HOUSE BILL 1549

State of Washington 69th Legislature 2025 Regular Session

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

Read first time 01/23/25. Referred to Committee on Labor & Workplace Standards.

AN ACT Relating to modifying the responsible bidder criteria for public works projects; amending RCW 39.04.350; and providing an effective date.

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

5 **Sec. 1.** RCW 39.04.350 and 2023 c 88 s 1 are each amended to read 6 as follows:

7 (1) Before award of a public works contract, a bidder must meet
8 the following responsibility criteria to be considered a responsible
9 bidder and qualified to be awarded a public works project. The bidder
10 must:

11 (a) At the time of bid submittal, have a certificate of 12 registration in compliance with chapter 18.27 RCW, a plumbing 13 contractor license in compliance with chapter 18.106 RCW, an elevator 14 contractor license in compliance with chapter 70.87 RCW, or an electrical contractor license in compliance with chapter 19.28 RCW, 15 16 as required under the provisions of those chapters;

17 (b) Have a current state unified business identifier number;

(c) If applicable, have industrial insurance coverage for the
 bidder's employees working in Washington as required in Title 51 RCW;
 an employment security department number as required in Title 50 RCW;

1 and a state excise tax registration number as required in Title 82
2 RCW;

3 (d) Not be disqualified from bidding on any public works contract 4 under RCW 39.06.010 or 39.12.065(3);

If bidding on a public works project subject to the 5 (e) 6 ((apprenticeship)) apprentice utilization requirements in RCW 39.04.320, not have been found out of compliance by the Washington 7 state apprenticeship and training council for working apprentices out 8 of ratio, without appropriate supervision, or outside their approved 9 10 work processes as outlined in their standards of apprenticeship under 11 chapter 49.04 RCW for the one-year period immediately preceding the 12 date of the bid solicitation;

(f) (i) Have completed at least one public works project within 13 the previous three years and have not received a citation for a 14 violation of this chapter, chapter 39.12 RCW, or those provided in 15 RCW 39.12.055 (1) through (3) during that same time period; or (ii) 16 17 have at least one designated person who is a current employee or officer and who has received training on the requirements related to 18 19 public works and prevailing wage under this chapter and chapter 39.12 RCW((. The bidder must designate a person or persons to be trained on 20 21 these requirements)) within the previous three years. The training 22 must be provided by the department of labor and industries or by a 23 training provider whose curriculum is approved by the department. The 24 department, in consultation with the prevailing wage advisory 25 committee, must determine the length of the training. ((Bidders that 26 have completed three or more public works projects and have had a 27 valid business license in Washington for three or more years are 28 exempt from this subsection.)) The department of labor and industries must keep records of ((entities)) persons that have ((satisfied)) 29 30 completed the training ((requirement or are exempt)) in the previous 31 three years and make the records available on its website. 32 Responsible parties may rely on the records made available by the 33 department ((regarding satisfaction of the training requirement or 34 exemption)); and

35 (g) Within the three-year period immediately preceding the date 36 of the bid solicitation, not have been determined by a final and 37 binding citation and notice of assessment issued by the department of 38 labor and industries or through a civil judgment entered by a court 39 of limited or general jurisdiction to have willfully violated, as

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1 defined in RCW 49.48.082, any provision of chapter 49.46, 49.48, or 2 49.52 RCW.

3 (2) (a) The department of labor and industries shall publish on 4 its website available information in order for contracting agencies 5 to verify the status of a bidder's compliance with each of the 6 criteria under subsection (1) (a) through (f) of this section.

7 (b) Before award of a public works contract, a bidder shall submit to the contracting agency a signed statement in accordance 8 with chapter 5.50 RCW verifying under penalty of perjury that the 9 10 bidder is in compliance with the responsible bidder criteria requirement of subsection (1)(g) of this section. A contracting 11 12 agency may ((award a contract in reasonable reliance)) reasonably rely upon such a sworn statement. The contracting agency shall verify 13 through publicly available information on the department of labor and 14 15 industries' website that the bidder meets the remaining criteria in 16 subsection (1) of this section.

17 (3) (a) In addition to the bidder responsibility criteria in 18 subsection (1) of this section, for a project subject to apprentice 19 utilization requirements under RCW 39.04.320, the bidder shall submit 20 an apprentice utilization plan to the awarding agency within 60 days 21 of being awarded the contract.

(b) The department of labor and industries shall develop an 22 23 apprentice utilization plan template and make the template available 24 to awarding agencies and bidders. The plan template must include, at 25 minimum: The projected start and end dates of the project; total work hours; apprentice hours by apprenticeable occupation; list of state 26 registered apprenticeship programs to be contacted; and list of 27 28 apprenticeship training agents or sponsors on the project. The plan template must also include educational material on apprentice 29 30 utilization requirements, including how to access apprentices and contact apprenticeship programs and where to find additional and 31 32 relevant resources. The department may approve the use of a template developed by an awarding agency if it meets the minimum requirements 33 34 of this subsection.

35 (c) The department of labor and industries shall publish 36 completed apprentice utilization plans on its website.

37 <u>(4)</u> In addition to the bidder responsibility criteria in 38 subsection (1) of this section, the state or municipality may adopt 39 relevant supplemental criteria for determining bidder responsibility 40 applicable to a particular project which the bidder must meet. 1 (a) Supplemental criteria for determining bidder responsibility, 2 including the basis for evaluation and the deadline for appealing a 3 determination that a bidder is not responsible, must be provided in 4 the invitation to bid or bidding documents.

5 (b) In a timely manner before the bid submittal deadline, a 6 potential bidder may request that the state or municipality modify 7 the supplemental criteria. The state or municipality must evaluate 8 the information submitted by the potential bidder and respond before 9 the bid submittal deadline. If the evaluation results in a change of 10 the criteria, the state or municipality must issue an addendum to the 11 bidding documents identifying the new criteria.

12 (c) If the bidder fails to supply information requested 13 concerning responsibility within the time and manner specified in the 14 bid documents, the state or municipality may base its determination 15 of responsibility upon any available information related to the 16 supplemental criteria or may find the bidder not responsible.

17 (d) If the state or municipality determines a bidder to be not 18 responsible, the state or municipality must provide, in writing, the 19 reasons for the determination. The bidder may appeal the determination within the time period specified in the bidding 20 21 documents by presenting additional information to the state or 22 municipality. The state or municipality must consider the additional 23 information before issuing its final determination. If the final determination affirms that the bidder is not responsible, the state 24 25 or municipality may not execute a contract with any other bidder until two business days after the bidder determined to be not 26 27 responsible has received the final determination.

(((e) If the bidder has a history of receiving monetary penalties for not achieving the apprentice utilization requirements pursuant to RCW 39.04.320, or is habitual in utilizing the good faith effort exception process, the bidder must submit an apprenticeship utilization plan within ten business days immediately following the notice to proceed date.

(4))) (5) The capital projects advisory review board created in
 RCW 39.10.220 shall develop suggested guidelines to assist the state
 and municipalities in developing supplemental bidder responsibility
 criteria. The guidelines must be posted on the board's website.

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