
Capital Budget Committee

HB 1967

Brief Description: Modifying bonding requirements in the design portion of design-build public works projects.

Sponsors: Representatives Zahn, Griffey and Nance.

Brief Summary of Bill

- Provides that, for public works design-build projects, a performance and payment bond is not required for the portion of the design-build contract that includes design services.

Hearing Date: 2/20/25

Staff: Robert Hatfield (786-7117).

Background:

Public Works Projects—Payment and Performance Bonds.

A state or local entity awarding a public works contract must require the contractor to execute a surety bond conditioned upon the contractor faithfully performing all the provisions of the contract, paying all labor, subcontractor, and material supplier costs, as well as paying all taxes and penalties when required.

Public Works Projects—Alternative Contracting Procedures.

Certain public works contracts may be awarded through alternative contracting procedures in which the selection of a contractor is based on factors other than the lowest bid. Design-build is one such alternative contracting method. Under design-build, a public works contract is awarded to a single firm that agrees to both design and build a public facility that meets specific criteria.

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

The firm awarded the contract must provide a performance and payment bond for the contracted amount of the overall project, including both the value of the design and the value of the construction.

Summary of Bill:

For design-build public works projects, the performance and payment bond must be in an amount not less than the dollar value of the contracted amount of the construction portion of the contract. A performance and payment bond is not required for the portion of the design-build contract that includes design services, preconstruction services, finance services, maintenance services, operations services, or any other related services included in the contract.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.