## 2132-S AMS FSIH S2841.1

## SHB 2132 - S COMM AMD

By Committee on Financial Services, Insurance & Housing

ADOPTED 04/17/2003

1 Strike everything after the enacting clause and insert the 2 following:

- 3 "Sec. 1. RCW 48.30.270 and 2000 2nd sp.s. c 4 s 33 and 2000 c 143 s 2 are each reenacted and amended to read as follows:
  - (1) No officer or employee of this state, or of any public agency, public authority or public corporation except a public corporation or public authority created pursuant to agreement or compact with another state, and no person acting or purporting to act on behalf of such officer or employee, or public agency or public authority or public corporation, shall, with respect to any public building or construction contract which is about to be, or which has been competitively bid, require the bidder to make application to, or to furnish financial data to, or to obtain or procure, any of the surety bonds or contracts of insurance specified in connection with such contract, or specified by any law, general, special or local, from a particular insurer or agent or broker.
    - (2) No such officer or employee or any person, acting or purporting to act on behalf of such officer or employee shall negotiate, make application for, obtain or procure any of such surety bonds or contracts of insurance, except contracts of insurance for builder's risk or owner's protective liability, which can be obtained or procured by the bidder, contractor or subcontractor.
    - (3) This section shall not be construed to prevent the exercise by such officer or employee on behalf of the state or such public agency, public authority, or public corporation of its right to approve the form, sufficiency or manner or execution of the surety bonds or contracts of insurance furnished by the insurer selected by the bidder to underwrite such bonds, or contracts of insurance.
    - (4) Any provisions in any invitation for bids, or in any of the

- 1 contract documents, in conflict with this section are declared to be 2 contrary to the public policy of this state.
- 3 (5) A violation of this section shall be subject to the penalties 4 provided by RCW 48.01.080.
  - (6) This section shall not apply to:

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- 6 (a) The public nonprofit corporation authorized under RCW 7  $67.40.020; ((\frac{or}{or}))$
- 8 (b) Projects in excess of one hundred million dollars for port 9 districts formed under chapter 53.04 RCW; ((or))
- 10 (c) A regional transit authority authorized under RCW 81.112.030<u>:</u>
  11 <u>or</u>
- 12 <u>(d) Projects in excess of one hundred million dollars for counties</u>
  13 <u>with a population over one million, for projects administered for</u>
  14 public hospitals.
- 15 **Sec. 2.** RCW 48.30.270 and 2000 2nd sp.s. c 4 s 33 are each amended to read as follows:
  - (1) No officer or employee of this state, or of any public agency, public authority or public corporation except a public corporation or public authority created pursuant to agreement or compact with another state, and no person acting or purporting to act on behalf of such officer or employee, or public agency or public authority or public corporation, shall, with respect to any public building or construction contract which is about to be, or which has been competitively bid, require the bidder to make application to, or to furnish financial data to, or to obtain or procure, any of the surety bonds or contracts of insurance specified in connection with such contract, or specified by any law, general, special or local, from a particular insurer or agent or broker.
  - (2) No such officer or employee or any person, acting or purporting to act on behalf of such officer or employee shall negotiate, make application for, obtain or procure any of such surety bonds or contracts of insurance, except contracts of insurance for builder's risk or owner's protective liability, which can be obtained or procured by the bidder, contractor or subcontractor.
- 35 (3) This section shall not be construed to prevent the exercise by 36 such officer or employee on behalf of the state or such public agency,

- public authority, or public corporation of its right to approve the form, sufficiency or manner or execution of the surety bonds or contracts of insurance furnished by the insurer selected by the bidder
- 4 to underwrite such bonds, or contracts of insurance.
- 5 (4) Any provisions in any invitation for bids, or in any of the 6 contract documents, in conflict with this section are declared to be 7 contrary to the public policy of this state.
- 8 (5) A violation of this section shall be subject to the penalties 9 provided by RCW 48.01.080.
- 10 (6) This section shall not apply to:
- 11 (a) The public nonprofit corporation authorized under RCW 12  $67.40.020; ((\frac{3}{2}))$
- 13 (b) A regional transit authority authorized under RCW 81.112.030: 14 or
- 15 <u>(c) Projects in excess of one hundred million dollars for counties</u>
  16 <u>with a population over one million, for projects administered for</u>
- 17 <u>public hospitals</u>.
- NEW SECTION. Sec. 3. Section 1 of this act expires December 31, 2006.
- NEW SECTION. Sec. 4. Section 2 of this act takes effect December 31, 2006."

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On page 1, line 1 of the title, after "contracts;" strike the remainder of the title and insert "amending RCW 48.30.270; reenacting and amending RCW 48.30.270; providing an effective date; and providing an expiration date."

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