

# SENATE BILL REPORT

## HB 1766

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As Reported By Senate Committee On:  
State & Local Government, April 1, 1999

**Title:** An act relating to bids on public works.

**Brief Description:** Requiring identification of subcontractors in bids on public works.

**Sponsors:** Representatives Romero, McMorris, D. Schmidt, Dunshee, Miloscia, Conway, Campbell, Lambert and Haigh.

**Brief History:**

**Committee Activity:** State & Local Government: 3/31/99, 4/1/99 [DP].

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### SENATE COMMITTEE ON STATE & LOCAL GOVERNMENT

**Majority Report:** Do pass.

Signed by Senators Patterson, Chair; Gardner, Vice Chair; Hale, Haugen, Horn, Kline and McCaslin.

**Staff:** Diane Smith (786-7410)

**Background:** General contractors who bid on public works contracts in excess of \$100,000 or more are required to submit as part of the bid, or within one hour after the published bid submittal time, the names of all subcontractors whose subcontract amount is more than 10 percent of the contract price. Failure to list these subcontractors in the manner prescribed by statute renders the bid void.

**Summary of Bill:** The dollar bid threshold requiring general contractors to list the names of all subcontractors as part of the bid is raised from in excess of \$100,000 to \$1 million or more.

The general contractor only has to list subcontractors that contract directly with the general contractor for specific areas of work and may not list more than one subcontractor for each category of work. The specific areas of work are defined as heating, ventilation and air conditioning, plumbing, and electrical work.

Failure of the bidder to either name itself or to submit names of subcontractors, or the naming of two or more subcontractors to perform the same work renders the bidder's bid non-responsive and void.

**Appropriation:** None.

**Fiscal Note:** Not requested.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Testimony For:** This bill addresses the bid shopping issue. It is limited in scope and agreed among the subcontractors and general contractors. This bill will facilitate the general contractor relying on the subcontractor it used to put the bid together. It will decrease the cost of public works contracts because the subcontractor will know that if it is named, there will be no bid shopping. Allowing the general contractor to name itself was inadvertently removed from the statute in 1993. Removing the 10 percent specification is a big improvement.

**Testimony Against:** None.

**Testified:** PRO: Larry Stevens, United Subcontractors; Ed Kommers, University Mechanical; Joe Denish, Madsen Electric.