
SENATE BILL 5927

State of Washington

54th Legislature

1995 Regular Session

By Senator Heavey

Read first time 02/15/95. Referred to Committee on Labor, Commerce & Trade.

1 AN ACT Relating to home and real estate inspectors; amending RCW
2 18.27.010 and 18.27.050; and creating a new section.

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

4 NEW SECTION. **Sec. 1.** The legislature intends to regulate the
5 practice of home and real estate inspection.

6 **Sec. 2.** 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, inspect, improve, move, wreck or demolish, for
14 another, any building, highway, road, railroad, excavation or other
15 structure, project, development, or improvement attached to real estate
16 or to do any part thereof including the installation of carpeting or
17 other floor covering, the erection of scaffolding or other structures
18 or works in connection therewith or who installs or repairs roofing or

1 siding; or, who, to do similar work upon his own property, employs
2 members of more than one trade upon a single job or project or under a
3 single building permit except as otherwise provided herein.

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

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

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

15 (5) "Director" means the director of the department of labor and
16 industries.

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

20 **Sec. 3.** RCW 18.27.050 and 1987 c 303 s 1 are each amended to read
21 as follows:

22 (1) At the time of registration and subsequent reregistration, the
23 applicant shall furnish insurance or financial responsibility in the
24 form of an assigned account in the amount of twenty thousand dollars
25 for injury or damages to property, and fifty thousand dollars for
26 injury or damage including death to any one person, and one hundred
27 thousand dollars for injury or damage including death to more than one
28 person or financial responsibility to satisfy these amounts.

29 (2) Failure to maintain insurance or financial responsibility
30 relative to the contractor's activities shall be cause to suspend or
31 deny the contractor his or her or their registration.

32 (3)(a) Proof of financial responsibility authorized in this section
33 may be given by providing, in the amount required by subsection (1) of
34 this section, an assigned account acceptable to the department. The
35 assigned account shall be held by the department to satisfy any
36 execution on a judgment issued against the contractor for damage to
37 property or injury or death to any person occurring in the contractor's
38 contracting operations, according to the provisions of the assigned

1 account agreement. The department shall have no liability for payment
2 in excess of the amount of the assigned account.

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

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

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

9 if, in either case, no legal action has been instituted against the
10 contractor or on the account at the expiration of the three-year
11 period.

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

20 (4) This section does not apply to contractors inspecting any
21 building, highway, road, railroad, excavation or other structure,
22 project, development, or improvement attached to real estate.

--- END ---