## CERTIFICATION OF ENROLLMENT

## SUBSTITUTE SENATE BILL 6022

59th Legislature 2005 Regular Session

Passed by the Senate April 18, 2005 YEAS 38 NAYS 0

## President of the Senate

Passed by the House April 7, 2005 YEAS 95 NAYS 1

Speaker of the House of Representatives

Governor of the State of Washington

Approved

Secretary

Secretary of State State of Washington

FILED

CERTIFICATE

I, Thomas Hoemann, Secretary of

the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE** BILL 6022 as passed by the Senate and the House of Representatives on the dates hereon set forth.

## SUBSTITUTE SENATE BILL 6022

AS AMENDED BY THE HOUSE

Passed Legislature - 2005 Regular Session

State of Washington 59th Legislature 2005 Regular Session

**By** Senate Committee on Financial Institutions, Housing & Consumer Protection (originally sponsored by Senator Prentice)

READ FIRST TIME 03/02/05.

AN ACT Relating to surety bonds or insurance for public building or construction contracts; amending RCW 48.30.270; repealing RCW 53.08.145; repealing 2003 c 323 s 2; repealing 2003 c 323 ss 3 and 4 (uncodified); and repealing 2000 c 143 s 3 (uncodified).

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

6 **Sec. 1.** RCW 48.30.270 and 2003 c 323 s 1 are each amended to read 7 as follows:

8 (1) No officer or employee of this state, or of any public agency, public authority or public corporation except a public corporation or 9 10 public authority created pursuant to agreement or compact with another 11 state, and no person acting or purporting to act on behalf of such 12 officer or employee, or public agency or public authority or public corporation, shall, with respect to any public building or construction 13 contract which is about to be, or which has been competitively bid, 14 15 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 16 insurance specified in connection with such contract, or specified by 17 18 any law, general, special or local, from a particular insurer or agent 19 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.

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(6) This section shall not apply to(( $\div$ 

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 with a population over one million, for projects administered for 26 27 public hospitals)) public construction projects, when the actual or estimated aggregate value of the project, exclusive of insurance and 28 surety costs, exceeds two hundred million dollars. For purposes of 29 applying the two hundred million dollar threshold set forth in this 30 subsection, the term "public construction project" means a project that 31 has a public owner and has phases, segments, or component parts 32 relating to a common geographic site or public transportation system, 33 but does not include the aggregation of unrelated construction 34 projects. 35

36 <u>(7) The exclusions specified in subsection (6) of this section do</u> 37 <u>not apply to surety bonds.</u> 1 <u>NEW SECTION.</u> Sec. 2. The following acts or parts of acts are each 2 repealed: 3 (1) 2003 c 323 s 2; 4 (2) 2003 c 323 s 3 (uncodified); 5 (3) 2003 c 323 s 4 (uncodified); 6 (4) RCW 53.08.145 (Insurance--Determination of risks, hazards, 7 liabilities--Acquisition of appropriate insurance) and 2000 c 143 s 1;

- 8 and
- 9 (5) 2000 c 143 s 3 (uncodified).

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