

**SENATE BILL REPORT**

**SB 5549**

**AS OF FEBRUARY 25, 1993**

**Brief Description:** Requiring verification of registration of contractors.

**SPONSORS:** Senators Prentice, Bauer and Franklin

**SENATE COMMITTEE ON LABOR & COMMERCE**

**Staff:** David Cheal (786-7576)

**Hearing Dates:** February 26, 1993

**BACKGROUND:**

The state system of registration of contractors provides some protection for persons who hire contractors. Many contractors fail to obtain a registration certificate, and others claim to be registered when they are not or their registration has expired. Various enforcement mechanisms have been tried to make it more difficult to carry on a contracting business without registration. However, the problem of unregistered contractors continues.

**SUMMARY:**

Currently, all advertising must include the contractor's current registration number. An additional requirement is made that an advertiser shall not accept these advertisements without verification of the contractor registration number. "Verification" is defined by actually receiving and making a copy of a contractor registration card that is current on its face. If an advertiser fails to verify the contractor registration, the advertiser becomes liable in the same amount as the statutory bond: \$6,000 if a general contractor, \$4,000 if a specialty contractor.

Currently, cities, towns and counties are prohibited from issuing building permits to unregistered contractors. The additional requirement is made that a city, town or county must verify the contractor registration number before issuing a building permit. The contractor registration number must also be printed on the building permit, and information on the contractor registration laws must be provided to the building permit applicant, as well as the risks of using an unregistered contractor. Failure to verify the contractor registration number prior to issuing the permit results in liability to the city, town or county in the same amount as the statutory bond.

**Appropriation:** none

**Revenue:** none

**Fiscal Note:** requested