
HOUSE BILL 1460

State of Washington 59th Legislature 2005 Regular Session

By Representatives Green, Shabro, Flannigan, Talcott, Morrell and Lantz

Read first time 01/25/2005. Referred to Committee on Transportation.

1 AN ACT Relating to county contracts for construction, maintenance,
2 or repair of a marine vessel; amending RCW 39.08.100; and declaring an
3 emergency.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 **Sec. 1.** RCW 39.08.100 and 1989 c 58 s 2 are each amended to read
6 as follows:

7 On contracts for construction, maintenance, or repair of a marine
8 vessel, the department of transportation or any county may permit,
9 subject to specified format and conditions, the substitution of one or
10 more of the following alternate forms of security in lieu of all or
11 part of the bond: Certified check, replacement bond, cashier's check,
12 treasury bills, an irrevocable bank letter of credit, assignment of a
13 savings account, or other liquid assets specifically approved by the
14 secretary of transportation or county engineer. The secretary of
15 transportation or county engineer shall predetermine and include in the
16 special provisions of the bid package the amount of this alternative
17 form of security or bond, or a combination of the two, on a case-by-
18 case basis, in an amount adequate to protect one hundred percent of the
19 state's or county's exposure to loss. Assets used as an alternative

1 form of security shall not be used to secure the bond. By October 1,
2 1989, the department shall develop and adopt rules under chapter 34.05
3 RCW that establish the procedures for determining the state's exposure
4 to loss on contracts for construction, maintenance, or repair of a
5 marine vessel. Prior to awarding any contract limiting security to the
6 county's exposure to loss, a county shall develop and adopt an
7 ordinance that establishes the procedure for determining the county's
8 exposure to loss on contracts for construction, maintenance, or repair
9 of a marine vessel.

10 NEW SECTION. **Sec. 2.** This act is necessary for the immediate
11 preservation of the public peace, health, or safety, or support of the
12 state government and its existing public institutions, and takes effect
13 immediately.

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