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SUBSTITUTE HOUSE BILL 1673

State of Washington 65th Legislature 2017 Regular Session

By House Labor & Workplace Standards (originally sponsored by Representatives Doglio, Sells, Gregerson, Ormsby, Macri, Goodman, Frame, Stonier, McBride, Cody, Senn, Ortiz-Self, and Pollet)

READ FIRST TIME 02/15/17.

- 1 AN ACT Relating to adding training on public works and prevailing
- 2 wage requirements to responsible bidder criteria; amending RCW
- 3 39.04.350; creating a new section; and providing an effective date.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 **Sec. 1.** RCW 39.04.350 and 2010 c 276 s 2 are each amended to 6 read as follows:
 - (1) Before award of a public works contract, a bidder must meet the following responsibility criteria to be considered a responsible bidder and qualified to be awarded a public works project. The bidder must:
- 11 (a) At the time of bid submittal, have a certificate of registration in compliance with chapter 18.27 RCW;
 - (b) Have a current state unified business identifier number;
- 14 (c) If applicable, have industrial insurance coverage for the 15 bidder's employees working in Washington as required in Title 51 RCW; 16 an employment security department number as required in Title 50 RCW; 17 and a state excise tax registration number as required in Title 82 18 RCW;
- 19 (d) Not be disqualified from bidding on any public works contract 20 under RCW 39.06.010 or 39.12.065(3);

p. 1 SHB 1673

(e) If bidding on a public works project subject to the apprenticeship utilization requirements in RCW 39.04.320, not have been found out of compliance by the Washington state apprenticeship and training council for working apprentices out of ratio, without appropriate supervision, or outside their approved work processes as outlined in their standards of apprenticeship under chapter 49.04 RCW for the one-year period immediately preceding the date of the bid solicitation; and

- (f) ((Until December 31, 2013, not have violated RCW 39.04.370 more than one time as determined by the department of labor and industries)) Have received training on the requirements related to public works and prevailing wage under this chapter and chapter 39.12 RCW. The bidder must designate a person or persons to be trained on these requirements. The training must be provided by the department of labor and industries or by a training provider whose curriculum is approved by the department and must be four hours in length. Bidders that have completed three or more public works projects and have had a valid business license in Washington for three or more years are exempt from this subsection. The department of labor and industries must keep records of entities that have satisfied the training requirement or are exempt and make the records available on its web site. Responsible parties may rely on the records made available by the department regarding satisfaction of the training requirement or exemption.
- (2) In addition to the bidder responsibility criteria in subsection (1) of this section, the state or municipality may adopt relevant supplemental criteria for determining bidder responsibility applicable to a particular project which the bidder must meet.
- (a) Supplemental criteria for determining bidder responsibility, including the basis for evaluation and the deadline for appealing a determination that a bidder is not responsible, must be provided in the invitation to bid or bidding documents.
- (b) In a timely manner before the bid submittal deadline, a potential bidder may request that the state or municipality modify the supplemental criteria. The state or municipality must evaluate the information submitted by the potential bidder and respond before the bid submittal deadline. If the evaluation results in a change of the criteria, the state or municipality must issue an addendum to the bidding documents identifying the new criteria.

p. 2 SHB 1673

(c) If the bidder fails to supply information requested concerning responsibility within the time and manner specified in the bid documents, the state or municipality may base its determination of responsibility upon any available information related to the supplemental criteria or may find the bidder not responsible.

- (d) If the state or municipality determines a bidder to be not responsible, the state or municipality must provide, in writing, the reasons for the determination. The bidder may appeal the determination within the time period specified in the bidding documents by presenting additional information to the state or municipality. The state or municipality must consider the additional information before issuing its final determination. If the final determination affirms that the bidder is not responsible, the state or municipality may not execute a contract with any other bidder until two business days after the bidder determined to be not responsible has received the final determination.
- 17 (3) The capital projects advisory review board created in RCW 39.10.220 shall develop suggested guidelines to assist the state and municipalities in developing supplemental bidder responsibility criteria. The guidelines must be posted on the board's web site.
- 21 <u>NEW SECTION.</u> **Sec. 2.** This act takes effect July 1, 2018.
- NEW SECTION. Sec. 3. If specific funding for the purposes of this act, referencing this act by bill or chapter number, is not provided by June 30, 2017, in the omnibus appropriations act, this act is null and void.

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p. 3 SHB 1673