12

SUBSTITUTE SENATE BILL 5133

State	of	Washington	68th Legislature	2023	Regular	Session

By Senate State Government & Elections (originally sponsored by Senators Keiser, Conway, Kuderer, Randall, Saldaña, and Valdez)

AN ACT Relating to modifying the responsible bidder criteria for public works projects; and amending RCW 39.04.350 and 39.12.055.

3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

4 Sec. 1. RCW 39.04.350 and 2020 c 255 s 2 are each amended to 5 read as follows:

6 (1) Before award of a public works contract, a bidder must meet 7 the following responsibility criteria to be considered a responsible 8 bidder and qualified to be awarded a public works project. The bidder 9 must:

10 (a) At the time of bid submittal, have a certificate of 11 registration in compliance with chapter 18.27 RCW;

(b) Have a current state unified business identifier number;

13 (c) If applicable, have industrial insurance coverage for the 14 bidder's employees working in Washington as required in Title 51 RCW; 15 an employment security department number as required in Title 50 RCW; 16 and a state excise tax registration number as required in Title 82 17 RCW;

(d) <u>If the project has apprentice utilization requirements</u>
<u>pursuant to RCW 39.04.320</u>, <u>be listed as an active training agent in</u>
<u>the department of labor and industries' apprenticeship registration</u>

1 tracking system and attest to only subcontract with active training 2 agents for project work in an apprentice-able occupation;

3 (e) Not be disqualified from bidding on any public works contract 4 under RCW 39.06.010 or 39.12.065(3);

(((e))) <u>(f)</u> If bidding on a public works project subject to the 5 6 apprenticeship utilization requirements in RCW 39.04.320, not have been found out of compliance by the Washington state apprenticeship 7 training council for not achieving mandatory apprentice 8 and utilization requirements, or for working apprentices out of ratio, 9 10 without appropriate supervision, or outside their approved work processes as outlined in their standards of apprenticeship under 11 12 chapter 49.04 RCW for the one-year period immediately preceding the date of the bid solicitation; 13

((((f))) (g) Have received training on the requirements related to 14 15 public works and prevailing wage under this chapter and chapter 39.12 16 RCW or have completed a public works project in the prior three years 17 and maintained responsible bidder status. ((The)) At the time of bid 18 submittal, the bidder must ((designate a)) have a designated person 19 or persons ((to be)) trained within the last three years prior to bid submittal on these requirements or have completed a public works 20 21 project within the prior three years without violation pursuant to RCW 39.12.055. The training must be provided by the department of 22 23 labor and industries or by a training provider whose curriculum is approved by the department. The department, in consultation with the 24 25 prevailing wage advisory committee, must determine the length of the 26 training. ((Bidders that have completed three or more public works projects and have had a valid business license in Washington for 27 28 three or more years are exempt from this subsection.)) The department 29 of labor and industries must keep records of entities that have 30 satisfied the training requirement ((or are exempt)) and make the 31 records available on its website. Responsible parties may rely on the 32 records made available by the department regarding satisfaction of 33 the training requirement ((or exemption)); and

(((g))) <u>(h)</u> Within the three-year period immediately preceding the date of the bid solicitation, not have been determined by a final and binding citation and notice of assessment issued by the department of labor and industries or through a civil judgment entered by a court of limited or general jurisdiction to have willfully violated, as defined in RCW 49.48.082, any provision of chapter 49.46, 49.48, or 49.52 RCW.

p. 2

1 (2) The department of labor and industries must develop an attestation document listing all responsible bidder criteria in 2 subsection (1) of this section and make it publicly available to 3 prospective bidders. Before award of a public works contract, a 4 bidder shall submit to the contracting agency a ((signed statement)) 5 6 completed responsible bidder attestation as provided by the department of labor and industries and signed in accordance with 7 chapter 5.50 RCW verifying under penalty of perjury that the bidder 8 is in compliance with the responsible bidder criteria requirement of 9 subsection (1)(((())) of this section. A contracting agency ((may 10 11 award a contract in reasonable reliance upon such a sworn statement)) shall verify all responsible bidder criteria are met prior to 12 awarding a contract. 13

14 (3) In addition to the bidder responsibility criteria in 15 subsection (1) of this section, the state or municipality may adopt 16 relevant supplemental criteria for determining bidder responsibility 17 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.

29 (c) If the bidder fails to supply information requested 30 concerning responsibility within the time and manner specified in the 31 bid documents, the state or municipality may base its determination 32 of responsibility upon any available information related to the 33 supplemental criteria or may find the bidder not responsible.

34 (d) If the state or municipality determines a bidder to be not responsible, the state or municipality must provide, in writing, the 35 for the determination. 36 reasons The bidder may appeal the 37 determination within the time period specified in the bidding documents by presenting additional information to the state or 38 39 municipality. The state or municipality must consider the additional 40 information before issuing its final determination. If the final

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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.

(e) ((If the bidder has a history of receiving)) On projects 5 6 subject to apprenticeship utilization requirements pursuant to RCW 39.04.320, if the bidder has a history of being demonstrated to be 7 out of compliance, receiving monetary penalties for not achieving the 8 apprentice utilization requirements pursuant to RCW 39.04.320, or is 9 habitual in utilizing the good faith effort exception process, the 10 bidder must submit ((an apprenticeship)) a verifiable apprentice 11 utilization plan ((within ten business days immediately following the 12 notice to proceed date)) for the awarding agency's review and 13 acceptance prior to award of the public works project. 14

15 (4) The capital projects advisory review board created in RCW 16 39.10.220 shall develop suggested guidelines to assist the state and 17 municipalities in developing supplemental bidder responsibility 18 criteria. The guidelines must be posted on the board's website.

19 Sec. 2. RCW 39.12.055 and 2009 c 197 s 3 are each amended to 20 read as follows:

((A contractor shall not be allowed to bid on any public works contract for one year from the date of a final determination that the contractor has)) (1) The department of labor and industries shall provide a written warning to a contractor found to have committed any ((combination of two)) of the following violations or infractions within a five-year period:

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(((1))) <u>(a)</u> Violated RCW 51.48.020(1) or 51.48.103;

28 (((2))) <u>(b)</u> Committed an infraction or violation under chapter 29 18.27 RCW for performing work as an unregistered contractor; or

30 (((3))) (c) Determined to be out of compliance by the Washington 31 state apprenticeship and training council for not achieving mandatory 32 apprenticeship utilization requirements, or for working apprentices 33 out of ratio, without appropriate supervision, or outside their 34 approved work processes as outlined in their standards of 35 apprenticeship under chapter 49.04 RCW.

36 (2) If a contractor, within three years of receiving a written 37 warning, is found to have committed any violation listed in this 38 section, the contractor shall not be allowed to bid on any public

- 1 works contract for one year from the date of a final determination of
- 2 <u>noncompliance</u>.

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