
SENATE BILL 6231

State of Washington

56th Legislature

2000 Regular Session

By Senators Fairley and Oke; by request of Department of Labor & Industries

Read first time 01/11/2000. Referred to Committee on Labor & Workforce Development.

1 AN ACT Relating to telecommunications contractors and
2 installations; adding a new chapter to Title 19 RCW; and prescribing
3 penalties.

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

5 NEW SECTION. **Sec. 1.** The definitions in this section apply
6 throughout this chapter unless the context clearly requires otherwise.

7 (1) "Backbone cabling systems" means a system that provides
8 interconnections between telecommunications closets, equipment rooms,
9 and entrance facilities in the telecommunications cabling system
10 structure. Backbone cabling consists of the backbone cables,
11 intermediate and main cross-connects, mechanical terminations, and
12 patch cords or jumpers used for backbone to backbone cross-connection.
13 Backbone cabling also includes cabling between buildings.

14 (2) "Board" means the telecommunications board created in section
15 5 of this act.

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

17 (4) "Director" means the director of the department or the
18 director's designee.

1 (5) "Horizontal cabling systems" means the portions of the
2 telecommunications cabling system that extends from the work area
3 telecommunications outlet or connector to the telecommunications
4 closet. The horizontal cabling includes the horizontal cables, the
5 telecommunications outlet or connector in the work area, the mechanical
6 termination, and horizontal cross-connections located in the
7 telecommunications closet.

8 (6) "Network demarcation point" means the point or interconnection
9 between the service provider's communications cabling, terminal
10 equipment, and protective apparatus and the customer's premises
11 telecommunications cabling system. The location of this point for
12 regulated carriers is determined by federal and state regulations. The
13 carrier should be contacted to determine the location policies in
14 effect in the area.

15 (7) "Scope of work" means the work of a telecommunications
16 contractor. This includes the installation, maintenance, and testing
17 of telecommunications systems, equipment, and associated hardware,
18 pathway systems, and cable management systems, which excludes cable
19 tray and conduit raceway systems. The scope also includes open wiring
20 systems of telecommunications cables, surface nonmetallic raceways
21 designated and used exclusively for telecommunications, optical fiber
22 innerduct raceway, underground raceways designated and used exclusively
23 for telecommunications and installed for additions or extensions to
24 existing telecommunications systems not to exceed fifty feet inside the
25 building, and incidental short sections of circular or surface metal
26 raceway, not to exceed ten feet, for access or protection of
27 telecommunications cabling. A telecommunications contractor may
28 install cable tray and ladder rack in telecommunications service
29 entrance rooms, spaces, or closets.

30 (8) "Telecommunications administrator" means a person designated by
31 a telecommunications contractor to supervise the installation of
32 telecommunications systems in accordance with rules adopted under this
33 chapter.

34 (9) "Telecommunications closet" means a room for housing
35 telecommunications equipment, cable terminations, and cross-connect
36 wiring that serve that particular floor. The closet is the recognized
37 transition point between the backbone and horizontal pathway
38 facilities.

1 (10) "Telecommunications contractor" means a person, firm,
2 partnership, corporation, or other entity that advertises, offers to
3 undertake, undertakes, submits a bid for, or does the work of
4 installing or maintaining telecommunications systems.

5 (11) "Telecommunications service entrance room or space" means a
6 room or space used as the building serving facility in which the
7 joining of inter-building and intra-building backbone facilities takes
8 place. The service entrance room may also house electronic equipment
9 serving any telecommunications function.

10 (12) "Telecommunications systems" means structured cabling systems
11 that begin at the demarcation point between the local service provider
12 and the customer's premises structured cabling system. A structured
13 cabling system is the complete collective configuration of cabling and
14 associated hardware at a given site and installed to perform specific
15 telecommunications functions.

16 (a) Telecommunications systems encompass all forms of information
17 generation, processing, and transporting of signals conveyed
18 electronically or optically within or between buildings, including
19 voice, data, video, and audio.

