
SUBSTITUTE SENATE BILL 5994

State of Washington

55th Legislature

1997 Regular Session

By Senate Committee on Commerce & Labor (originally sponsored by Senators Schow, Heavey and Horn; by request of Department of Labor & Industries)

Read first time 03/05/97.

1 AN ACT Relating to registration of contractors; amending RCW
2 18.27.010, 18.27.020, 18.27.030, 18.27.040, 18.27.060, 18.27.090,
3 18.27.104, 18.27.114, 18.27.117, 18.27.200, and 18.27.230; and
4 prescribing penalties.

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

6 **Sec. 1.** RCW 18.27.010 and 1993 c 454 s 2 are each amended to read
7 as follows:

8 Unless the context clearly requires otherwise, the definitions in
9 this section apply throughout this chapter.

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

1 of more than one trade upon a single job or project or under a single
2 building permit except as otherwise provided (~~herein~~) in this
3 chapter. "Contractor" includes any person, firm, or corporation
4 covered by this subsection, whether or not registered as required under
5 this chapter.

6 (2) "General contractor" means a contractor whose business
7 operations require the use of more than two unrelated building trades
8 or crafts whose work the contractor shall superintend or do in whole or
9 in part. "General contractor" shall not include an individual who does
10 all work personally without employees or other "specialty contractors"
11 as defined (~~herein~~) in this section. The terms "general contractor"
12 and "builder" are synonymous.

13 (3) "Specialty contractor" means a contractor whose operations (~~as~~
14 ~~such~~) do not fall within the foregoing definition of "general
15 contractor".

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

17 (5) "Director" means the director of the department of labor and
18 industries.

19 (6) "Verification" means the receipt and duplication by the city,
20 town, or county of a contractor registration card that is current on
21 its face.

22 **Sec. 2.** RCW 18.27.020 and 1993 c 454 s 6 are each amended to read
23 as follows:

24 (1) Every contractor shall register with the department.

25 (2) It is a misdemeanor for any contractor to:

26 (a) Advertise, offer to do work, submit a bid, or perform any work
27 as a contractor without being registered as required by this chapter;

28 (b) Advertise, offer to do work, submit a bid, or perform any work
29 as a contractor when the contractor's registration is suspended or
30 revoked;

31 (c) Use a false or expired registration number in purchasing or
32 offering to purchase an advertisement for which a contractor
33 registration number is required; or

34 (d) Transfer a valid registration to an unregistered contractor or
35 allow an unregistered contractor to work under a registration issued to
36 another contractor.

37 (3) All misdemeanor actions under this chapter shall be prosecuted
38 in the county where the (~~infraction~~) violation occurs.

1 (4) A person is guilty of a separate misdemeanor for each day
2 worked if, after the person receives a citation from the department,
3 the person works while unregistered, or while his or her registration
4 is suspended or revoked, or works under a registration issued to
5 another contractor. A person is guilty of a separate misdemeanor for
6 each worksite on which he or she violates subsection (2) of this
7 section.

8 (5) The director shall adopt rules that establish a two-year audit
9 and monitoring program for a contractor not registered under this
10 chapter who becomes registered after receiving an infraction or
11 conviction under this chapter as an unregistered contractor. The
12 director shall notify the department of revenue and the employment
13 security department of the infractions or convictions and shall
14 cooperate with the departments in determining whether taxes or
15 registration, license, or other fees or penalties are owed the state.

16 **Sec. 3.** RCW 18.27.030 and 1996 c 147 s 1 are each amended to read
17 as follows:

18 (1) An applicant for registration as a contractor shall submit an
19 application under oath upon a form to be prescribed by the director and
20 which shall include the following information pertaining to the
21 applicant:

22 (a) Employer social security number.

23 (b) As applicable: (i) The industrial insurance account number
24 covering employees domiciled in Washington; and (ii) evidence of
25 workers' compensation coverage in the applicant's state of domicile for
26 the applicant's employees working in Washington who are not domiciled
27 in Washington.

28 (c) Employment security department number.

29 (d) State excise tax registration number.

30 (e) Unified business identifier (UBI) account number may be
31 substituted for the information required by (b), (c), and (d) of this
32 subsection.

33 (f) Type of contracting activity, whether a general or a specialty
34 contractor and if the latter, the type of specialty.

