1	Senate Bill No. 348
2	(By Senators Yost and Fitzsimmons)
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4	[Introduced February 22, 2013; referred to the Committee on
5	Labor; and then to the Committee on Government Organization.]
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10	A BILL to amend and reenact $\$5-22-1$ of the Code of West Virginia,
11	1931, as amended, relating to the West Virginia Fairness in
12	Competitive Bidding Act, specifically to lower the threshold
13	amount, from \$500,000 to \$100,000, for triggering a low
14	bidder's duty to submit list of subcontractors on government
15	contracts.
16	Be it enacted by the Legislature of West Virginia:
17	That §5-22-1 of the Code of West Virginia, 1931, as amended,
18	be amended and reenacted to read as follows:
19	ARTICLE 22. GOVERNMENT CONSTRUCTION CONTRACTS.
20	§5-22-1. Bidding required; government construction contracts to go
21	to lowest qualified bidder; procedures to be followed
22	in awarding government construction projects;

1 penalties for violation of procedures and requirements

- debarment; exceptions.
- 3 (a) This section and the requirements set forth in this
- 4 section may be referred to as the West Virginia Fairness In
- 5 Competitive Bidding Act.
- 6 (b) As used in this section:
- 7 (1) "Lowest qualified responsible bidder" means the bidder
- 8 that bids the lowest price and that meets, as a minimum, all the
- 9 following requirements in connection with the bidder's response to
- 10 the bid solicitation. The bidder must certify that it:
- 11 (A) Is ready, able and willing to timely furnish the labor and
- 12 materials required to complete the contract;
- 13 (B) Is in compliance with all applicable laws of the State of
- 14 West Virginia; and
- 15 (C) Has supplied a valid bid bond or other surety authorized
- 16 or approved by the contracting public entity.
- 17 (2) "The state and its subdivisions" means the State of West
- 18 Virginia, every political subdivision thereof, every administrative
- 19 entity that includes such a subdivision, all municipalities and all
- 20 county boards of education.
- 21 (c) The state and its subdivisions shall, except as provided
- 22 in this section, solicit competitive bids for every construction
- 23 project exceeding \$25,000 in total cost. Provided, That A vendor

- 1 who has been debarred pursuant to the provisions of sections
- 2 thirty-three-a through thirty-three-f, inclusive, article three,
- 3 chapter five-a of this code may not bid on or be awarded a contract
- 4 under this section. All bids submitted pursuant to this chapter
- 5 shall include a valid bid bond or other surety as approved by the
- 6 State of West Virginia or its subdivisions.
- 7 (d) Following the solicitation of bids, the construction
- 8 contract shall be awarded to the lowest qualified responsible
- 9 bidder who shall furnish a sufficient performance and payment bond.
- 10 The state and its subdivisions may reject all bids and solicit new
- 11 bids on the project.
- 12 (e) The apparent low bidder on a contract for the
- 13 construction, alteration, decoration, painting or improvement of a
- 14 new or existing building or structure with the Department of
- 15 Administration, Division of Purchasing, valued at more than
- 16 \$500,000.00 \$100,000 shall submit a list of all subcontractors who
- 17 will perform more than \$25,000 of work on the project including
- 18 labor and materials. Provided, That this section shall not apply to
- 19 any other construction projects, such as This section does not
- 20 apply to other construction projects such as highway, mine
- 21 reclamation, water or sewer projects. The list shall include the
- 22 names of the bidders and the license numbers as required by article
- 23 eleven, chapter twenty-one of this code. This information shall be

- 1 provided to the Division of Purchasing contracting public entity
- 2 within one business day of the opening of bids for review prior to
- 3 the awarding of a construction contract. If no subcontractors are
- 4 to be used to complete the project, it will be so noted on the
- 5 subcontractor list. Failure to submit the subcontractor list
- 6 within one business day after the deadline for submitting bids
- 7 shall result in disqualification of the bid.
- 8 (f) Written approval must be obtained from the Division of
- 9 Purchasing contracting public entity before any subcontractor
- 10 substitution is permitted. Substitutions are not permitted unless:
- 11 (1) The subcontractor listed in the original bid has filed for
- 12 bankruptcy;
- 13 (2) The Division of Purchasing contracting public entity
- 14 refuses to approve a subcontractor in the original bid because the
- 15 subcontractor is under a debarment pursuant to section thirty-
- 16 three-d, article three, chapter five-a of this code or a suspension
- 17 under section thirty-two, article three, chapter five-a of this
- 18 code; or
- 19 (3) The contractor certifies in writing that the subcontractor
- 20 listed in the original bill fails, is unable or refuses to perform
- 21 his subcontract.
- 22 (g) The amendments to this section made during the 2012
- 23 regular session of the Legislature shall expire one year from the

1 effective date of the amendments absent further action of the

2 Legislature.

(h) (g) The contracting public entity may not award the 3 4 contract to a bidder which fails to meet the minimum requirements 5 set out in this section. As to any a prospective low bidder which 6 the contracting public entity determines not to have met any one or 7 more of the requirements of this section or other requirements as 8 determined by the public entity in the written bid solicitation, 9 prior to the time a contract award is made, the contracting public 10 entity shall document in writing and in reasonable detail the basis 11 for the determination and shall place the writing in the bid file. 12 After the award of a bid under this section, the bid file of the 13 contracting public agency and all bids submitted in response to the 14 bid solicitation shall be open and available for public inspection. 15 (i) (h) Any A public official or other person who individually 16 or together with others knowingly makes an award of a contract 17 under this section in violation of the procedures and requirements 18 of this section is subject to the penalties set forth in section 19 twenty-nine, article three, chapter five-a of the Code of West 20 Virginia.

21 (j) (i) No officer or employee of this state or of any a 22 public agency, public authority, public corporation or other public 23 entity and no person acting or purporting to act on behalf of such

- 1 an officer or employee or public entity shall require that any a
- 2 performance bond, payment bond or surety bond required or permitted
- 3 by this section be obtained from any a particular surety company,
- 4 agent, broker or producer.
- $\frac{(k)}{(k)}$ (j) All bids shall be open in accordance with the
- 6 provisions of section two of this article except design-build
- 7 projects which are governed by article twenty-two-a of this chapter
- 8 and are exempt from these provisions.
- 9 $\frac{(1)(k)}{(k)}$ Nothing in this section shall apply applies to:
- 10 (1) Work performed on construction or repair projects by
- 11 regular full-time employees of the state or its subdivisions;
- 12 (2) Prevent students enrolled in vocational educational
- 13 schools from being utilized in construction or repair projects when
- 14 the use is a part of the student's training program;
- 15 (3) Emergency repairs to building components and systems. For
- 16 the purpose of this subdivision, the term emergency repairs means
- 17 repairs that if not made immediately will seriously impair the use
- 18 of building components and systems or cause danger to those persons
- 19 using the building components and systems; and
- 20 (4) Any A situation where the state or a subdivision thereof
- 21 subdivision reaches an agreement with volunteers or a volunteer
- 22 group whereby in which the governmental body will provide
- 23 construction or repair materials, architectural, engineering,

- 1 technical or any other professional services and the volunteers
- 2 will provide the necessary labor without charge to, or liability
- 3 upon, the governmental body.

NOTE: The purpose of this bill is to lower the threshold amount, from \$500,000 to \$100,000, for triggering a low bidder's duty to submit list of subcontractors on government contracts.

Strike-throughs indicate language that would be stricken from the present law, and underscoring indicates new language that would be added.