

HOUSE BILL REPORT

HB 2434

As Reported By House Committee On:
Commerce & Labor

Title: An act relating to bidding on public works.

Brief Description: Changing a time limit for public works bids.

Sponsors: Representatives Riley and Basich.

Brief History:

Reported by House Committee on:
Commerce & Labor, February 4, 1994, DPS.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 9 members: Representatives Heavey, Chair; G. Cole, Vice Chair; Lisk, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Conway; Horn; King; Springer and Veloria.

Staff: Jim Kelley (786-7166).

Background: An invitation to bid on a public works contract of \$100,000 or more must require, as part of the bid, the submission of the names of subcontractors with whom the prime contractor will contract to perform the categories of work listed in the bid. This requirement applies to subcontract amounts that are more than 10 percent of the contract price. The subcontractor names must be submitted within 24 hours of the bid. Failure to name the subcontractors constitutes a nonresponsive bid.

Summary of Substitute Bill: When a contractor is required to submit the names of subcontractors as part of a bid on a public works contract, the names must be submitted within one hour of the published bid time. The law applies prospectively and not retrospectively.

Substitute Bill Compared to Original Bill: The time period for naming subcontractors is shortened from three days to one hour. A prospective application clause is added.

Fiscal Note: Not requested.

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

Testimony For: (Original bill) This bill is a good vehicle for some much needed changes.

Testimony Against: (Original bill) The 24-hour rule creates a large enough problem with potential bid shopping and unnecessary delay. Three days would be worse. The time limitation for naming subcontractors should be much shorter. It is also important that we get some certainty about when the time period begins. Different agencies interpret the law differently. We need consistency.

Witnesses: (In favor) Rick Slunaker, Associated General Contractors. (Opposed) Ken Walker, Department of Transportation; Robert Dilger, Washington Building and Construction Trades Council; and Larry Stevens, United Subcontractor Association.