## HOUSE BILL 2017

State	of	Washington	61st Legislature	2009	Regular	Session

By Representatives Kretz and Newhouse

Read first time 02/06/09. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to contractor registration for property owners; and 2 amending RCW 18.27.010 and 18.27.090.

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

4 Sec. 1. RCW 18.27.010 and 2007 c 436 s 1 are each amended to read 5 as follows:

6 The definitions in this section apply throughout this chapter 7 unless the context clearly requires otherwise.

(1) "Contractor" includes any person, firm, corporation, or other 8 entity who or which, in the pursuit of an independent business 9 undertakes to, or offers to undertake, or submits a bid to, construct, 10 alter, repair, add to, subtract from, improve, develop, move, wreck, or 11 demolish any building, highway, road, railroad, excavation or other 12 structure, project, development, or improvement attached to real estate 13 14 or to do any part thereof including the installation of carpeting or other floor covering, the erection of scaffolding or other structures 15 16 or works in connection therewith, the installation or repair of roofing or siding, performing tree removal services, or cabinet or similar 17 18 installation; or, who, to do similar work upon his or her own property, 19 employs members of more than one trade upon a single job or project or

under a single building permit except as otherwise provided in this 1 2 chapter. "Contractor" also includes a consultant acting as a general (("Contractor" also includes any person, firm, 3 contractor. 4 corporation, or other entity covered by this subsection, whether or not registered as required under this chapter or who are otherwise required 5 to be registered or licensed by law, who offer to sell their property 6 7 without occupying or using the structures, projects, developments, or 8 improvements for more than one year from the date the structure, 9 project, development, or improvement was substantially completed or 10 abandoned.))

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(2) "Department" means the department of labor and industries.

12 (3) "Director" means the director of the department of labor and13 industries or designated representative employed by the department.

14 (4) "Filing" means delivery of a document that is required to be15 filed with an agency to a place designated by the agency.

16 (5) "General contractor" means a contractor whose business 17 operations require the use of more than one building trade or craft 18 upon a single job or project or under a single building permit. A 19 general contractor also includes one who superintends, or consults on, 20 in whole or in part, work falling within the definition of a 21 contractor.

(6) "Notice of infraction" means a form used by the department to notify contractors that an infraction under this chapter has been filed against them.

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(7) "Partnership" means a business formed under Title 25 RCW.

26 (8) "Registration cancellation" means a written notice from the 27 department that a contractor's action is in violation of this chapter 28 and that the contractor's registration has been revoked.

(9) "Registration suspension" means either an automatic suspension as provided in this chapter, or a written notice from the department that a contractor's action is a violation of this chapter and that the contractor's registration has been suspended for a specified time, or until the contractor shows evidence of compliance with this chapter.

34 (10) "Residential homeowner" means an individual person or persons 35 owning or leasing real property:

36 (a) Upon which one single-family residence is to be built and in 37 which the owner or lessee intends to reside upon completion of any 38 construction; or

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1 (b) Upon which there is a single-family residence to which 2 improvements are to be made and in which the owner or lessee intends to 3 reside upon completion of any construction.

4 (11) "Service," except as otherwise provided in RCW 18.27.225 and
5 18.27.370, means posting in the United States mail, properly addressed,
6 postage prepaid, return receipt requested, or personal service.
7 Service by mail is complete upon deposit in the United States mail to
8 the last known address provided to the department.

9 (12) "Specialty contractor" means a contractor whose operations do 10 not fall within the definition of "general contractor". A specialty 11 contractor may only subcontract work that is incidental to the 12 specialty contractor's work.

13 (13) "Substantial completion" means the same as "substantial 14 completion of construction" in RCW 4.16.310.

15 (14) "Unregistered contractor" means a person, firm, corporation, or other entity doing work as a contractor without being registered in 16 17 compliance with this chapter. "Unregistered contractor" includes contractors whose registration is expired, revoked, or suspended. 18 19 "Unregistered contractor" does not include a contractor who has maintained a valid bond and the insurance or assigned account required 20 21 by RCW 18.27.050, and whose registration has lapsed for thirty or fewer 22 days.

(15) "Unsatisfied final judgment" means a judgment or final tax warrant that has not been satisfied either through payment, court approved settlement, discharge in bankruptcy, or assignment under RCW 19.72.070.

(16) "Verification" means the receipt and duplication by the city, town, or county of a contractor registration card that is current on its face, checking the department's contractor registration database, or calling the department to confirm that the contractor is registered.

