S-1972.1			

SUBSTITUTE SENATE BILL 5969

2009 Regular Session

61st Legislature

By Senate Government Operations & Elections (originally sponsored by Senator McDermott)

READ FIRST TIME 02/25/09.

State of Washington

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- 1 AN ACT Relating to listing subcontractors on public works projects; 2. and amending RCW 39.30.060.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 39.30.060 and 2003 c 301 s 5 are each amended to read 5 as follows:
 - (1) Every invitation to bid on a prime contract that is expected to cost one million dollars or more for the construction, alteration, or repair of any public building or public work of the state or a state agency or municipality as defined under RCW 39.04.010 or an institution of higher education as defined under RCW 28B.10.016 shall require each prime contract bidder to submit as part of the bid, or within one hour after the published bid submittal time, the names of the subcontractors with whom the bidder, if awarded the contract, will subcontract for performance of the work of: HVAC (heating, ventilation, and air conditioning); plumbing as described in chapter 18.106 RCW; electrical as described in chapter 19.28 RCW, or to name itself for the work.
 - (2) The prime contract bidder shall not list more than one subcontractor for each category of work identified,

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subcontractors vary with bid alternates, in which case the prime contract bidder must indicate which subcontractor will be used for which alternate. Failure of the prime contract bidder to submit as part of the bid the names of such subcontractors or to name itself to perform such work, or ((the naming of)) to name two or more subcontractors to perform the same work shall render the prime contract bidder's bid nonresponsive and, therefore, void.

- of bid shopping or bid peddling)) before or after the award of the prime contract is prohibited, except as provided under subsection (4) of this section, and the originally listed subcontractor is entitled to recover monetary damages from the prime contract bidder who executed a contract with the public entity and the substituted subcontractor but not from the public entity inviting the bid. It is the original subcontractor's burden to prove by a preponderance of the evidence that bid shopping or bid peddling occurred.
- 17 <u>(4)</u> Substitution of a listed subcontractor may be made by the prime contractor for the following reasons:
 - (a) ((Refusal of)) The listed subcontractor refuses to sign a contract with the prime contractor;
 - (b) ((Bankruptcy or insolvency of)) <u>The listed subcontractor is bankrupt or insolvent;</u>
 - (c) ($(\frac{\text{Inability of}}{\text{Inability of}})$) The listed subcontractor is unable to perform the requirements of the proposed contract or the project;
 - (d) (($\frac{1}{1}$ and $\frac{1}{1}$ of)) The listed subcontractor is unable to obtain the necessary licenses, certifications, bonding, insurance, or to meet any other statutory requirements necessary to perform the work detailed in the contract; (($\frac{1}{1}$))
 - (e) The listed subcontractor ((is barred from participating in the project as a result of a court order or summary judgment)) fails to meet the requirements established in RCW 39.04.350 for responsible bidders;
- 33 (f) The listed subcontractor is barred from bidding on or 34 participating in the project as a result of a court order or summary 35 judgment, or in accordance with the terms established in RCW 36 39.12.065(3); or
- 37 (g) For any other reason that an arbitrator or court determines to

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be good cause for substitution such as, but not limited to, clerical errors or misinterpretation of the scope of the project.

((+3)) (5) The requirement of this section to name the prime contract bidder's proposed HVAC, plumbing, and electrical subcontractors applies only to proposed HVAC, plumbing, and electrical subcontractors who will contract directly with the prime contract bidder submitting the bid to the public entity.

((4))) (6) A violation of this section entitles the prevailing plaintiff to recover damages. Any action brought under this section may be resolved through binding arbitration or in the superior court of the county in which the public work is located.

(7) This section does not apply to job order contract requests for proposals under RCW ((39.10.130)) 39.10.420.

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