
SUBSTITUTE SENATE BILL 6687

State of Washington

56th Legislature

2000 Regular Session

By Senate Committee on Commerce, Trade, Housing & Financial Institutions (originally sponsored by Senators Prentice, Winsley, McDonald and T. Sheldon)

Read first time 02/04/2000.

1 AN ACT Relating to insurance coverage for port districts; amending
2 RCW 48.30.270; adding a new section to chapter 53.08 RCW; and providing
3 an expiration date.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 53.08 RCW
6 to read as follows:

7 Each port district shall determine risks, hazards, and liabilities
8 associated with facilities and projects authorized under this chapter
9 in order to obtain insurance consistent with these determinations.
10 This insurance may include any types of insurance covering, and for the
11 benefit of, one or more parties with whom the port district contracts
12 for any purpose, and insurance for the benefit of its commissioners,
13 commissions, and employees to insure against liability for acts or
14 omissions while performing or in good faith purporting to perform their
15 official duties. All insurance obtained for port district projects may
16 be acquired by bid or by negotiation. In order to allow the port
17 district flexibility to secure appropriate insurance by negotiation,
18 the port district is exempt from RCW 48.30.270 for projects in excess
19 of one hundred million dollars.

1 **Sec. 2.** RCW 48.30.270 and 1983 2nd ex.s. c 1 s 6 are each amended
2 to read as follows:

3 (1) No officer or employee of this state, or of any public agency,
4 public authority or public corporation except a public corporation or
5 public authority created pursuant to agreement or compact with another
6 state, and no person acting or purporting to act on behalf of such
7 officer or employee, or public agency or public authority or public
8 corporation, shall, with respect to any public building or construction
9 contract which is about to be, or which has been competitively bid,
10 require the bidder to make application to, or to furnish financial data
11 to, or to obtain or procure, any of the surety bonds or contracts of
12 insurance specified in connection with such contract, or specified by
13 any law, general, special or local, from a particular insurer or agent
14 or broker.

15 (2) No such officer or employee or any person, acting or purporting
16 to act on behalf of such officer or employee shall negotiate, make
17 application for, obtain or procure any of such surety bonds or
18 contracts of insurance, except contracts of insurance for builder's
19 risk or owner's protective liability, which can be obtained or procured
20 by the bidder, contractor or subcontractor.

21 (3) This section shall not be construed to prevent the exercise by
22 such officer or employee on behalf of the state or such public agency,
23 public authority, or public corporation of its right to approve the
24 form, sufficiency or manner or execution of the surety bonds or
25 contracts of insurance furnished by the insurer selected by the bidder
26 to underwrite such bonds, or contracts of insurance.

27 (4) Any provisions in any invitation for bids, or in any of the
28 contract documents, in conflict with this section are declared to be
29 contrary to the public policy of this state.

30 (5) A violation of this section shall be subject to the penalties
31 provided by RCW 48.01.080.

32 (6) This section shall not apply to:

33 (a) The public nonprofit corporation authorized under RCW
34 67.40.020; or

35 (b) Projects in excess of one hundred million dollars for port
36 districts formed under chapter 53.04 RCW.

1 NEW SECTION. **Sec. 3.** This act expires December 31, 2006.

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