# CERTIFICATION OF ENROLLMENT

# ENGROSSED HOUSE BILL 2805

# 61st Legislature 2010 Regular Session

Passed by the House March 6, 2010 Yeas 52 Nays 42  Speaker of the House of Representatives	CERTIFICATE  I, Barbara Baker, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is ENGROSSED HOUSE BILL 2805 as passed
Passed by the Senate March 3, 2010 Yeas 28 Nays 18	by the House of Representatives and the Senate on the dates hereon set forth.
President of the Senate	Chief Clerk
Approved	FILED
Governor of the State of Washington	Secretary of State State of Washington

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#### ENGROSSED HOUSE BILL 2805

### AS AMENDED BY THE SENATE

Passed Legislature - 2010 Regular Session

## State of Washington 61st Legislature 2010 Regular Session

By Representatives Ormsby, Campbell, Williams, Van De Wege, Simpson, White, Chase, Hasegawa, Rolfes, and Conway

Read first time 01/14/10. Referred to Committee on Commerce & Labor.

- 1 AN ACT Relating to public works involving off-site prefabrication;
- amending RCW 39.04.350; and adding a new section to chapter 39.04 RCW.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 39.04 RCW to read as follows:
- (1) For any public work estimated to cost over one million dollars, the contract must contain a provision requiring the submission of certain information about off-site, prefabricated, nonstandard, project specific items produced under the terms of the contract and produced
- 10 outside Washington. The information must be submitted to the
- 11 department of labor and industries under subsection (2) of this
- 12 section. The information that must be provided is:
- 13 (a) The estimated cost of the public works project;
- 14 (b) The name of the awarding agency and the title of the public works project;
- 16 (c) The contract value of the off-site, prefabricated, nonstandard,
- 17 project specific items produced outside Washington, including labor and
- 18 materials; and

- 1 (d) The name, address, and federal employer identification number 2 of the contractor that produced the off-site, prefabricated, 3 nonstandard, project specific items.
  - (2)(a) The required information under this section must be submitted by the contractor or subcontractor as a part of the affidavit of wages paid form filed with the department of labor and industries under RCW 39.12.040. This information is only required to be submitted by the contractor or subcontractor who directly contracted for the offsite, prefabricated, nonstandard, project specific items produced outside Washington.
  - (b) The department of labor and industries shall include requests for the information about off-site, prefabricated, nonstandard, project specific items produced outside Washington on the affidavit of wages paid form required under RCW 39.12.040.
  - (c) The department of general administration shall develop standard contract language to meet the requirements of subsection (1) of this section and make the language available on its web site.
  - (d) Failure to submit the information required in subsection (1) of this section as part of the affidavit of wages paid form does not constitute a violation of RCW 39.12.050.
  - (3) For the purposes of this section, "off-site, prefabricated, nonstandard, project specific items" means products or items that are:

    (a) Made primarily of architectural or structural precast concrete, fabricated steel, pipe and pipe systems, or sheet metal and sheet metal duct work; (b) produced specifically for the public work and not considered to be regularly available shelf items; (c) produced or manufactured by labor expended to assemble or modify standard items; and (d) produced at an off-site location.
  - (4) The department of labor and industries shall transmit information collected under this section to the capital projects advisory review board created in RCW 39.10.220 for review.
  - (5) This section applies to contracts entered into between September 1, 2010, and December 31, 2013.
- 34 (6) This section does not apply to department of transportation 35 public works projects.
- 36 (7) This section does not apply to local transportation public 37 works projects.

**Sec. 2.** RCW 39.04.350 and 2009 c 197 s 2 are each amended to read 2 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:
- (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;
- (c) If applicable, have industrial insurance coverage for the bidder's employees working in Washington as required in Title 51 RCW; an employment security department number as required in Title 50 RCW; and a state excise tax registration number as required in Title 82 RCW;
- (d) Not be disqualified from bidding on any public works contract under RCW 39.06.010 or 39.12.065(3); ((and))
- (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 section 1 of this act more than one time as determined by the department of labor and industries.
- (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.
- (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.
- (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.

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