H-0288.1			

HOUSE BILL 1127

State of Washington 59th Legislature 2005 Regular Session

By Representatives B. Sullivan, Rodne, P. Sullivan, Jarrett, Kirby, Nixon, McCoy and Shabro

Read first time 01/17/2005. Referred to Committee on State Government Operations & Accountability.

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

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- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 48.30.270 and 2003 c 323 s 1 are each amended to read 6 as follows:
 - (1) No officer or employee of this state, or of any public agency, public authority or public corporation except a public corporation or public authority created pursuant to agreement or compact with another state, and no person acting or purporting to act on behalf of such officer or employee, or public agency or public authority or public corporation, shall, with respect to any public building or construction contract which is about to be, or which has been competitively bid, require the bidder to make application to, or to furnish financial data to, or to obtain or procure, any of the surety bonds or contracts of insurance specified in connection with such contract, or specified by any law, general, special or local, from a particular insurer or agent or broker.

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- (2) No such officer or employee or any person, acting or purporting to act on behalf of such officer or employee shall negotiate, make application for, obtain or procure any of such surety bonds or contracts of insurance, except contracts of insurance for builder's risk or owner's protective liability, which can be obtained or procured by the bidder, contractor or subcontractor.
 - (3) This section shall not be construed to prevent the exercise by such officer or employee on behalf of the state or such public agency, public authority, or public corporation of its right to approve the form, sufficiency or manner or execution of the surety bonds or contracts of insurance furnished by the insurer selected by the bidder 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.
 - (6) This section shall not apply to:

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- 19 (a) The public nonprofit corporation authorized under RCW 20 67.40.020;
- 21 (b) Projects in excess of one hundred million dollars for port 22 districts formed under chapter 53.04 RCW;
- 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 <u>or wastewater treatment and conveyance systems</u>.
- 28 **Sec. 2.** RCW 48.30.270 and 2003 c 323 s 2 are each amended to read 29 as follows:
 - (1) No officer or employee of this state, or of any public agency, public authority or public corporation except a public corporation or public authority created pursuant to agreement or compact with another state, and no person acting or purporting to act on behalf of such officer or employee, or public agency or public authority or public corporation, shall, with respect to any public building or construction contract which is about to be, or which has been competitively bid, require the bidder to make application to, or to furnish financial data

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- to, or to obtain or procure, any of the surety bonds or contracts of insurance specified in connection with such contract, or specified by any law, general, special or local, from a particular insurer or agent or broker.
 - (2) No such officer or employee or any person, acting or purporting to act on behalf of such officer or employee shall negotiate, make application for, obtain or procure any of such surety bonds or contracts of insurance, except contracts of insurance for builder's risk or owner's protective liability, which can be obtained or procured 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.
 - (4) Any provisions in any invitation for bids, or in any of the contract documents, in conflict with this section are declared to be 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.
 - (6) This section shall not apply to:

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- 23 (a) The public nonprofit corporation authorized under RCW 24 67.40.020;
- 25 (b) A regional transit authority authorized under RCW 81.112.030; 26 or
- (c) Projects in excess of one hundred million dollars for counties with a population over one million, for projects administered for public hospitals or wastewater treatment and conveyance systems.
- NEW SECTION. Sec. 3. Section 1 of this act expires December 31, 2006.
- 32 <u>NEW SECTION.</u> **Sec. 4.** Section 2 of this act takes effect December 33 31, 2006.

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