20 (b) Telecommunications systems include structured cabling systems,
21 compatible connecting hardware, telecommunications equipment, premises
22 switching equipment, infrared, fiber optic, radio-frequency, and other
23 limited-energy interconnections associated with telecommunications
24 systems or appliances.

25 (c) Telecommunications systems do not include horizontal cabling
26 used for fire protection signaling systems, intrusion alarms, access
27 control systems, patient monitoring systems, energy management control
28 systems, industrial and automation control systems, HVAC/refrigeration
29 control systems, lighting control systems, and stand-alone amplified
30 sound or public address systems.

31 (d) Telecommunications systems may interface with other building
32 signal systems including security, alarms, and energy management at
33 cross-connection junctions within telecommunications closets or at
34 extended points of demarcation. Telecommunications systems do not
35 include the installation or termination of premises line voltage
36 service, feeder, or branch circuit conductors or equipment.

37 (13) "Telecommunications worker" means a person primarily and
38 regularly engaged in the installation and/or maintenance of

1 telecommunications systems, equipment, and infrastructure as defined in
2 this chapter.

3 (14) "Workstation" means a building space where the occupant
4 normally interacts with telecommunications equipment. The
5 telecommunications outlet in the work area is the point at which end-
6 user equipment plugs into the building telecommunications utility
7 formed by the pathway, space, and building wiring system.

8 NEW SECTION. **Sec. 2.** (1) All installations of wires and equipment
9 defined as telecommunications systems are subject to the requirements
10 of this chapter. Installations shall be in conformity with approved
11 methods of construction for safety to life and property. The national
12 electrical code, approved standards of the telecommunications
13 industries association, the electronic industries association, the
14 American national standards institute, and other safety standards
15 approved by the department shall be evidence of approved methods of
16 installation.

17 (2) This chapter may not limit the authority or power of any city
18 or town to enact and enforce under authority given by law in RCW
19 19.28.360, any ordinance, or rule requiring an equal, higher, or better
20 standard of construction and an equal, higher, or better standard of
21 materials, devices, appliances, and equipment than that required by
22 this chapter.

23 NEW SECTION. **Sec. 3.** (1) It is unlawful for any person, firm,
24 partnership, corporation, or other entity to advertise, offer to do
25 work, submit a bid, engage in, conduct, or carry on the business of
26 installing or maintaining telecommunications systems without having a
27 telecommunications contractor license. Electrical contractors licensed
28 as general electrical (01) or specialty electrical (06) contractors
29 under chapter 19.28 RCW and their designated administrators qualify to
30 perform all telecommunications work defined in this chapter.
31 Telecommunications contractors licensed under this chapter are not
32 required to be registered under chapter 18.27 RCW or licensed under
33 chapter 19.28 RCW. All telecommunications licenses expire twenty-four
34 calendar months following the day of their issue. A telecommunications
35 contractor license is not required for persons making
36 telecommunications installations on their own property or for regularly

1 employed employees working on the premises of their employer, unless on
2 a new building intended for rent, sale, or lease.

3 (2) Application for a telecommunications contractor license shall
4 be made in writing to the department accompanied by the required fee.
5 The applications shall state:

6 (a) The name and address of the applicant. In the case of firms or
7 partnerships, the applications shall state the names of the individuals
8 composing the firm or partnership. In the case of corporations, the
9 applications shall state the names of the corporation's managing
10 officials;

11 (b) The location of the place of business of the applicant and the
12 name under which the business is conducted;

13 (c) The employer social security number or tax identification
14 number;

15 (d) Evidence of workers' compensation coverage for the applicant's
16 employees working in Washington, as follows:

17 (i) The applicant's industrial insurance account number issued by
18 the department;

19 (ii) The applicant's self-insurer number issued by the department;
20 or

21 (iii) For applicants domiciled in a state or province of Canada
22 subject to an agreement entered into under RCW 51.12.120(7), as
23 permitted by the agreement, filing a certificate of coverage issued by
24 the agency that administers the workers' compensation law in the
25 applicant's state or province of domicile certifying that the applicant
26 has secured the payment of compensation under the other state's or
27 province's workers' compensation law;

28 (e) The employment security department number; and

29 (f) The state excise tax registration number.