35 (g) The name and address of each partner if the applicant be a firm
36 or partnership, or the name and address of the owner if the applicant
37 be an individual proprietorship, or the name and address of the
38 corporate officers and statutory agent, if any, if the applicant be a

1 corporation. The information contained in such application shall be a
2 matter of public record and open to public inspection.

3 (2) The department may verify the workers' compensation coverage
4 information provided by the applicant under subsection (1)(b) of this
5 section, including but not limited to information regarding the
6 coverage of an individual employee of the applicant. If coverage is
7 provided under the laws of another state, the department may notify the
8 other state that the applicant is employing employees in Washington.

9 (3) Registration shall be denied if the applicant has been
10 previously registered as a sole proprietor, partnership, or
11 corporation, and was a principal or officer of the corporation, and if
12 the applicant has an unsatisfied final judgment or penalties based on
13 this chapter that was incurred during a previous registration under
14 this chapter.

15 In addition, the department shall check for an applicant's past
16 noncompliance with this chapter, including checking for evidence of
17 violations of this chapter or suspended or revoked registrations. The
18 department may deny an application if the applicant has either two
19 final noncompliance infractions under RCW 18.27.200, or one misdemeanor
20 conviction under RCW 18.27.020, in the past five years.

21 **Sec. 4.** RCW 18.27.040 and 1988 c 139 s 1 are each amended to read
22 as follows:

23 (1) Each applicant shall, at the time of applying for or renewing
24 a certificate of registration, file with the department (~~(a surety bond~~
25 ~~issued by a surety insurer who meets the requirements of chapter 48.28~~
26 ~~RCW in a form acceptable to the department running to the state of~~
27 ~~Washington if a general contractor, in the sum of six thousand dollars;~~
28 ~~if a specialty contractor, in the sum of four thousand dollars,)) a
29 surety bond issued by a surety insurer who meets the requirements of
30 chapter 48.28 RCW in the sum of six thousand dollars if the applicant
31 is a general contractor and four thousand dollars if the applicant is
32 a specialty contractor. If a valid bond is not already on file with
33 the department at the time the application is filed, a bond must
34 accompany the registration application. The bond shall have the state
35 of Washington named as obligee with good and sufficient surety in a
36 form to be approved by the department. The bond shall be continuous
37 and may be canceled by the surety upon the surety giving written notice
38 to the director of its intent to cancel the bond. A cancellation or~~

1 revocation of the bond or withdrawal of the surety from the bond
2 suspends the registration issued to the registrant until a new bond or
3 reinstatement notice has been filed and approved as provided in this
4 section. The bond shall be conditioned that the applicant will pay all
5 persons performing labor, including employee benefits, for the
6 contractor, will pay all taxes and contributions due to the state of
7 Washington, and will pay all persons furnishing labor or material or
8 renting or supplying equipment to the contractor and will pay all
9 amounts that may be adjudged against the contractor by reason of
10 ~~((negligent or improper work or))~~ breach of contract including
11 negligent or improper work in the conduct of the contracting business.
12 A change in the name of a business or a change in the type of business
13 entity shall not impair a bond for the purposes of this section so long
14 as one of the original applicants for such bond maintains partial
15 ownership in the business covered by the bond.

16 (2) Any contractor registered as of ~~((the effective date of this~~
17 ~~1983 act))~~ July 1, 1997, who maintains such registration in accordance
18 with this chapter shall be in compliance with this chapter until the
19 next annual renewal of the contractor's certificate of registration.
20 At that time, the contractor shall provide a bond, cash deposit, or
21 other security deposit as required by this chapter and comply with all
22 of the other provisions of this chapter before the department shall
23 renew the contractor's certificate of registration.

24 (3) Any person, firm, or corporation having a claim against the
25 contractor for any of the items referred to in this section may bring
26 suit upon ~~((such))~~ the bond or deposit in the superior court of the
27 county in which the work was done or of any county in which
28 jurisdiction of the contractor may be had. The surety issuing the bond
29 shall be named as a party to any suit upon the bond. Action upon
30 ~~((such))~~ the bond or deposit shall be commenced by filing the summons
31 and complaint with the clerk of the appropriate superior court within
32 one year from the date of expiration of the certificate of registration
33 in force at the time the claimed labor was performed and benefits
34 accrued, taxes and contributions owing the state of Washington became
35 due, materials and equipment were furnished, or the claimed contract
36 work was completed or abandoned. Service of process in an action
37 against the contractor, the contractor's bond, or the deposit shall be
38 exclusively by service upon the department. Three copies of the
39 summons and complaint and a fee of ten dollars to cover the handling