31 **Sec. 2.** RCW 18.27.090 and 2007 c 436 s 6 are each amended to read 32 as follows:

33 The registration provisions of this chapter do not apply to:

(1) An authorized representative of the United States government,
 the state of Washington, or any incorporated city, town, county,
 township, irrigation district, reclamation district, or other municipal
 or political corporation or subdivision of this state;

(2) Officers of a court when they are acting within the scope of
 their office;

3 (3) Public utilities operating under the regulations of the
4 utilities and transportation commission in construction, maintenance,
5 or development work incidental to their own business;

6 (4) Any construction, repair, or operation incidental to the 7 discovering or producing of petroleum or gas, or the drilling, testing, 8 abandoning, or other operation of any petroleum or gas well or any 9 surface or underground mine or mineral deposit when performed by an 10 owner or lessee;

(5) The sale of any finished products, materials, or articles of merchandise that are not fabricated into and do not become a part of a structure under the common law of fixtures;

14 (6) Any construction, alteration, improvement, or repair of 15 personal property performed by the registered or legal owner, or by a 16 mobile/manufactured home retail dealer or manufacturer licensed under 17 chapter 46.70 RCW who shall warranty service and repairs under chapter 18 46.70 RCW;

19 (7) Any construction, alteration, improvement, or repair carried on 20 within the limits and boundaries of any site or reservation under the 21 legal jurisdiction of the federal government;

(8) Any person who only furnished materials, supplies, or equipment
without fabricating them into, or consuming them in the performance of,
the work of the contractor;

(9) Any work or operation on one undertaking or project by one or 25 26 more contracts, the aggregate contract price of which for labor and 27 materials and all other items is less than five hundred dollars, such work or operations being considered as of a casual, minor, or 28 29 inconsequential nature. The exemption prescribed in this subsection does not apply in any instance wherein the work or construction is only 30 a part of a larger or major operation, whether undertaken by the same 31 32 or a different contractor, or in which a division of the operation is made into contracts of amounts less than five hundred dollars for the 33 purpose of evasion of this chapter or otherwise. 34 The exemption 35 prescribed in this subsection does not apply to a person who advertises 36 or puts out any sign or card or other device which might indicate to 37 the public that he or she is a contractor, or that he or she is 38 qualified to engage in the business of contractor;

1 (10) Any construction or operation incidental to the construction 2 and repair of irrigation and drainage ditches of regularly constituted 3 irrigation districts or reclamation districts; or to farming, dairying, 4 agriculture, viticulture, horticulture, or stock or poultry raising; or 5 to clearing or other work upon land in rural districts for fire 6 prevention purposes; except when any of the above work is performed by 7 a registered contractor;

8 (11) An owner who contracts for a project with a registered 9 contractor, except that this exemption shall not deprive the owner of 10 the protections of this chapter against registered and unregistered 11 contractors((. The exemption prescribed in this subsection does not 12 apply to a person who performs the activities of a contractor for the 13 purpose of leasing or selling improved property he or she has owned for 14 less than twelve months));

(12) Any person working on his or her own property, whether occupied by him or her or not, and any person working on his or her personal residence, whether owned by him or her or not ((<del>but this</del> exemption shall not apply to any person who performs the activities of a contractor on his or her own property for the purpose of selling, demolishing, or leasing the property));

(13) An owner who performs maintenance, repair, and alteration work in or upon his or her own properties, or who uses his or her own employees to do such work;

24 (14) A licensed architect or civil or professional engineer acting solely in his or her professional capacity, an electrician certified 25 26 under the laws of the state of Washington, or a plumber certified under 27 the laws of the state of Washington or licensed by a political subdivision of the state of Washington while operating within the 28 boundaries of such political subdivision. The exemption provided in 29 30 this subsection is applicable only when the person certified is operating within the scope of his or her certification; 31

32 (15) Any person who engages in the activities herein regulated as 33 an employee of a registered contractor with wages as his or her sole 34 compensation or as an employee with wages as his or her sole 35 compensation;

36 (16) Contractors on highway projects who have been prequalified as 37 required by RCW 47.28.070, with the department of transportation to 38 perform highway construction, reconstruction, or maintenance work;

1 (17) A mobile/manufactured home dealer or manufacturer who 2 subcontracts the installation, set-up, or repair work to actively 3 registered contractors. This exemption only applies to the 4 installation, set-up, or repair of the mobile/manufactured homes that 5 were manufactured or sold by the mobile/manufactured home dealer or 6 manufacturer;

7 (18) An entity who holds a valid electrical contractor's license 19.28 RCW that employs a certified journeyman 8 under chapter 9 electrician, a certified residential specialty electrician, or an electrical trainee meeting the requirements of chapter 19.28 RCW to 10 11 perform plumbing work that is incidentally, directly, and immediately appropriate to the like-in-kind replacement of a household appliance or 12 13 other small household utilization equipment that requires limited electric power and limited waste and/or water connections. 14 An 15 electrical trainee must be supervised by a certified electrician while performing plumbing work. 16

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