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HOUSE BILL 2132

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State of Washington

58th Legislature

2003 Regular Session

By Representatives Kenney, Schual-Berke, Santos and McDermott

Read first time 02/26/2003. Referred to Committee on Financial Institutions & Insurance.

1 AN ACT Relating to public building or construction contracts;  
2 amending RCW 48.30.270; reenacting and amending RCW 48.30.270;  
3 providing an effective date; and providing an expiration date.

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

5 **Sec. 1.** RCW 48.30.270 and 2000 2nd sp.s. c 4 s 33 and 2000 c 143  
6 s 2 are each reenacted and amended to read as follows:

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

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

7 (3) This section shall not be construed to prevent the exercise by  
8 such officer or employee on behalf of the state or such public agency,  
9 public authority, or public corporation of its right to approve the  
10 form, sufficiency or manner or execution of the surety bonds or  
11 contracts of insurance furnished by the insurer selected by the bidder  
12 to underwrite such bonds, or contracts of insurance.

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

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

18 (6) This section shall not apply to:

19 (a) The public nonprofit corporation authorized under RCW  
20 67.40.020; (~~or~~)

21 (b) Projects in excess of one hundred million dollars for port  
22 districts formed under chapter 53.04 RCW; (~~or~~)

23 (c) A regional transit authority authorized under RCW 81.112.030;  
24 or

25 (d) Projects in excess of one hundred million dollars for counties  
26 with a population over one million, for projects administered for  
27 public hospitals.

28 **Sec. 2.** RCW 48.30.270 and 2000 2nd sp.s. c 4 s 33 are each amended  
29 to read as follows:

30 (1) No officer or employee of this state, or of any public agency,  
31 public authority or public corporation except a public corporation or  
32 public authority created pursuant to agreement or compact with another  
33 state, and no person acting or purporting to act on behalf of such  
34 officer or employee, or public agency or public authority or public  
35 corporation, shall, with respect to any public building or construction  
36 contract which is about to be, or which has been competitively bid,  
37 require the bidder to make application to, or to furnish financial data

1 to, or to obtain or procure, any of the surety bonds or contracts of  
2 insurance specified in connection with such contract, or specified by  
3 any law, general, special or local, from a particular insurer or agent  
4 or broker.

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

11 (3) This section shall not be construed to prevent the exercise by  
12 such officer or employee on behalf of the state or such public agency,  
13 public authority, or public corporation of its right to approve the  
14 form, sufficiency or manner or execution of the surety bonds or  
15 contracts of insurance furnished by the insurer selected by the bidder  
16 to underwrite such bonds, or contracts of insurance.

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

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

22 (6) This section shall not apply to:

23 (a) The public nonprofit corporation authorized under RCW  
24 67.40.020; (~~(e)~~)

25 (b) A regional transit authority authorized under RCW 81.112.030;  
26 or

27 (c) Projects in excess of one hundred million dollars for counties  
28 with a population over one million, for projects administered for  
29 public hospitals.

30 NEW SECTION. Sec. 3. Section 1 of this act expires December 31,  
31 2006.

32 NEW SECTION. Sec. 4. Section 2 of this act takes effect December  
33 31, 2006.

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