1 costs shall be served by registered or certified mail upon the
2 department at the time suit is started and the department shall
3 maintain a record, available for public inspection, of all suits so
4 commenced. Service is not complete until the department receives the
5 ten-dollar fee and three copies of the summons and complaint. ((Such))
6 The service shall constitute service on the registrant and the surety
7 for suit upon the bond or deposit and the department shall transmit the
8 summons and complaint or a copy thereof to the registrant at the
9 address listed in ((his)) the registrant's application and to the
10 surety within forty-eight hours after it shall have been received.

11 (4) The surety upon the bond shall not be liable in an aggregate
12 amount in excess of the amount named in the bond nor for any monetary
13 penalty assessed pursuant to this chapter for an infraction. The
14 liability of the surety shall not cumulate where the bond has been
15 renewed, continued, reinstated, reissued or otherwise extended. In no
16 event shall the penal sum, or a portion thereof, at two or more points
17 in time be added together in determining the surety's liability. The
18 surety upon the bond may, upon notice to the department and the
19 parties, tender to the clerk of the court having jurisdiction of the
20 action an amount equal to the claims thereunder or the amount of the
21 bond less the amount of judgments, if any, previously satisfied
22 therefrom and to the extent of such tender the surety upon the bond
23 shall be exonerated but if the actions commenced and pending at any one
24 time exceed the amount of the bond then unimpaired, claims shall be
25 satisfied from the bond in the following order:

- 26 (a) Employee labor, including employee benefits;
27 (b) Claims for breach of contract by a party to the construction
28 contract;
29 (c) Material and equipment;
30 (d) Taxes and contributions due the state of Washington;
31 (e) Any court costs, interest, and attorney's fees plaintiff may be
32 entitled to recover. However, the surety is not liable for any amount
33 in excess of the penal limit of its bond.

34 A payment made by the surety in good faith exonerates the bond to
35 the extent of any payment made by the surety.

36 (5) ((In the event that any)) If a final judgment ((shall)) impairs
37 the liability of the surety upon the bond so furnished that there shall
38 not be in effect a bond undertaking in the full amount prescribed in
39 this section, the department shall suspend the registration of ((such))

1 the contractor until the bond liability in the required amount
2 unimpaired by unsatisfied judgment claims (~~((shall have been))~~) is
3 furnished. If (~~((such))~~) the bond becomes fully impaired, a new bond
4 must be furnished at the (~~((increased))~~) rates prescribed by this section
5 (~~((as now or hereafter amended))~~).

6 (6) In lieu of the surety bond required by this section the
7 contractor may file with the department a deposit consisting of cash or
8 other security acceptable to the department.

9 (7) Any person having filed and served a summons and complaint as
10 required by this section having an unsatisfied final judgment against
11 the registrant for any items referred to in this section may execute
12 upon the security held by the department by serving a certified copy of
13 the unsatisfied final judgment by registered or certified mail upon the
14 department within one year of the date of entry of such judgment. Upon
15 the receipt of service of such certified copy the department shall pay
16 or order paid from the deposit, through the registry of the superior
17 court which rendered judgment, towards the amount of the unsatisfied
18 judgment. The priority of payment by the department shall be the order
19 of receipt by the department, but the department shall have no
20 liability for payment in excess of the amount of the deposit.

21 (8) The director may (~~((promulgate))~~) adopt rules necessary for the
22 proper administration of the security.

23 **Sec. 5.** RCW 18.27.060 and 1983 1st ex.s. c 2 s 19 are each amended
24 to read as follows:

25 (1) A certificate of registration shall be valid for one year and
26 shall be renewed on or before the expiration date. The department
27 shall issue to the applicant a certificate of registration upon
28 compliance with the registration requirements of this chapter.

29 (2) If the department approves an application, it shall issue a
30 certificate of registration to the applicant. The certificate shall be
31 valid for:

32 (a) One year;

33 (b) Until the bond expires; or

34 (c) Until the insurance expires, whichever comes first. The
35 department shall place the expiration date on the certificate.

36 (3) A contractor may supply a short-term bond or insurance policy
37 to bring its registration period to the full one year.