30 (3) The unified business identifier account number may be
31 substituted for the information required by subsection (2)(d), (e), and
32 (f) of this section if the applicant will not employ employees in
33 Washington.

34 (4) The department may verify the workers' compensation coverage
35 information provided by the applicant under subsection (2)(d) of this
36 section including, but not limited to, information regarding the
37 coverage of an individual employee of the applicant. If coverage is
38 provided under the laws of another state, the department may notify the
39 other state that the applicant is employing employees in Washington.

1 (5) To obtain a telecommunications contractor license the applicant
2 must designate an individual who currently possesses a
3 telecommunications administrator certificate. To obtain an
4 administrator's certificate an individual must pass an examination as
5 set forth in section 4 of this act. Examination criteria will be
6 determined by the board.

7 (6) No examination may be required of any applicant for an
8 administrator certificate who was engaged as a bona fide registered or
9 licensed contractor performing telecommunications installations, or of
10 an employee, principle, or officer of a bona fide registered or
11 licensed contractor performing telecommunications installations in the
12 state of Washington on or before the effective date of this act.
13 Applicants qualifying under this section shall be issued an
14 administrator certificate by the department upon making an application
15 and paying the required fee. Individuals must apply before July 1,
16 2001, to qualify for an administrator certificate without examination
17 under this section. The board shall certify to the department the
18 names of all persons entitled to this administrator certificate.

19 Prior to July 1, 2001, bona fide registered contractors under
20 chapter 18.27 RCW engaged in the business of installing
21 telecommunications wiring may designate the following number of persons
22 to receive a telecommunications administrator certificate without
23 examination:

24 (a) One owner or officer of a contractor, registered under chapter
25 18.27 RCW on or before the effective date of this act, currently
26 engaged in the business of installing telecommunications wiring;

27 (b) One employee with a minimum of two years experience performing
28 telecommunications installations per registered telecommunication
29 contractor; and

30 (c) One employee for each one hundred employees, or fraction
31 thereof, with a minimum of two years experience performing
32 telecommunications installations. Individuals must apply on or before
33 July 1, 2001, to qualify for an administrator certificate without
34 examination under this section. The board shall certify to the
35 department the names of all persons entitled to this administrator
36 certificate.

37 (7) The application for a contractor license shall be accompanied
38 by a bond in the sum of four thousand dollars with the state of
39 Washington named as obligee in the bond, with good and sufficient

1 surety, to be approved by the department. The bond shall at all times
2 be kept in full force and effect, and any cancellation or revocation
3 thereof, or withdrawal of the surety therefrom, suspends the license
4 issued to the principal until a new bond has been filed and approved as
5 provided in this section. Upon approval of a bond, the department
6 shall, on the next business day, deposit the fee accompanying the
7 application in the telecommunications account and shall file the bond
8 in the office. The department shall, upon request, furnish to any
9 person, firm, partnership, corporation, or other entity a certified
10 copy of the bond upon the payment of a fee that the department shall
11 set by rule. The fee shall cover but not exceed the cost of furnishing
12 the certified copy. The bond shall be conditioned that the principal
13 will pay for all labor, including employee benefits, and material
14 furnished or used upon the work, taxes and contributions to the state
15 of Washington, and all damages that may be sustained by any person,
16 firm, partnership, corporation, or other entity due to a failure of the
17 principal to make the installation or maintenance in accordance with
18 this chapter. In lieu of the surety bond required by this section the
19 applicant may file with the department a cash deposit or other
20 negotiable security acceptable to the department. If the applicant has
21 filed a cash deposit, the department shall deposit the funds in a
22 special trust savings account in a commercial bank, mutual savings
23 bank, or savings and loan association and shall pay annually to the
24 depositor the interest derived from the account.

