

FINAL BILL REPORT

SSB 6687

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Synopsis as Enacted

Brief Description: Allowing port districts to acquire insurance coverage.

Sponsors: Senate Committee on Commerce, Trade, Housing & Financial Institutions (originally sponsored by Senators Prentice, Winsley, McDonald and T. Sheldon).

Senate Committee on Commerce, Trade, Housing & Financial Institutions
House Committee on Local Government

Background: The port districts encourage trade and economic development in this state. The ports are key developers of essential public facilities related to transportation and trade. As such, the ports develop many large infrastructure projects that may have several phases and may take many years to complete. These projects may involve a number of contractors and subcontractors. Many participants in the projects maintain liability insurance policies. These policies may be duplicative and costly. These costs may be included in the bids for the projects, increasing the overall costs of the projects.

Insurance policies may be available to the ports that can be tailored to these long-term, multi-phase projects at a lower overall cost. Current law does not allow the ports to utilize this type of insurance.

Summary: Each port district must determine the risks, hazards, and liabilities associated with its facilities and projects to obtain insurance. The insurance, acquired by bid or negotiation, may cover parties to port contracts, commissioners, commissions, and employees. Port district projects in excess of \$100 million are exempt from provisions of the law restricting public agencies from requiring a bidder to apply for insurance or surety bonds from a particular insurer or negotiating or from obtaining insurance or contracts which can be obtained by a bidder, contractor, or subcontractor. The act expires on December 31, 2006.

Votes on Final Passage:

Senate	40	1
House	86	11

Effective: June 8, 2000