

HOUSE BILL REPORT

EHB 1083

As Passed House
February 26, 1993

Title: An act relating to electrical contractors.

Brief Description: Using electrical contractors' licenses.

Sponsors: Representatives Scott and G. Cole.

Brief History:

Reported by House Committee on:
Commerce & Labor, February 3, 1993, DPA;
Passed House, February 26, 1993, 92-0.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass as amended. Signed by 9 members: Representatives Heavey, Chair; G. Cole, Vice Chair; Lisk, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Conway; Horn; King; Springer; and Veloria.

Staff: Chris Cordes (786-7117).

Background: Persons who engage in the business of installing or maintaining electrical wires or related electrical equipment are required to be licensed by the Department of Labor and Industries. The licensing law does not specifically prohibit an unlicensed electrical contractor from submitting bids for electrical work or prohibit a licensed contractor from transferring a license to another contractor. Construction contractors other than electrical contractors are not permitted to: (1) advertise, offer to work, submit a bid, or perform work as a contractor if the contractor is unregistered; or (2) transfer a valid registration to an unregistered contractor or allow an unregistered contractor to work under a registration issued to another contractor. Construction contractors are also required to include their registration number in certain advertising.

The civil penalty for violating the electrical licensing requirements is a minimum penalty of \$50 and a maximum penalty of \$10,000.

Summary of Bill: It is unlawful for an electrical contractor to transfer an electrical contractor license to

an unlicensed contractor or to allow a contractor to perform work with a license issued to another electrical contractor.

The contractor must show his or her name and address as it appears on the contractor's license on advertising, contracts, correspondence, signs, and other documents that have an electrical contractor's name and address. The contractor must include his or her license number in advertisements in the advertising section of the telephone directory and in other advertising that shows the contractor's name and address, except for signs on motor vehicles. All materials used to directly solicit business from retail customers must show the contractor's license number. A falsified license number may not be used in solicitations or for identification.

The minimum penalty for violations of the electrical contractor licensing provisions is increased from \$50 to \$200.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Unlicensed electrical contractors are a large problem for consumers and other electrical contractors. The state is losing tax revenue because of unlicensed contractors and consumers are not being protected. However, the bill should be amended to clarify that a contractor's license number does not have to be in the alphabetized listing in the telephone yellow pages. It is also unclear what the bill's penalties apply to.

Testimony Against: None.

Witnesses: (In favor) John Morrison, Independent Electrical Contractors Association. (Support concept, with concerns) Larry Stevens, National Electrical Contractors Association.