25 (8) Any person, firm, or corporation sustaining any damage or
26 injury by reason of the principal's breach of the conditions of the
27 bond required under this section may bring an action against the surety
28 named therein, joining in the action the principal named in the bond;
29 the action shall be brought in the superior court of any county in
30 which the principal on the bond resides or transacts business, or in
31 the county in which the work was performed as a result of which the
32 breach is alleged to have occurred; the action shall be maintained and
33 prosecuted as other civil actions. Claims or actions against the
34 surety on the bond shall be paid in full in the following order of
35 priority: (a) Labor, including employee benefits, (b) materials and
36 equipment used upon such work, (c) taxes and contributions due to the
37 state, (d) damages sustained by any person, firm, or corporation due to
38 the failure of the principal to make the installation in accordance
39 with this chapter, or any ordinance, building code, or regulation

1 applicable thereto. However, the total liability of the surety on any
2 bond may not exceed the sum of four thousand dollars, and the surety on
3 the bond may not be liable for monetary penalties. Any action shall be
4 brought within one year from the completion of the work in the
5 performance of which the breach is alleged to have occurred. The
6 surety shall mail a conformed copy of the judgment against the bond to
7 the department within seven days. In the event that a cash or
8 securities deposit has been made in lieu of the surety bond, and in the
9 event of a judgment being entered against the depositor and deposit,
10 the director shall upon receipt of a certified copy of a final
11 judgment, pay the judgment from the deposit.

12 NEW SECTION. **Sec. 4.** (1) Each applicant for a telecommunications
13 contractor license shall designate a supervisory employee or member of
14 the firm to take the administrator's examination. This person shall be
15 designated as administrator under the contractor's license. No person
16 may qualify as administrator for more than one contractor. If the
17 relationship of the administrator with the telecommunications
18 contractor is terminated, the contractor's license is void within
19 ninety days unless another administrator is qualified by the board.
20 However, if the administrator dies, the contractor's license is void
21 within one hundred eighty days unless another administrator is
22 qualified by the board.

23 (2) A certificate issued under this section is valid for two years
24 from the nearest birthdate of the administrator, unless revoked or
25 suspended, and is nontransferable. The certificate may be renewed for
26 a two-year period without examination by appropriate application unless
27 the certificate has been revoked, suspended, or not renewed within
28 ninety days after the expiration date. If the certificate is not
29 renewed before the expiration date, the individual shall pay twice the
30 usual fee. A person may take the administrator's test as many times as
31 necessary to pass, without limit.

32 (3) The administrator shall:

33 (a) Be a member of the firm or a supervisory employee and shall be
34 available during working hours to carry out the duties of an
35 administrator under this section;

36 (b) Ensure that all telecommunications work complies with the
37 telecommunication installation laws and rules;

38 (c) Ensure proper permits are required and inspections made;

1 (d) See that corrective notices issued by an inspecting authority
2 are complied with; and

3 (e) Notify the department in writing within ten days if the
4 administrator terminates the relationship with the telecommunications
5 contractor.

6 NEW SECTION. **Sec. 5.** (1) There is created a telecommunications
7 board, consisting of eight members to be appointed by the governor with
8 the advice of the director as provided in this section.

9 (2) It is the purpose and function of the board to advise the
10 director on all matters pertaining to the enforcement of this chapter
11 including, but not limited to, standards of installation, minimum
12 inspection procedures, and the adoption of rules pertaining to this
13 chapter. However, no rules may be amended or repealed until the board
14 has had an opportunity to consider any proposed amendments or repeals,
15 and to make recommendations to the director relative thereto.

16 (3) The members of the board shall be selected and appointed as
17 follows: Two members must be telecommunications workers; two members
18 must be licensed telecommunications contractors; one member must be an
19 employee or officer of a facilities-based telecommunications service
20 provider regulated by the Washington state utilities and transportation
21 commission; one member must be a certified telecommunications
22 administrator who is a registered communications distribution designer;
23 one member must be a manufacturer of telecommunications materials,
24 equipment, or devices; and one nonvoting member must be a building
25 official from an incorporated city or town with an electrical
26 inspection program established under RCW 19.28.360.

