

CERTIFICATION OF ENROLLMENT

SUBSTITUTE SENATE BILL 5267

Chapter 51, Laws of 2021

67th Legislature
2021 Regular Session

PROPERTY FLIPPING—ELECTRICAL WORK

EFFECTIVE DATE: July 25, 2021

Passed by the Senate February 25,
2021

Yeas 29 Nays 19

DENNY HECK

President of the Senate

Passed by the House March 28, 2021

Yeas 61 Nays 36

Laurie Jinkins

**Speaker of the House of
Representatives**

Approved April 14, 2021 3:34 PM

JAY INSLEE

Governor of the State of Washington

CERTIFICATE

I, Brad Hendrickson, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SUBSTITUTE SENATE BILL 5267** as passed by the Senate and the House of Representatives on the dates hereon set forth.

BRAD HENDRICKSON

Secretary

FILED

April 15, 2021

**Secretary of State
State of Washington**

SUBSTITUTE SENATE BILL 5267

Passed Legislature - 2021 Regular Session

State of Washington

67th Legislature

2021 Regular Session

By Senate Labor, Commerce & Tribal Affairs (originally sponsored by Senators Saldaña, Stanford, Conway, Das, Hasegawa, Keiser, Kuderer, and Wilson, C.)

READ FIRST TIME 02/09/21.

1 AN ACT Relating to requiring electrical licensing for electrical
2 work associated with flipping property; and amending RCW 19.28.261
3 and 19.28.420.

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

5 **Sec. 1.** RCW 19.28.261 and 2013 c 23 s 37 are each amended to
6 read as follows:

7 (1) Nothing in RCW 19.28.161 through 19.28.271 shall be construed
8 to require that a person obtain a license or a certified electrician
9 in order to do electrical work at his or her residence or farm or
10 place of business or on other property owned by him or her unless
11 ~~((the))~~;

12 (a) The electrical work is on the construction of a new building
13 intended for rent, sale, or lease; or

14 (b) The electrical work is on property that is offered for sale
15 within 12 months after obtaining the property.

16 However, if the construction is of a new residential building
17 with up to four units intended for rent, sale, or lease, the owner
18 may receive an exemption from the requirement to obtain a license or
19 use a certified electrician if he or she provides a signed affidavit
20 to the department stating that he or she will be performing the work
21 and will occupy one of the units as his or her principal residence.

1 The owner shall apply to the department for this exemption and may
2 only receive an exemption once every twenty-four months. It is
3 intended that the owner receiving this exemption shall occupy the
4 unit as his or her principal residence for twenty-four months after
5 completion of the units.

6 (2) Nothing in RCW 19.28.161 through 19.28.271 shall be intended
7 to derogate from or dispense with the requirements of any valid
8 electrical code enacted by a city or town pursuant to RCW
9 19.28.010(3), except that no code shall require the holder of a
10 certificate of competency to demonstrate any additional proof of
11 competency or obtain any other license or pay any fee in order to
12 engage in the electrical construction trade.

13 (3) RCW 19.28.161 through 19.28.271 shall not apply to common
14 carriers subject to Part I of the Interstate Commerce Act, nor to
15 their officers and employees.

16 (4) Nothing in RCW 19.28.161 through 19.28.271 shall be deemed to
17 apply to the installation or maintenance of telephone, telegraph,
18 radio, or television wires and equipment; nor to any electrical
19 utility or its employees in the installation, repair, and maintenance
20 of electrical wiring, circuits, and equipment by or for the utility,
21 or comprising a part of its plants, lines, or systems.

