

HOUSE BILL REPORT

SB 6441

As Reported By House Committee On:
Capital Budget

Title: An act relating to environmental protection change orders in public projects.

Brief Description: Clarifying procedures for environmental protection change orders in public projects.

Sponsors: Senators Oke, Prince, Haugen and Winsley; by request of Department of Transportation.

Brief History:

Committee Activity:

Capital Budget: 2/19/98, 2/20/98 [DP].

HOUSE COMMITTEE ON CAPITAL BUDGET

Majority Report: Do pass. Signed by 10 members: Representatives Sehlin, Chairman; Honeyford, Vice Chairman; Ogden, Ranking Minority Member; Sullivan, Assistant Ranking Minority Member; Costa; Hankins; Lantz; Mitchell; D. Sommers and H. Sommers.

Staff: Susan Howson (786-7142).

Background: Current bidding laws require the state and other governmental entities, when inviting public bids for construction projects, to identify and provide copies of all federal, state and local laws and regulations dealing with environmental protection that may be affected by the construction project. These documents are to be provided to all potential bidders as part of the public bidding process. If any new environmental laws or rules are adopted after the award of the construction contract to a successful bidder and if those new requirements require additional work for the project, the governmental entity must compensate the contractor for the additional cost. The cost of the additional work is determined according to the contract provisions or by agreement between two parties. If the parties are unable to reach agreement, the dispute is referred to arbitration.

Summary of Bill: The requirement that governmental entities include all federal, state and local environmental laws and regulations in all invitations to bid for public

construction projects is removed. The term arbitration used for resolving disputes over cost of new environmental laws is changed to dispute resolution.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: This bill has been agreed to by governmental agencies and private contractors and will streamline the public works bidding process. The specifications for each construction project will identify the environmental permits and conditions in the bid documents. There is no need to also include copies of all the laws and regulations in the bid documents.

Testimony Against: None.

Testified: Senator Oke, prime sponsor; Jerry Alb and Jim Bush, Dept. of Transportation; and Duke Schaub, Association of General Contractors.