CERTIFICATION OF ENROLLMENT

SENATE BILL 5734

65th Legislature
2017 Regular Session

Passed by the Senate February 27, 2017
   Yeas 49 Nays 0

CERTIFICATE

I, Hunter G. Goodman, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SENATE BILL 5734** as passed by Senate and the House of Representatives on the dates hereon set forth.

_____
President of the Senate

Passed by the House April 7, 2017
   Yeas 96 Nays 0

_____
                                              Secretary

_____
Speaker of the House of Representatives

Approved

FILED

Secretary of State
State of Washington

_____
Governor of the State of Washington

Passed Legislature - 2017 Regular Session

State of Washington   65th Legislature   2017 Regular Session

By Senators Chase, Baumgartner, Miloscia, Saldaña, Keiser, Conway, Hasegawa, McCoy, Braun, Honeyford, Brown, Kuderer, Rivers, and Warnick

Read first time 02/06/17. Referred to Committee on State Government.

1   AN ACT Relating to bringing Washington state government
2 contracting provisions into compliance with federal law as it relates
3 to small works bonding requirements; and amending RCW 39.08.010.

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

5   **Sec. 1.** RCW 39.08.010 and 2013 c 113 s 2 are each amended to
6 read as follows:
7   (1)(a) Whenever any board, council, commission, trustees, or body
8 acting for the state or any county or municipality or any public body
9 must contract with any person or corporation to do any work for the
10 state, county, or municipality, or other public body, city, town, or
11 district, such board, council, commission, trustees, or body must
12 require the person or persons with whom such contract is made to
13 make, execute, and deliver to such board, council, commission,
14 trustees, or body a good and sufficient bond, with a surety company
15 as surety, conditioned that such person or persons must:
16   (i) Faithfully perform all the provisions of such contract;
17   (ii) Pay all laborers, mechanics, and subcontractors and material
18 suppliers, and all persons who supply such person or persons, or
19 subcontractors, with provisions and supplies for the carrying on of
20 such work; and

1   (iii) Pay the taxes, increases, and penalties incurred on the
2 project under Titles 50, 51, and 82 RCW on: (A) Projects referred to
3 in RCW 60.28.011(1)(b); and/or (B) projects for which the bond is
4 conditioned on the payment of such taxes, increases, and penalties.

5   (b) The bond, in cases of cities and towns, must be filed with
6 the clerk or comptroller thereof, and any person or persons
7 performing such services or furnishing material to any subcontractor
8 has the same right under the provisions of such bond as if such work,
9 services, or material was furnished to the original contractor.

10   (2) The provisions of RCW 39.08.010 through 39.08.030 do not
11 apply to any money loaned or advanced to any such contractor,
12 subcontractor, or other person in the performance of any such work.

13   (3) On contracts of ((thirty-five)) one hundred fifty thousand
14 dollars or less, at the option of the contractor or the general
15 contractor/construction manager as defined in RCW 39.10.210, the
16 respective public entity may, in lieu of the bond, retain ((fifty))
17 ten percent of the contract amount for a period of thirty days after
18 date of final acceptance, or until receipt of all necessary releases
19 from the department of revenue, the employment security department,
20 and the department of labor and industries and settlement of any
21 liens filed under chapter 60.28 RCW, whichever is later. The recovery
22 of unpaid wages and benefits must be the first priority for any
23 actions filed against retainage held by a state agency or authorized
24 local government.

25   (4) For contracts of one hundred fifty thousand dollars or less,
26 the public entity may accept a full payment and performance bond from
27 an individual surety or sureties.

28   (5) The surety must agree to be bound by the laws of the state of
29 Washington and subjected to the jurisdiction of the state of
30 Washington.

--- END ---