22 (5) The licensing provisions of RCW 19.28.161 through 19.28.271
23 shall not apply to:

24 (a) Persons making electrical installations on their own property
25 or to regularly employed employees working on the premises of their
26 employer, unless the electrical work is on ~~((the))~~:

27 (i) The construction of a new building intended for rent, sale,
28 or lease; or

29 (ii) Property offered for sale within 12 months after obtaining
30 the property;

31 (b) Employees of an employer while the employer is performing
32 utility type work of the nature described in RCW 19.28.091 so long as
33 such employees have registered in the state of Washington with or
34 graduated from a state-approved outside lineworker apprenticeship
35 course that is recognized by the department and that qualifies a
36 person to perform such work;

37 (c) Any work exempted under RCW 19.28.091(6); and

38 (d) Certified plumbers, certified residential plumbers, or
39 plumber trainees meeting the requirements of chapter 18.106 RCW and
40 performing exempt work under RCW 19.28.091(8).

1 (6) Nothing in RCW 19.28.161 through 19.28.271 shall be construed
2 to restrict the right of any householder to assist or receive
3 assistance from a friend, neighbor, relative, or other person when
4 none of the individuals doing the electrical installation hold
5 themselves out as engaged in the trade or business of electrical
6 installations.

7 (7) Nothing precludes any person who is exempt from the licensing
8 requirements of this chapter under this section from obtaining a
9 journey level or specialty certificate of competency if they
10 otherwise meet the requirements of this chapter.

11 **Sec. 2.** RCW 19.28.420 and 2000 c 238 s 206 are each amended to
12 read as follows:

13 (1) It is unlawful for any person, firm, partnership,
14 corporation, or other entity to advertise, offer to do work, submit a
15 bid, engage in, conduct, or carry on the business of installing or
16 maintaining telecommunications systems without having a
17 telecommunications contractor license. Electrical contractors
18 licensed as general electrical (01) or specialty electrical (06)
19 contractors under this chapter (~~(19.28—RCW)~~) and their designated
20 administrators qualify to perform all telecommunications work defined
21 in this chapter. Telecommunications contractors licensed under this
22 chapter are not required to be registered under chapter 18.27 RCW.
23 All telecommunications licenses expire twenty-four calendar months
24 following the day of their issue. A telecommunications contractor
25 license is not required for a licensed specialty electrical
26 contractor to perform telecommunications installations or maintenance
27 integral to the equipment or occupancy limitations of their
28 electrical specialty. A telecommunications contractor license is not
29 required for persons making telecommunications installations or
30 performing telecommunications maintenance on their own property or
31 for regularly employed employees working on the premises of their
32 employer, unless on ((a)):

- 33 (a) A new building intended for rent, sale, or lease; or
34 (b) Property offered for sale within 12 months after obtaining
35 the property.

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

1 (a) The name and address of the applicant. In the case of firms
2 or partnerships, the applications shall state the names of the
3 individuals composing the firm or partnership. In the case of
4 corporations, the applications shall state the names of the
5 corporation's managing officials;

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

8 (c) The employer social security number or tax identification
9 number;

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

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

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

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

23 (e) The employment security department number; and

24 (f) The state excise tax registration number.

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

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

36 (5) To obtain a telecommunications contractor license the
37 applicant must designate an individual who currently possesses a
38 telecommunications administrator certificate. To obtain an
39 administrator's certificate an individual must pass an examination as

1 set forth in this chapter. Examination criteria will be determined by
2 the board.

3 (6) No examination may be required of any applicant for an
4 initial telecommunications administrator certificate qualifying under
5 this section. Applicants qualifying under this section shall be
6 issued an administrator certificate by the department upon making an
7 application and paying the required fee. Individuals must apply
8 before July 1, 2001, to qualify for an administrator certificate
9 without examination under this section. The board shall certify to
10 the department the names of all persons entitled to this
11 administrator certificate.

12 Prior to July 1, 2001, bona fide registered contractors under
13 chapter 18.27 RCW engaged in the business of installing or
14 maintaining telecommunications wiring in this state on or before June
15 8, 2000, may designate the following number of persons to receive a
16 telecommunications administrator certificate without examination:

17 (a) One owner or officer of a contractor, registered under
18 chapter 18.27 RCW on or before June 8, 2000, currently engaged in the
19 business of installing telecommunications wiring;

20 (b) One employee, principal, or officer, with a minimum of two
21 years experience performing telecommunications installations, per
22 registered (~~telecommunication[s]~~) telecommunications contractor;
23 and

24 (c) One employee for each one hundred employees, or fraction
25 thereof, with a minimum of two years experience performing
26 telecommunications installations.

