

FINAL BILL REPORT

SHB 1447

C 44 L 15
Synopsis as Enacted

Brief Description: Granting the director of the department of enterprise services the authority to fine contractors as a penalty for certain behaviors.

Sponsors: House Committee on State Government (originally sponsored by Representatives Holy, S. Hunt and Appleton; by request of Department of Enterprise Services).

House Committee on State Government
Senate Committee on Government Operations & Security

Background:

The Director (Director) of the Department of Enterprise Services (DES) has the authority to debar a contractor based on a finding of one or more of the following:

- conviction of a criminal offense as an incident to obtaining a public or private contract or subcontract, or in the performance of such contract;
- conviction under state or federal law for embezzlement, theft, forgery, bribery, falsification or destruction of records, receiving stolen property, or any other offense indicating a lack of business integrity or business honesty;
- conviction under state or federal antitrust laws arising out of the submission of bids or proposals;
- violation of contract provisions of a character regarded by the Director to justify debarment action, including deliberate failure without good cause to perform the contract, a recent record of failure to perform, or unsatisfactory performance with the terms of one or more contracts;
- violation of ethical standards; or
- any other serious or compelling cause to affect responsibility as a state contractor, including debarment by another governmental entity.

A decision to debar must be issued by the Director in writing, must state the reasons for the action taken, and must inform the debarred contractor of his or her rights to judicial or administrative review.

Summary:

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Under the same procedures used to debar a contractor, the Director is authorized to impose a fine on a contractor for cause as an alternative to debarment. The DES must establish the fining process by rule.

Votes on Final Passage:

House	96	1
Senate	49	0

Effective: July 24, 2015