27 (4) The governor shall appoint or reappoint board members for terms
28 of four years, except the governor may appoint the initial members to
29 staggered terms of from one to three years. The governor shall fill
30 vacancies caused by death, resignation, or otherwise for the unexpired
31 term of such members by appointing their successors from the same
32 business classification. The same procedure is followed in making such
33 subsequent appointments as is provided for the original appointments.
34 The board, at this first meeting shall elect one of its members to
35 serve as chair. The department in conjunction with the board shall
36 develop rules to govern board procedure.

37 (5) Meetings of the board shall be held at least quarterly in
38 accordance with a schedule established by the board. Each member of

1 the board shall receive compensation in accordance with RCW 43.03.240
2 and shall be reimbursed for travel expenses in accordance with RCW
3 43.03.050 and 43.03.060. Compensation is paid out of the
4 telecommunications account, on vouchers approved by the director.

5 (6) The chief electrical inspector serves as staff support and
6 secretary of the board, but may not be a voting member.

7 NEW SECTION. **Sec. 6.** The telecommunications account is created in
8 the state treasury. All receipts from license fees, certificate fees,
9 permit fees, or other sources under this chapter must be deposited into
10 the account. Moneys in the account may be spent only after
11 appropriation. Expenditures from the account may be used only for the
12 purpose of this chapter. The director or the director's designee, upon
13 approval by the board, shall issue vouchers for sums necessary to
14 accomplish the intent of this chapter to be paid regularly by the state
15 treasurer. The treasurer shall keep an accurate record of payments
16 into, or receipts of, the account, and of all disbursements therefrom.

17 NEW SECTION. **Sec. 7.** (1) The director, after consulting with the
18 board and receiving the board's approval, shall set a schedule of
19 license fees, work permit fees, and penalty amounts that will cover the
20 costs of administration and enforcement of this chapter. The rules
21 shall be adopted in accordance with the administrative procedure act,
22 chapter 34.05 RCW.

23 (2) The director, after consulting with the board and receiving the
24 board's recommendations, shall adopt reasonable rules in furtherance of
25 safety to life and property. All rules shall be kept on file by the
26 department. Compliance with the rules shall be prima facie evidence of
27 compliance with this chapter. The department, upon request, shall
28 deliver a copy of the rules to all persons, firms, partnerships,
29 corporations, or other entities licensed under this chapter.

30 NEW SECTION. **Sec. 8.** (1) The director and the officials of all
31 incorporated cities and towns where electrical inspections are required
32 by local ordinances, allowed by RCW 19.28.360, have the power to
33 enforce this chapter in their jurisdictions.

34 (2) The director, through the chief electrical inspector and other
35 inspectors appointed under RCW 19.28.070, shall enforce this chapter.
36 Compliance enforcement may be performed by contractor compliance

1 inspectors appointed under chapter 18.27 RCW. The expenses of the
2 director and the salaries and expenses of state inspectors incurred in
3 carrying out the provisions of this chapter shall be paid entirely out
4 of the telecommunications account, on vouchers approved by the
5 director.

6 NEW SECTION. **Sec. 9.** (1) The director shall require permits for
7 and cause an inspector to inspect all installations of
8 telecommunications systems on the customer side of the demarcation line
9 for projects greater than ten outlets. However:

10 (a) All projects penetrating fire barriers, passing through
11 hazardous locations and all riser backbone installations regardless of
12 size shall be inspected;

13 (b) All installations in single-family and duplex residences do not
14 require inspections;

15 (c) No permits or inspections may be required for installation or
16 replacement of cord and plug connected telecommunications equipment or
17 for patch cord and jumper cross-connected equipment.

18 (2) Upon request, the department shall make the required inspection
19 within forty-eight hours. The forty-eight hour period excludes
20 holidays, Saturdays, and Sundays.

21 (3) A written report of the inspection, which plainly and clearly
22 states any corrections or changes required, shall be made by the
23 inspector. A copy of the report shall be furnished to the person or
24 entity doing the installation work, and a copy shall be filed by the
25 department.

