

2SSB 5662 - H AMD 531

By Representative Dunshee

ADOPTED 04/05/2011

1 Strike everything after the enacting clause and insert the
2 following:

3 "NEW SECTION. **Sec. 1.** A new section is added to chapter 39.04 RCW
4 to read as follows:

5 (1) The department of general administration must conduct a survey
6 to determine which states provide a preference for its resident
7 contractors bidding on public works projects, and provide details on
8 the type of preference, the amount of the preference, and how the
9 preference is applied. The survey must be completed by November 1,
10 2011, and by December 1, 2011, the department must submit a report to
11 the appropriate committees of the legislature on the results of the
12 survey. The report must also include recommendations necessary to
13 implement the intent of this section and section 2 of this act.

14 (2) The department of general administration must distribute the
15 results of the survey, along with the requirements of this section and
16 section 2 of this act, to all state and local agencies with the
17 authority to procure public works. The department may adopt rules and
18 procedures to implement the reciprocity requirements in subsection (3)
19 of this section or may determine that such rules and procedures are not
20 necessary to implement the intent of this section and section 2 of this
21 act.

22 (3) In any bidding process for public works in which a bid is
23 received from a nonresident contractor from a state that provides a
24 percentage bidding preference, a comparable percentage disadvantage
25 must be applied to the bid of that nonresident contractor. This
26 subsection does not take effect until the department of general
27 administration has adopted the rules and procedures for reciprocity
28 under subsection (2) of this section.

29 (4) A nonresident contractor from a state that provides a
30 percentage bid preference means a contractor that:

1 (a) Is from a state with a percentage bid preference; and
2 (b) At the time of bidding on a public works project, does not have
3 a physical office located in Washington.

4 (5) The state of residence for a nonresident contractor shall be
5 the state in which the contractor was incorporated or, if not a
6 corporation, the state where the contractor's business entity was
7 formed.

8 (6) This section does not apply to public works procured pursuant
9 to RCW 39.04.155 or 39.04.280, or any other procurement where
10 competitive bidding is exempt.

11 NEW SECTION. **Sec. 2.** If any part of this act is found to be in
12 conflict with federal requirements that are a prescribed condition to
13 the allocation of federal funds to the state, the conflicting part of
14 this act is inoperative solely to the extent of the conflict and with
15 respect to the agencies directly affected, and this finding does not
16 affect the operation of the remainder of this act in its application to
17 the agencies concerned. Rules adopted under this act must meet federal
18 requirements that are a necessary condition to the receipt of federal
19 funds by the state."

20 Correct the title.

EFFECT: Strikes the underlying bill and makes the following changes:

- (1) Eliminates the two-step survey process;
- (2) Requires a report of the survey, along with recommendations necessary to implement the intent of the act to be submitted to the appropriate committees of the Legislature by December 1, 2011;
- (3) Requires that a nonresident contractor from a state that provides a percentage preference receive an equitable percentage disadvantage to his or her bid; and
- (4) Requires the Department of General Administration to adopt rules and procedures to implement reciprocity provisions.

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