

RCW 19.28.501 Insurance/financial responsibility. (1) At the time of licensing and subsequent relicensing, the applicant shall furnish insurance or financial responsibility in the form of an assigned account in the amount of twenty thousand dollars for injury or damages to property, fifty thousand dollars for injury or damage including death to any one person, and one hundred thousand dollars for injury or damage including death to more than one person, or financial responsibility to satisfy these amounts.

(2) Failure to maintain insurance or financial responsibility relative to the contractor's activities is cause to suspend or deny the contractor's license.

(3) (a) Proof of financial responsibility authorized in this section may be given by providing, in the amount required by subsection (1) of this section, an assigned account acceptable to the department. The assigned account shall be held by the department to satisfy any execution on a judgment issued against the contractor for damage to property or injury or death to any person occurring in the contractor's contracting operation, according to the provisions of the assigned account agreement. The department shall have no liability for payment in excess of the amount of the assigned account.

(b) The assigned account filed with the director as proof of financial responsibility shall be canceled three years after:

(i) The contractor's license has expired or been revoked;

(ii) The contractor has furnished proof of insurance as required by subsection (1) of this section; or

(iii) No legal action has been instituted against the contractor or on the account at the end of the three-year period.

(c) If a contractor chooses to file an assigned account as authorized in this section, the contractor shall, on a contracting project, notify each person with whom the contractor enters into a contract or to whom the contractor submits a bid, that the contractor has filed an assigned account in lieu of insurance and that recovery from the account for any claim against the contractor for property damage or personal injury or death occurring on the project requires the claimant to obtain a court judgment. [2000 c 238 § 214.]

Severability—2000 c 238: See note following RCW 19.28.301.