26 (4) Whenever the installation of any telecommunications cabling and
27 associated hardware is not in accordance with this chapter, or is in
28 such a condition as to be dangerous to life or property, the person,
29 firm, partnership, corporation, or other entity owning, using, or
30 operating it shall be notified by the department and shall within
31 fifteen working days, or such further reasonable time as may upon
32 request be granted, make such repairs and changes as are required to
33 remove the danger to life or property and to make it conform to this
34 chapter. The director, through the inspector, is empowered to
35 disconnect or order the discontinuance of the telecommunications
36 cabling or electrical service to conductors or equipment that are found
37 to be in a dangerous or unsafe condition and not in accordance with
38 this chapter. Upon making a disconnection, the inspector shall attach

1 a notice stating that the conductors have been found dangerous to life
2 or property and are not in accordance with this chapter. It is
3 unlawful for any person to reconnect such defective conductors or
4 equipment without the approval of the department, and until the
5 conductors and equipment have been placed in a safe and secure
6 condition that complies with this chapter.

7 (5) The director, through the electrical inspector, has the right
8 during reasonable hours to enter into and upon any building or premises
9 in the discharge of his or her official duties related to permitting
10 activities for the purpose of making any inspection or test of the
11 installation of new or altered telecommunications systems contained in
12 or on the buildings or premises. No telecommunications cabling subject
13 to this chapter may be concealed until it has been approved by the
14 inspector making the inspection. At the time of the inspection, wiring
15 or equipment subject to this chapter must be sufficiently accessible to
16 permit the inspector to verify installation conformance with the
17 adopted codes and any other requirements of this chapter.

18 NEW SECTION. **Sec. 10.** (1) It is unlawful for any person, firm,
19 partnership, corporation, or other entity to install or maintain any
20 telecommunications cabling and associated hardware in violation of this
21 chapter. When the interpretation and application of the installation
22 or maintenance standards provided for in this chapter are in dispute or
23 in doubt, the board shall, upon application of any interested person,
24 firm, partnership, corporation, or other entity, determine the methods
25 of installation or maintenance of the cabling materials and hardware to
26 be used in the case submitted for its decision.

27 (2) Any person, firm, partnership, corporation, or other entity
28 desiring a decision of the board under this section shall, in writing,
29 notify the director of such desire and shall accompany the notice with
30 a certified check payable to the department in the sum of two hundred
31 dollars. The notice shall specify the ruling or interpretation desired
32 and the contention of the person, firm, partnership, corporation, or
33 other entity as to the proper interpretation or application on the
34 question on which a decision is desired. If the board determines that
35 the contention of the applicant for a decision was proper, the two
36 hundred dollars shall be returned to the applicant; otherwise it shall
37 be used in paying the expenses and per diem of the members of the board
38 in connection with the matter. Any portion of the two hundred dollars

1 not used in paying the per diem and expenses of the board in the case
2 shall be paid into the telecommunications account.

3 NEW SECTION. **Sec. 11.** Any person, firm, partnership, corporation,
4 or other entity violating any of the provisions of this chapter may be
5 assessed a penalty of not less than one hundred dollars or more than
6 ten thousand dollars per violation. The department, after consulting
7 with the board and receiving the board's recommendations, shall set by
8 rule a schedule of penalties for violating this chapter. The
9 department shall notify the person, firm, partnership, corporation, or
10 other entity violating any of these provisions of the amount of the
11 penalty and of the specific violation. The notice shall be sent by
12 certified mail, return receipt requested, to the last known address of
13 the assessed party. Penalties are subject to review by an appeal to
14 the board. The filing of an appeal stays the effect of the penalty
15 until the board makes its decision. The appeal shall be filed within
16 twenty days after notice of the penalty is given to the assessed party,
17 and shall be made by filing a written notice of appeal with the
18 department. The notice shall be accompanied by a certified check for
19 two hundred dollars, that shall be returned to the assessed party if
20 the decision of the department is not sustained by the board. If the
21 board sustains the decision of the department, the two hundred dollars
22 shall be applied by the department to the payment of the per diem and
23 expenses of the members of the board incurred in the matter, and any
24 balance remaining after payment of per diem and expenses shall be paid
25 into the telecommunications account. The hearing and review procedures
26 shall be conducted in accordance with chapter 34.05 RCW. The board
27 shall assign its hearings to an administrative law judge to conduct the
28 hearing and issue a proposed decision and order. The board shall be
29 allowed a minimum of twenty days to review a proposed decision and
30 shall issue its decision no later than the next regularly scheduled
31 board meeting.