27 (7) The application for a contractor license shall be accompanied
28 by a bond in the sum of four thousand dollars with the state of
29 Washington named as obligee in the bond, with good and sufficient
30 surety, to be approved by the department. The bond shall at all times
31 be kept in full force and effect, and any cancellation or revocation
32 thereof, or withdrawal of the surety therefrom, suspends the license
33 issued to the principal until a new bond has been filed and approved
34 as provided in this section. Upon approval of a bond, the department
35 shall, on the next business day, deposit the fee accompanying the
36 application in the electrical license fund and shall file the bond in
37 the office. The department shall, upon request, furnish to any
38 person, firm, partnership, corporation, or other entity a certified
39 copy of the bond upon the payment of a fee that the department shall
40 set by rule. The fee shall cover but not exceed the cost of

1 furnishing the certified copy. The bond shall be conditioned that the
2 principal will pay for all labor, including employee benefits, and
3 material furnished or used upon the work, taxes and contributions to
4 the state of Washington, and all damages that may be sustained by any
5 person, firm, partnership, corporation, or other entity due to a
6 failure of the principal to make the installation or maintenance in
7 accordance with this chapter. In lieu of the surety bond required by
8 this section the applicant may file with the department a cash
9 deposit or other negotiable security acceptable to the department. If
10 the applicant has filed a cash deposit, the department shall deposit
11 the funds in a special trust savings account in a commercial bank,
12 mutual savings bank, or savings and loan association and shall pay
13 annually to the depositor the interest derived from the account.

14 (8) Any person, firm, or corporation sustaining any damage or
15 injury by reason of the principal's breach of the conditions of the
16 bond required under this section may bring an action against the
17 surety named therein, joining in the action the principal named in
18 the bond; the action shall be brought in the superior court of any
19 county in which the principal on the bond resides or transacts
20 business, or in the county in which the work was performed as a
21 result of which the breach is alleged to have occurred; the action
22 shall be maintained and prosecuted as other civil actions. Claims or
23 actions against the surety on the bond shall be paid in full in the
24 following order of priority: (a) Labor, including employee benefits,
25 (b) materials and equipment used upon such work, (c) taxes and
26 contributions due to the state, (d) damages sustained by any person,
27 firm, or corporation due to the failure of the principal to make the
28 installation in accordance with this chapter, or any ordinance,
29 building code, or regulation applicable thereto. However, the total
30 liability of the surety on any bond may not exceed the sum of four
31 thousand dollars, and the surety on the bond may not be liable for
32 monetary penalties. Any action shall be brought within one year from
33 the completion of the work in the performance of which the breach is
34 alleged to have occurred. The surety shall mail a conformed copy of
35 the judgment against the bond to the department within seven days. In
36 the event that a cash or securities deposit has been made in lieu of
37 the surety bond, and in the event of a judgment being entered against
38 the depositor and deposit, the director shall upon receipt of a
39 certified copy of a final judgment, pay the judgment from the
40 deposit.

1 (9) The department shall issue a telecommunications contractor
2 license to applicants meeting all of the requirements of this chapter
3 applicable to electrical and telecommunications installations. The
4 provisions of this chapter relating to the licensing of any person,
5 firm, partnership, corporation, or other entity including the
6 requirement of a bond with the state of Washington named as obligee
7 and the collection of a fee for that bond, are exclusive, and no
8 political subdivision of the state of Washington may require or issue
9 any licenses or bonds or charge any fee for the same or a similar
10 purpose.

Passed by the Senate February 25, 2021.

Passed by the House March 28, 2021.

Approved by the Governor April 14, 2021.

Filed in Office of Secretary of State April 15, 2021.

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