

RCW 51.12.070 Work done by contract—Subcontractors—Nonemergency transportation brokers. The provisions of this title apply to all work done by contract; the person, firm, or corporation who lets a contract for such work is responsible primarily and directly for all premiums upon the work, except as provided in subsection (2) of this section. The contractor and any subcontractor are subject to the provisions of this title and the person, firm, or corporation letting the contract is entitled to collect from the contractor the full amount payable in premiums and the contractor in turn is entitled to collect from the subcontractor his or her proportionate amount of the payment.

(1) For the purposes of this section, a contractor registered under chapter 18.27 RCW or licensed under chapter 18.106 or 19.28 RCW is not responsible for any premiums upon the work of any subcontractor if:

(a) The subcontractor is currently engaging in a business which is registered under chapter 18.27 RCW or licensed under chapter 18.106 or 19.28 RCW;

(b) The subcontractor has a principal place of business which would be eligible for a business deduction for internal revenue service tax purposes other than that furnished by the contractor for which the business has contracted to furnish services;

(c) The subcontractor maintains a separate set of books or records that reflect all items of income and expenses of the business;

(d) The subcontractor has contracted to perform:

(i) The work of a contractor as defined in RCW 18.27.010;

(ii) Plumbing work as described in chapter 18.106 RCW; or

(iii) The work of installing wires or equipment to convey electric current or installing apparatus to be operated by such current as it pertains to the electrical industry as described in chapter 19.28 RCW; and

(e) The subcontractor has an industrial insurance account in good standing with the department or is a self-insurer. For the purposes of this subsection (1)(e), a contractor may consider a subcontractor's account to be in good standing if, within a year prior to letting the contract or master service agreement, and at least once a year thereafter, the contractor has verified with the department that the account is in good standing and the contractor has not received written notice from the department that the subcontractor's account status has changed. Acceptable documentation of verification includes a department document which includes an issued date or a dated printout of information from the department's internet website showing a subcontractor's good standing. The department shall develop an approach to provide contractors with verification of the date of inquiries validating that the subcontractor's account is in good standing.

It is unlawful for any county, city, or town to issue a construction building permit to any person who has not submitted to the department an estimate of payroll and paid premium thereon as provided by chapter 51.16 RCW of this title or proof of qualification as a self-insurer.

(2) Nonemergency transportation brokers that operate as not-for-profit businesses are not liable for any premiums of a subcontractor if the provisions of subsection (1)(c) and (e) of this section are met throughout the term of the contract. For purposes of this section, nonemergency transportation brokers are those organizations or

entities that contract with the state health care authority, or its successor, to arrange nonemergency transportation for qualified clients. [2023 c 88 s 10; 2014 c 193 s 1; 2004 c 243 s 2; 1981 c 128 s 4; 1971 ex.s. c 289 s 81; 1965 ex.s. c 20 s 1; 1961 c 23 s 51.12.070. Prior: 1955 c 74 s 7; prior: 1923 c 136 s 5, part; 1921 c 182 s 8, part; 1915 c 188 s 6, part; 1911 c 74 s 17, part; RRS s 7692, part.]

Adoption of rules—2004 c 243: See note following RCW 51.08.177.

Effective dates—Severability—1971 ex.s. c 289: See RCW 51.98.060 and 51.98.070.