1 (4) If a contractor's surety bond or other security has an
2 unsatisfied judgment against it or is canceled, or if the contractor's
3 insurance policy is canceled, the contractor's registration shall be
4 automatically suspended on the effective date of the impairment or
5 cancellation. The department shall ~~((give))~~ mail notice of the
6 suspension to the contractor by certified and by first class mail
7 within forty-eight hours after suspension.

8 (5) Renewal of registration is valid upon the date the department
9 receives the required fee and proof of bond and liability insurance, if
10 sent by certified mail or other means requiring proof of delivery. The
11 receipt or proof of delivery serves as the contractor's proof of
12 renewed registration until the contractor receives verification from
13 the department.

14 **Sec. 6.** RCW 18.27.090 and 1987 c 313 s 1 are each amended to read
15 as follows:

16 This chapter ~~((shall))~~ does not apply to:

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

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

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

26 (4) Any construction, repair, or operation incidental to the
27 discovering or producing of petroleum or gas, or the drilling, testing,
28 abandoning, or other operation of any petroleum or gas well or any
29 surface or underground mine or mineral deposit when performed by an
30 owner or lessee;

31 (5) The sale or installation of any finished products, materials,
32 or articles of merchandise which are not actually fabricated into and
33 do not become a permanent fixed part of a structure;

34 (6) Any construction, alteration, improvement, or repair of
35 personal property, except this chapter shall apply to all
36 mobile/manufactured housing. A mobile/manufactured home may be
37 installed, set up, or repaired by the registered or legal owner, by a
38 contractor ~~((licensed))~~ registered under this chapter, or by a

1 mobile/manufactured home retail dealer or manufacturer licensed under
2 chapter 46.70 RCW who shall warranty service and repairs under chapter
3 46.70 RCW;

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

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

10 (9) Any work or operation on one undertaking or project by one or
11 more contracts, the aggregate contract price of which for labor and
12 materials and all other items is less than five hundred dollars, such
13 work or operations being considered as of a casual, minor, or
14 inconsequential nature. The exemption prescribed in this subsection
15 does not apply in any instance wherein the work or construction is only
16 a part of a larger or major operation, whether undertaken by the same
17 or a different contractor, or in which a division of the operation is
18 made into contracts of amounts less than five hundred dollars for the
19 purpose of evasion of this chapter or otherwise. The exemption
20 prescribed in this subsection does not apply to a person who advertises
21 or puts out any sign or card or other device which might indicate to
22 the public that ((he)) the person is a contractor, or that ((he)) the
23 person is qualified to engage in the business of contractor;

24 (10) Any construction or operation incidental to the construction
25 and repair of irrigation and drainage ditches of regularly constituted
26 irrigation districts or reclamation districts; or to farming, dairying,
27 agriculture, viticulture, horticulture, or stock or poultry raising; or
28 to clearing or other work upon land in rural districts for fire
29 prevention purposes; except when any of the above work is performed by
30 a registered contractor;

31 (11) ((An)) A home owner who contracts for a project on his or her
32 personal residence with a registered contractor;

33 (12) Any person working on his or her own property, whether
34 occupied by ((him)) the person or not, and any person working on his or
35 her residence, whether owned by ((him)) the person or not but this
36 exemption shall not apply to any person otherwise covered by this
37 chapter who constructs an improvement on ((his)) the person's own
38 property with the intention and for the purpose of selling the improved
39 property;

1 (13) Owners of commercial properties who use their own employees to
2 do maintenance, repair, and alteration work in or upon their own
3 properties;

4 (14) A licensed architect or civil or professional engineer acting
5 solely in his or her professional capacity, an electrician licensed
6 under the laws of the state of Washington, or a plumber licensed under
7 the laws of the state of Washington or licensed by a political
8 subdivision of the state of Washington while operating within the
9 boundaries of such political subdivision. The exemption provided in
10 this subsection is applicable only when the licensee is operating
11 within the scope of ~~((his))~~ the licensee's license;

12 (15) Any person who engages in the activities ~~((herein))~~ regulated
13 under this chapter as an employee of a registered contractor with wages
14 as ~~((his))~~ the persons's sole compensation or as an employee with wages
15 as ~~((his))~~ the person's sole compensation;

16 (16) Contractors on highway projects who have been prequalified as
17 required by ~~((chapter 13 of the Laws of 1961,))~~ RCW 47.28.070~~((,))~~ with
18 the department of transportation to perform highway construction,
19 reconstruction, or maintenance work.

