

WAC 296-200A-090 How are judgments against contractors paid?

(1) **The department can only release or order release of payment for a superior court final judgment.** The department cannot release or order the release of payment to a district court or to satisfy other types of judgments.

(2) Payment of a final judgment by bond. If a contractor is bonded, the department can neither pay a final court judgment against a contractor nor force the contractor or its bonding company to pay. Only the claimant can pursue payment from the contractor or its bonding company.

(3) Payment of a final judgment by assignment of account.

(a) If a contractor's security is held by the department it must be used to pay a superior court final judgment against a secured contractor.

The department must order release of funds to pay a superior court final judgment against a secured contractor if the claimant supplies the department with one certified copy of the unpaid final court judgment. The certified copy must be delivered by registered or certified mail within one year of the date the final judgment was officially entered into the court record.

(b) Assignment of account orders to release funds under subsection (2) of this section will be paid out in the order the final judgments are received by the department.

(c) For the department to order release of funds to pay a superior court final judgment, the claimant must include the following information with the copy of the judgment:

(i) The name of the contractor exactly as it appears on the contractor's registration file;

(ii) The contractor's business address;

(iii) The names of the owners, partners, or officers of the contractor;

(iv) The contractor's registration number; and

(v) The exact amount of the judgment, including court costs, attorneys' fees and interest.

If the department does not receive enough information to order release of funds to satisfy the judgment, it will inform the claimant.

The department shall have no liability for claims in excess of the amount available in the secured account.

(4) Payment of a final judgment by the contractor. The contractor may pay a superior court final judgment in lieu of the department releasing or ordering the release of a bond or the assignment of account funds to satisfy the final judgment. The contractor must provide the department with a "full satisfaction of judgment" from the superior court that the final judgment has been satisfied.

[Statutory Authority: Chapter 18.27 RCW and 2007 c 436. WSR 08-16-091, § 296-200A-090, filed 8/4/08, effective 9/4/08. Statutory Authority: RCW 18.27.040, 18.27.070, 18.27.075, 18.27.125, 2001 c 159, and chapter 18.27 RCW. WSR 03-20-097, § 296-200A-090, filed 9/30/03, effective 11/17/03. Statutory Authority: Chapter 18.27 RCW. WSR 97-24-071, § 296-200A-090, filed 12/2/97, effective 1/5/98.]