

# FINAL BILL REPORT

## SB 5186

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Synopsis as Enacted

**Brief Description:** Concerning contractor's bond.

**Sponsors:** Senators Roach, Conway, Benton, Chase and Shin.

**Senate Committee on Governmental Operations**  
**House Committee on Local Government**

**Background:** When contracting for public works projects, state agencies and local governments must require contractors to provide surety bonds, usually equal to the full contract price. These bonds, sometimes called contractor bonds, are issued by surety companies, which agree to provide funds to complete contracts if contractors default. Contractor bonds must usually be made payable to the state. However, a city or town may optionally require that contractor bonds be made payable to the city or town, rather than the state.

**Summary:** Water-sewer districts may require that contractor bonds be made payable to the water-sewer district, rather than the state. Several nonsubstantive technical changes are made.

**Votes on Final Passage:**

Senate	46	0
House	89	5

**Effective:** July 28, 2013  
June 30, 2016 (Section 2)

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*