

# HOUSE BILL REPORT

## SSB 5858

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As Passed House - Amended  
April 12, 1993

**Title:** An act relating to permits for local government units' building construction projects.

**Brief Description:** Forbidding requiring financial security devices for permits for local government units' construction projects.

**Sponsors:** Senate Committee on Government Operations  
(originally sponsored by Senator Cantu).

**Brief History:**

Reported by House Committee on:  
Local Government, March 30, 1993, DPA;  
Passed House - Amended, April 12, 1993, 93-2.

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### HOUSE COMMITTEE ON LOCAL GOVERNMENT

**Majority Report:** Do pass as amended. Signed by 10 members: Representatives H. Myers, Chair; Bray, Vice Chair; Edmondson, Ranking Minority Member; Reams, Assistant Ranking Minority Member; R. Fisher; Horn; Rayburn; Springer; Van Luven; and Zellinsky.

**Minority Report:** Do not pass. Signed by 2 members: Representatives Dunshee; and Romero.

**Staff:** Bill Lynch (786-7092).

**Background:** Counties, cities and towns, as a condition of issuing a building permit, may require the owner of the project to provide a surety bond or other financial security to assure that financial resources are available to complete the project.

It is suggested that requiring another unit of local government or the state to furnish this security is often unnecessary because they often have a tax base which provides sufficient assurance of financial responsibility.

**Summary of Bill:** Counties, code cities, non-code cities and towns may not require another unit of local government or state agency to secure the performance of a permit requirement with a surety bond or other financial security

device as a condition of issuing a permit for a building construction project.

**Fiscal Note:** Not requested.

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

**Testimony For:** The extra financial security that can currently be required of the state or a unit of local government is unnecessary. This will help save money for the taxpayers.

**Testimony Against:** None.

**Witnesses:** Senator Cantu, prime sponsor.