20 **Sec. 7.** RCW 18.27.104 and 1989 c 175 s 61 are each amended to read
21 as follows:

22 (1) If, upon investigation, the director or the director's designee
23 has probable cause to believe that a person holding a registration, an
24 applicant for registration, or ~~((an unregistered))~~ a person acting in
25 the capacity of a contractor who is not otherwise exempted from this
26 chapter, has violated RCW 18.27.100 by unlawfully advertising for work
27 covered by this chapter ~~((in an alphabetical or classified directory)),~~
28 the department may issue a citation containing an order of correction.
29 Such order shall require the violator to cease the unlawful
30 advertising.

31 (2) If the person to whom a citation is issued under subsection (1)
32 of this section notifies the department in writing that he or she
33 contests the citation, the department shall afford an opportunity for
34 an adjudicative proceeding under chapter 34.05 RCW~~((, the~~
35 ~~Administrative Procedure Act,))~~ within thirty days after receiving the
36 notification.

1 **Sec. 8.** RCW 18.27.114 and 1988 c 182 s 1 are each amended to read
2 as follows:

3 (1) ~~((Until July 1, 1989, any contractor agreeing to perform any~~
4 ~~contracting project:~~ (a) For the repair, alteration, or construction
5 ~~of four or fewer residential units or accessory structures on such~~
6 ~~residential property when the bid or contract price totals one thousand~~
7 ~~dollars or more; or (b) for the repair, alteration, or construction of~~
8 ~~a commercial building when the bid or contract price totals one~~
9 ~~thousand dollars or more but less than sixty thousand dollars, must~~
10 ~~provide the customer with the following disclosure statement prior to~~
11 ~~starting work on the project:~~

12 ~~"NOTICE TO CUSTOMER~~

13 ~~This contractor is registered with the state of Washington,~~
14 ~~registration no. . . . , as a general/specialty contractor and~~
15 ~~has posted with the state a bond or cash deposit of~~
16 ~~\$6,000/\$4,000 for the purpose of satisfying claims against the~~
17 ~~contractor for negligent or improper work or breach of contract~~
18 ~~in the conduct of the contractor's business. This bond or cash~~
19 ~~deposit may not be sufficient to cover a claim which might~~
20 ~~arise from the work done under your contract. If any supplier~~
21 ~~of materials used in your construction project or any employee~~
22 ~~of the contractor or subcontractor is not paid by the~~
23 ~~contractor or subcontractor on your job, your property may be~~
24 ~~liened to force payment. If you wish additional protection, you~~
25 ~~may request the contractor to provide you with original "lien~~
26 ~~release" documents from each supplier or subcontractor on your~~
27 ~~project. The contractor is required to provide you with~~
28 ~~further information about lien release documents if you request~~
29 ~~it. General information is also available from the department~~
30 ~~of labor and industries."~~

31 (2) ~~On and after July 1, 1989,)~~) Any contractor agreeing to perform
32 any contracting project:

33 (a) For the repair, alteration, or construction of four or fewer
34 residential units or accessory structures on such residential property
35 when the bid or contract price totals one thousand dollars or more; or

36 (b) For the repair, alteration, or construction of a commercial
37 building when the bid or contract price totals one thousand dollars or
38 more but less than sixty thousand dollars,

1 must provide the customer with the following disclosure statement prior
2 to starting work on the project:

3 "NOTICE TO CUSTOMER

4 This contractor is registered with the state of Washington,
5 registration no., as a general/specialty contractor and
6 has posted with the state a bond or cash deposit of
7 \$6,000/\$4,000 for the purpose of satisfying claims against the
8 contractor for negligent or improper work or breach of contract
9 in the conduct of the contractor's business. The expiration
10 date of this contractor's registration is This
11 bond or cash deposit may not be sufficient to cover a claim
12 which might arise from the work done under your contract. If
13 any supplier of materials used in your construction project or
14 any employee of the contractor or subcontractor is not paid by
15 the contractor or subcontractor on your job, your property may
16 be liened to force payment. If you wish additional protection,
17 you may request the contractor to provide you with original
18 "lien release" documents from each supplier or subcontractor on
19 your project. The contractor is required to provide you with
20 further information about lien release documents if you request
21 it. General information is also available from the department
22 of labor and industries."

