
Labor & Workplace Standards Committee

HB 1549

Brief Description: Modifying the responsible bidder criteria for public works projects.

Sponsors: Representatives Fosse, Obras, Berry, Reed, Goodman, Stearns, Parshley, Callan, Salahuddin, Taylor, Ormsby, Peterson, Pollet, Scott, Macri and Hill.

Brief Summary of Bill

- Allows a contractor to bid on a public works project without receiving training on public works and prevailing wage if it has completed at least one public works project within the previous three years and not received a citation for certain violations within that time.
- Requires bidders who are awarded a contract with apprentice utilization requirements to submit an apprentice utilization plan.
- Requires the Department of Labor and Industries to publish certain information on its website and develop an apprentice utilization plan template.

Hearing Date: 2/4/25

Staff: Benjamin McCarthy (786-7116).

Background:

Responsible Bidder Criteria.

Public works refer to all work, construction, alteration, repair, or improvement, other than ordinary maintenance, executed at the cost of the state or a municipality. State law requires competitive bidding for all public works projects. A contractor bidding on a public works

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project must meet certain criteria, known as responsible bidder criteria, to be awarded a public works contract. To be a responsible bidder, the bidder must:

- be a registered contractor and be appropriately licensed, if applicable;
- have a current Unified Business Identifier number;
- have, if applicable, industrial insurance coverage, an Employment Security Department number, and a state excise tax registration number;
- not be disqualified from bidding due to previous non-compliance with registration or prevailing wage requirements;
- not have been found out of compliance with apprenticeship requirements, if the project is subject to apprenticeship utilization requirements;
- *have received training on public works and prevailing wage*; and
- not have been found by L&I or a court to have willfully violated the state's wage payment laws within the three-year period prior to the bid solicitation.

Training on public works and prevailing wage must be provided by the Department of Labor and Industries (L&I) or a provider whose curriculum is approved by L&I. L&I must determine the length of the training in consultation with the Prevailing Wage Advisory Committee. Bidders who have completed three or more public works projects and have had a valid Washington business license for three or more years are exempt. The bidder must designate a person or persons to be trained. L&I must keep records of entities that have satisfied the training requirements or are exempt and post the records on its website. Responsible parties may rely on the records.

Verification of Compliance with Responsible Bidder Criteria.

Bidders must submit a signed statement under penalty of perjury that they have not been found by L&I or a court to have willfully violated the state's wage payment laws within the three-year period prior to bid solicitation. Contracting agencies may reasonably rely on this sworn statement.

Apprentice Utilization Criteria.

Apprentice utilization criteria, in general, require that on public works estimated to cost \$1 million or more at least 15 percent of the labor hours must be performed by apprentices enrolled in approved apprenticeship training programs. This requirement applies to contracts awarded by the state, school districts, and state four-year higher education institutions. Awarding agencies may adjust apprenticeship utilization requirements for certain reasons, such as an insufficient number of apprentices in a certain geographic area.

If a bidder has a history of receiving monetary penalties for not achieving apprentice utilization requirements or is habitual in using the good faith exception process, the bidder must submit an apprenticeship utilization plan within ten business days immediately following notice to proceed. An apprenticeship utilization plan details verifiable efforts to meet apprentice utilization requirements.

Summary of Bill:

Responsible Bidder Criteria.

To meet responsible bidder criteria, a bidder must either: (1) within the last three year, both completed at least one public works project and not been cited for violating public works, prevailing wage, or certain other requirements, or (2) have at least one designated current officer or employee who has received training on public works and prevailing wage within the last three years.

The Department of Labor and Industries (L&I) must keep records of people who have satisfied the training requirements in the past three years and post the records on its website.

Verification of Compliance with Responsible Bidder Criteria.

L&I must publish available information on its website so contracting agencies can verify a bidder's compliance with the responsible bidder criteria. In addition to reasonably relying on a bidder's sworn statement that the bidder has not been found to have willfully violated the state's wage payment laws within the three-year period prior to bid solicitation, contracting agencies must verify that the bidder meets the other responsible bidder criteria based on the information on L&I's website.

Apprentice Utilization Criteria.

Bidders who are awarded contracts that are subject to apprentice utilization requirements must submit an apprentice utilization plan within 60 days. L&I will develop an apprentice utilization plan template that includes, at a minimum: (1) the expected start and end dates of the project; (2) total work hours; (3) apprentice hours by apprenticeable occupation; (4) a list of state registered apprenticeship programs; (5) a list of apprenticeship training agents or sponsors on the project; and (6) educational material on apprentice utilization requirements. Awarding agencies may develop their own templates that meet these minimum requirements, subject to approval by L&I.

L&I will publish completed apprentice utilization plans on its website.

Appropriation: None.

Fiscal Note: Requested on January 29, 2025.

Effective Date: The bill takes effect on July 1, 2026.