32 NEW SECTION. **Sec. 12.** (1) The department has the power, in case
33 of serious noncompliance with this chapter, to revoke or suspend for
34 such a period as it determines, any contractor license or administrator
35 certificate issued under this chapter. The department shall notify the
36 holder of the license or certificate of the revocation or suspension.
37 Notice shall be made by certified mail sent to the address of the

1 holder of the license or certificate as shown on the application. A
2 revocation or suspension is effective twenty days after the holder
3 receives notice. Any revocation or suspension is subject to review by
4 an appeal to the board. The filing of an appeal stays the effect of a
5 revocation or suspension until the board makes its decision. The
6 appeal shall be filed within twenty days after notice of the revocation
7 or suspension is given, and shall be effected by filing a written
8 notice of appeal with the department, accompanied by a certified check
9 for two hundred dollars. The certified check shall be returned to the
10 holder of the license or certificate, if the decision of the department
11 is not sustained by the board. The hearing shall be conducted in
12 accordance with chapter 34.05 RCW. If the board sustains the decision
13 of the department, the two hundred dollars shall be applied by the
14 department to the payment of the per diem and expenses of the members
15 of the board incurred in the matter, and any balance remaining after
16 payment of per diem and expenses shall be paid into the
17 telecommunications account.

18 (2) The department shall immediately suspend the license or
19 certificate of a person who has been certified under RCW 74.20A.320 by
20 the department of social and health services as a person who is not in
21 compliance with a support order. If the person has continued to meet
22 all other requirements for reinstatement during the suspension,
23 reissuance of the license or certificate shall be automatic upon the
24 department's receipt of a release issued by the department of social
25 and health services stating that the licensee is in compliance with the
26 order.

27 NEW SECTION. **Sec. 13.** Nothing contained in this chapter may be
28 construed to relieve from, or lessen the responsibility or liability
29 of, any person for injury or damage to person or property caused by, or
30 resulting from, any defect of any nature in any telecommunications work
31 performed by the person, or in any telecommunications equipment owned,
32 controlled, installed, operated, or used by him or her. The state of
33 Washington, its officers, agents, or employees may not incur, or be
34 held as assuming any liability by reason of, or in consequence of, any
35 permission, certificate of inspection, inspection, act performed, or
36 approval authorized, issued, or given under this chapter.

1 NEW SECTION. **Sec. 14.** Disputes arising under this chapter
2 regarding whether the city or town's telecommunications rules,
3 regulations, or ordinances are equal to the rules adopted by the
4 department shall be resolved by arbitration. The department shall
5 appoint two members of the board to serve on the arbitration panel, and
6 the city or town shall appoint two persons to serve on the arbitration
7 panel. These four persons shall choose a fifth person to serve. If
8 the four persons cannot agree on a fifth person, the presiding judge of
9 the superior court of the county in which the city or town is located
10 shall choose a fifth person. A decision of the arbitration panel may
11 be appealed to the superior court of the county in which the city or
12 town is located within thirty days after the date the panel issues its
13 final decision.

14 NEW SECTION. **Sec. 15.** (1) At the time of licensing and subsequent
15 relicensing, the applicant shall furnish insurance or financial
16 responsibility in the form of an assigned account in the amount of
17 twenty thousand dollars for injury or damages to property, fifty
18 thousand dollars for injury or damage including death to any one
19 person, and one hundred thousand dollars for injury or damage including
20 death to more than one person, or financial responsibility to satisfy
21 these amounts.

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

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

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

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

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

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

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

11 NEW SECTION. **Sec. 16.** Sections 1 through 15 of this act
12 constitute a new chapter in Title 19 RCW.

--- END ---