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SENATE BILL 5953

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State of Washington                      61st Legislature                      2009 Regular Session

By Senators Kilmer, Ranker, Haugen, Marr, and Rockefeller

Read first time 02/09/09. Referred to Committee on Transportation.

1            AN ACT Relating to security amounts for certain marine vessel  
2 contracts; and amending RCW 39.08.100.

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

4            **Sec. 1.** RCW 39.08.100 and 2005 c 101 s 1 are each amended to read  
5 as follows:

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

1 security shall not be used to secure the bond. By October 1, 1989, the  
2 department shall develop and adopt rules under chapter 34.05 RCW that  
3 establish the procedures for determining the state's exposure to loss  
4 on contracts for construction, maintenance, or repair of a marine  
5 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.

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