

# HOUSE OF REPRESENTATIVES

Olympia Washington

## BilAnalysis

BilNo. HB 2119

Stopping bid shopping/peddling/public contracts  
Brief title

Public Arg: 3/4/97

Reps. McMorris/Conway/Honeyford  
Sponsor

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### BACKGROUND:

Each invitation to bid on a contract for the construction, alteration, or repair of a public building or public work, that is expected to cost in excess of \$100,000, must require a bidder to submit the name or names of every subcontractor who is proposed to be used if the subcontract amount is more than 10 percent of the total bid price. The bidder must include the subcontractor names as part of the bid or within one hour of the published time by which bids must be submitted. Failure to name each of these subcontractors renders a bid nonresponsive and void.

### SUMMARY:

A person who has been awarded a contract for a public works or repair project may not substitute another subcontractor for a subcontractor named in the bid except in certain circumstances. A subcontractor may be substituted if the awarding authority objects to the subcontractor and requests in writing a change. In addition, the awarding authority may approve a substitution:

- o The subcontractor fails or refuses to execute a contract with the bidder within a reasonable time, if the terms were offered to the subcontractor that were similar to terms offered to the other subcontractors on the project;
- o The subcontractor files for bankruptcy or becomes insolvent;
- o The subcontractor does not perform within a reasonable time;
- o The subcontractor does not furnish a performance bond and payment bond, if the subcontractor agreed in writing to furnish the performance and payment bond;
- o The bidder demonstrates to the awarding agency that a subcontractor was listed as a result of a good faith, inadvertent clerical error;

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- o The subcontractor is not licensed as a contractor or electrical contractor; or
- o If the bidder determines that the work performed by the subcontractor is substantially satisfactory and not in substantial accordance with plans and specifications, that the subcontractor is substantially delaying or disrupting work progress.

Any bidder who violates these requirements is liable to the named subcontractor in the amount of 10 percent of the substantiated subcontractor's subcontract price. Legal action to enforce these requirements shall be brought in the superior court where the work is to be performed and the prevailing party is entitled to reasonable attorney's fees, costs and disbursements.

**FISCAL NOTE:** Not requested.

**EFFECTIVE DATE:** Ninety days after adjournment of session in which bills passed.