

SENATE BILL REPORT

SB 5802

As Reported By Senate Committee On:
Ways & Means, March 8, 2000

Title: An act relating to telecommunications contractors and installations.

Brief Description: Regulating telecommunications contractors and installations.

Sponsors: Senators Fairley, Hochstatter, Honeyford, Spanel and Franklin.

Brief History:

Committee Activity: Labor & Workforce Development: 2/11/99, 2/23/99 [DPS, DNPS].
Ways & Means: 3/4/99; 3/8/00 [DP2S].

SENATE COMMITTEE ON WAYS & MEANS

Majority Report: That Second Substitute Senate Bill No. 5802 be substituted therefor, and the second substitute bill do pass.

Signed by Senators Loveland, Chair; Bauer, Vice Chair; Brown, Vice Chair; Fairley, Fraser, Honeyford, Kline, Kohl-Welles, Rasmussen, B. Sheldon, Snyder, Spanel, Thibaudeau, Winsley and Wojahn.

Staff: Brian Sims (786-7431)

Background: Wires and equipment that use, conduct, or operate on electrical current must conform to the state's electrical code. The Department of Labor and Industries regulates electrical wires and equipment through a permitting and inspection process.

In 1998, the Governor vetoed legislation exempting noncomposite fiber optic cables and persons working with structured communications cabling. The Governor's veto expressed concerns about safety and the scope of the exemption. In response the department convened an advisory committee of stakeholders to develop a new approach.

Summary of Second Substitute Bill: A telecommunications contractor license is required to install or maintain a telecommunications system, with limited exceptions. A telecommunications contractor must appoint a certified telecommunications administrator to be responsible for compliance with installation codes, obtaining permits and scheduling inspections. A surety bond or a cash deposit filed with the department is also required in case the contractor fails to meet any obligations arising out of the contractor's installation or maintenance of telecommunication systems. A contractor is required to maintain insurance or file an assigned account to cover injury or damage to property or individuals.

Permits and inspections are required for most non-residential installations. The composition of the electrical board is changed to include telecommunications specialists. The board is authorized to settle disputes over methods of installation or maintenance of telecommunications materials and equipment. The board is also authorized to review and

reverse any license or certificate suspensions or revocations, or penalties imposed by the department for violations of its telecommunications regulations.

Violations of the licensing and regulatory provisions of the bill may result in a minimum \$100 penalty and a maximum \$10,000 penalty. Noncompliance with requirements may result in the revocation or suspension of a contractor's license or administrator's certificate. Cities or towns may enact and enforce telecommunication standards that are equal to, higher than, or better than the department's and disputes with the department over such standards are subject to arbitration.

Second Substitute Bill Compared to Substitute Bill: The intent on rule-making and compliance with I 695 is clarified. Annual permits are allowed for large companies. Condominiums and coops are included in the exemptions for apartment buildings.

Substitute Bill Compared to Original Bill: Changes are made to technical aspects of the bill, and a definition is added for telecommunications service entrance room or space.– A nonvoting member is added to the board from a city or town.

Appropriation: \$1.4 million electricians licensing account-state.

Fiscal Note: Requested on March 3, 1999.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill is the product of monthly meetings of the EHB 3003 task force over the entire interim. Safety, consumer protection, and no undue regulation were priorities. The status quo will not serve this rapidly changing industry, nor stop the turf wars. Everyone compromised to reach consensus on this bill, which contains provisions helping both businesses and workers.

Testimony Against: Many safe types of wiring and antenna are already exempt from installation regulation altogether, even though they involve some of the same safety issues. The grandfathering of administrators in this regulatory scheme may not be a good idea. There are too many regulatory boards already.

Testified: PRO: Mark Triplett, Washington Association of Building Officials; Rosemary Williamson, GTE; Fred Tricarico, Communications Workers of America; Chris Cook, Central Telecommunications; Robert Olsen, INSI; Patrick Woods, Department of Labor and Industries; Tom Walker, US West; Ron Main, Washington State Cable Television Association. CON: Larry Stevens, National Electrical Contractors Association; Dan Sexton, Washington Association of Plumbers and Pipefitters.