisions and was very recently changed to a substantially different form. This means that such things as a current fiscal note are still catching up, although we do expect it to be significant.

What is clear in its current format, however, is that the bill will create an "us versus you" atmosphere between state forces and private industry. This is clear because all of the bill's operative provisions have now been moved to RCW 41.06, the State Civil Service Act and creates a set of hurdles to be jumped over before contracting out. This has created a scenario where state forces that have historically performed a service are assumed to be the best provider of that service. Then, these same forces conduct a supposed comprehensive impact analysis. Unfortunately, this analysis is neither comprehensive, independent, nor fair. A true and fair analysis would require a much more clear, independent, and rigorous set of standards than that which are currently provided.

At the same time, the bill's singular focus on apparent up-front cost actually does nothing that will make the successful completion of a project more likely. This bill moves the procurement of services to be more like low-bid construction. This will be detrimental to the state. It is counterproductive and in focusing on this, the bill misses the single, best predictor of success in performance of service contracts – qualifications. If the bill truly wants to incentivize successful projects, then it should include whether proposing firms have a solid understanding of the project, the necessary experience and expertise, and a demonstrated history of working collaboratively with governmental agencies.

This bill also moves in the opposite direction than what you all have previously provided in statute. In 2015, one of the then so called "transportation reform bills, SB 5997 was enacted with just a total of 2 single nay votes between the two houses. That bill created a mechanism where private industry works collaboratively with the Department of Transportation to jointly look at its work load and how to best to perform it. Intrinsic within that construct is the idea that it takes both state forces and private industry to meet the state's needs. This bill vitiates that proposition.

Lastly, as an industry, we strongly disagree with the principle assumption underlying this bill - that there is a systemic problem with private industry providing services to the State. I can assure you that there are innumerable contracts entered into between architects, engineers, construction companies, planners, scientists, geologists, geotechs, and other service providers that are routinely performed to the highest standards and without objection. This bill represents a solution looking for a problem with regards to the vast, vast majority of contracts.

Thank you