

CERTIFICATION OF ENROLLMENT

SUBSTITUTE HOUSE BILL 2132

Chapter 323, Laws of 2003

58th Legislature
2003 Regular Session

PUBLIC CONTRACTS--PUBLIC HOSPITAL PROJECTS

EFFECTIVE DATE: 7/27/03 - Except section 2, which becomes effective 12/31/06.

Passed by the House April 22, 2003
Yeas 95 Nays 2

FRANK CHOPP

Speaker of the House of Representatives

Passed by the Senate April 17, 2003
Yeas 47 Nays 0

BRAD OWEN

President of the Senate

Approved May 16, 2003.

GARY F. LOCKE

Governor of the State of Washington

CERTIFICATE

I, Cynthia Zehnder, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **SUBSTITUTE HOUSE BILL 2132** as passed by the House of Representatives and the Senate on the dates hereon set forth.

CYNTHIA ZEHNDER

Chief Clerk

FILED

May 16, 2003 - 3:36 p.m.

**Secretary of State
State of Washington**

SUBSTITUTE HOUSE BILL 2132

AS AMENDED BY THE SENATE

Passed Legislature - 2003 Regular Session

State of Washington 58th Legislature 2003 Regular Session

By House Committee on Financial Institutions & Insurance (originally sponsored by Representatives Kenney, Schual-Berke, Santos and McDermott)

READ FIRST TIME 03/05/03.

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.

Passed by the House April 22, 2003.

Passed by the Senate April 17, 2003.

Approved by the Governor May 16, 2003.

Filed in Office of Secretary of State May 16, 2003.