23 (~~(3) On and after July 1, 1989,~~) (2) A contractor subject to
24 this section shall notify any consumer to whom notice is required under
25 subsection ~~((2+))~~ (1) of this section if the contractor's registration
26 has expired or is revoked or suspended by the department prior to
27 completion or other termination of the contract with the consumer. The
28 contractor may not perform any work on this or any other contract
29 before becoming registered again.

30 ~~((4+))~~ (3) No contractor subject to this section may bring or
31 maintain any lien claim under chapter 60.04 RCW based on any contract
32 to which this section applies without alleging and proving that the
33 contractor has provided the customer with a copy of the disclosure
34 statement as required in subsection (1) ~~((or (2+))~~ of this section.

35 ~~((5+))~~ (4) This section does not apply to contracts authorized
36 under chapter 39.04 RCW or to contractors contracting with other
37 contractors.

1 (~~(6)~~) (5) Failure to comply with this section shall constitute an
2 infraction under the provisions of this chapter.

3 (~~(7)~~) (6) The department shall produce model disclosure
4 statements, and public service announcements detailing the information
5 needed to assist contractors and contractors' customers to comply under
6 this section. As necessary, the department shall periodically update
7 these education materials.

8 **Sec. 9.** RCW 18.27.117 and 1987 c 313 s 2 are each amended to read
9 as follows:

10 The legislature finds that setting up and siting mobile/
11 manufactured homes must be done properly for the health, safety, and
12 enjoyment of the occupants. Therefore, when any of the following cause
13 a health and safety risk to the occupants of a mobile/manufactured
14 home, or severely hinder the use and enjoyment of the mobile/
15 manufactured home, a violation of RCW 19.86.020 shall have occurred:

16 (1) The mobile/manufactured home has been improperly installed by
17 a contractor (~~(licensed)~~) registered under this chapter (~~(18.27-RCW)~~),
18 or a mobile/manufactured dealer or manufacturer licensed under chapter
19 46.70 RCW;

20 (2) A warranty given under this chapter (~~(18.27-RCW)~~) or chapter
21 46.70 RCW has not been fulfilled by the person or business giving the
22 warranty; and

23 (3) A bonding company that issues a bond under this chapter (~~(18.27~~
24 ~~RCW)~~) or chapter 46.70 RCW does not reasonably and professionally
25 investigate and resolve claims made by injured parties.

26 **Sec. 10.** RCW 18.27.200 and 1993 c 454 s 7 are each amended to read
27 as follows:

28 (1) It is a violation of this chapter and an infraction for any
29 contractor to:

30 (a) Advertise, offer to do work, submit a bid, or perform any work
31 as a contractor without being registered as required by this chapter;

32 (b) Advertise, offer to do work, submit a bid, or perform any work
33 as a contractor when the contractor's registration is suspended or
34 revoked; or

35 (c) Transfer a valid registration to an unregistered contractor or
36 allow an unregistered contractor to work under a registration issued to
37 another contractor.

1 (2) Each day that a contractor works without being registered as
2 required by this chapter, works while the contractor's registration is
3 suspended or revoked, or works under a registration issued to another
4 contractor is a separate infraction. Each worksite at which a
5 contractor works without being registered as required by this chapter,
6 works while the contractor's registration is suspended, or works under
7 a registration issued to another contractor is a separate infraction.

8 **Sec. 11.** RCW 18.27.230 and 1993 c 454 s 9 are each amended to read
9 as follows:

10 The department may issue a notice of infraction if the department
11 reasonably believes that the contractor (~~((required to be registered by
12 this chapter has failed to do so or))~~) has ((otherwise)) committed ((a
13 violation under RCW 18.27.200)) an infraction under this chapter. A
14 notice of infraction issued under this section shall be personally
15 served on the contractor named in the notice by the department's
16 compliance inspectors or service can be made by certified mail directed
17 to the contractor named in the notice of infraction. If the contractor
18 named in the notice of infraction is a firm or corporation, the notice
19 may be personally served on any employee of the firm or corporation.
20 If a notice of infraction is personally served upon an employee of a
21 firm or corporation, the department shall within four days of service
22 send a copy of the notice by certified mail to the contractor if the
23 department is able to obtain the contractor's address.

--- END ---