
HOUSE BILL 2850

State of Washington

54th Legislature

1996 Regular Session

By Representatives Cairnes, Scott, Reams, D. Schmidt, Romero, Conway and Scheuerman

Read first time 01/23/96. Referred to Committee on Government Operations.

1 AN ACT Relating to competitive bidding on public contracts;
2 amending RCW 39.30.060; adding a new section to chapter 39.30 RCW; and
3 creating a new section.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** The legislature finds that the practices of
6 bid shopping and bid peddling in connection with the construction,
7 alteration, and repair of public improvements often result in poor
8 quality of material and workmanship to the detriment of the public,
9 deprive the public of full benefits of fair competition among prime
10 contractors and subcontractors, and lead to insolvencies, loss of wages
11 to employees, and other evils.

12 **Sec. 2.** RCW 39.30.060 and 1995 c 94 s 1 are each amended to read
13 as follows:

14 (1) Every invitation to bid on a contract that is expected to cost
15 in excess of one hundred thousand dollars for the construction,
16 alteration, or repair of any public building or public work of the
17 state or a state agency or municipality as defined under RCW 39.04.010,
18 an institution of higher education as defined under RCW 28B.10.016, or

1 a school district shall require each bidder to submit as part of the
2 bid, or within one hour after the published bid submittal time, the
3 names of the subcontractors whose subcontract amount is more than
4 ~~((ten))~~ five percent of the bid price with whom the bidder, if awarded
5 the contract, will subcontract for performance of the work designated
6 on the list to be submitted with the bid. Failure to name each such
7 subcontractor~~((s))~~ whose subcontract amount is more than five percent
8 of the bid price with whom the bidder, if awarded the contract, will
9 subcontract for performance of the work designated on the list or the
10 naming of two or more subcontractors for the same work shall render the
11 bidder's bid nonresponsive and, therefore, void.

12 (2) A contractor whose bid is accepted shall not substitute any
13 person for a subcontractor who is named as part of the bid or within
14 one hour after the published bid submittal time unless the:

15 (a) Awarding authority objects to the subcontractor and requests in
16 writing a change in the subcontractor; or

17 (b) Substitution is approved by the awarding authority; and any of
18 the following apply:

19 (i) The subcontractor, after having a reasonable opportunity, fails
20 or refuses to execute a written contract with the contractor which was
21 offered to the subcontractor with the same terms that all other
22 subcontractors on the project were offered;

23 (ii) The named subcontractor files for bankruptcy or becomes
24 insolvent;

25 (iii) The named subcontractor fails or refuses to perform on the
26 subcontract within a reasonable time;

27 (iv) The named subcontractor fails, refuses, or is unable to
28 furnish a performance bond and payment bond where the named
29 subcontractor agreed to furnish a performance and payment bond prior to
30 naming by the bidding contractor pursuant to subsection (1) of this
31 section;

32 (v) The prime contractor demonstrates to the awarding agency that
33 the name of the subcontractor was listed as the result of an
34 inadvertent clerical error;

35 (vi) The named subcontractor is not registered pursuant to chapter
36 18.27 RCW or licensed pursuant to chapter 19.28 RCW; or

37 (vii) The awarding agency determines that the work performed by the
38 named subcontractor is substantially unsatisfactory and not in
39 substantial accordance with the plans and specifications, or that the

1 subcontractor is substantially delaying or disrupting the progress of
2 the work.

3 NEW SECTION. **Sec. 3.** A new section is added to chapter 39.30 RCW
4 to read as follows:

5 The legislature finds that the practices of bid shopping and bid
6 peddling in connection with the construction, alteration, and repair of
7 any public building or public work of the state or a state agency or
8 municipality as defined under RCW 39.04.010, an institution of higher
9 education as defined under RCW 28B.10.016, or a school district are
10 matters vitally affecting the public interest for the purpose of
11 applying the consumer protection act, chapter 19.86 RCW. Bid shopping
12 and bid peddling are not reasonable in relation to the development and
13 preservation of business. Substitution of subcontractors for reasons
14 other than those under RCW 39.30.060 constitute an unfair or deceptive
15 act or practice in trade or commerce for the purpose of applying the
16 consumer protection act, chapter 19.86 RCW.

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