

SENATE BILL REPORT

SHB 1370

AS REPORTED BY COMMITTEE ON LABOR & COMMERCE, APRIL 2, 1993

Brief Description: Restricting bid shopping.

SPONSORS: House Committee on Commerce & Labor (originally sponsored by Representatives Ludwig, Heavey, Orr, Bray, Veloria, King and G. Cole)

HOUSE COMMITTEE ON COMMERCE & LABOR

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass.

Signed by Senators Moore, Chairman; Prentice, Vice Chairman; Fraser, McAuliffe, Sutherland, Vognild, and Wojahn.

Staff: Traci Ratzliff (786-7452)

Hearing Dates: March 29, 1993; April 2, 1993

BACKGROUND:

General contractors bidding on public works projects include in the bid the work to be done by subcontractors. These contractors, however, are usually not required to name the subcontractors on which the bid was based or to use these subcontractors once the contract is awarded. The general contractor who is awarded the contract is not prohibited from finding subcontractors willing to do the contract work at a lower price than the subcontractors incorporated into the original bid.

SUMMARY:

An invitation to bid on a public works contract of \$100,000 or more must require as part of the bid the submission of the names of subcontractors with whom the prime contractor will contract to perform the categories of work listed in the bid, if the subcontract amount is more than 10 percent of the contract price. Subcontractor names may also be submitted within 24 hours of the bid. Failure to name the subcontractors constitutes a nonresponsive bid.

Appropriation: none

Revenue: none

Fiscal Note: requested

TESTIMONY FOR:

This bill is in the best interest of the industry because it will discourage bid shopping from occurring.

TESTIMONY AGAINST: None

TESTIFIED: Duke Schaub, AGC (pro); Jordy Andrew, International Brotherhood of Electrical Workers (pro); Larry Stevens, United Subcontractors Association (pro)