

FINAL BILL REPORT

SHB 2378

C 96 L 00

Synopsis as Enacted

Brief Description: Regulating structural pest inspections.

Sponsors: By House Committee on Agriculture & Ecology (originally sponsored by Representatives Linville, G. Chandler and Haigh; by request of Department of Agriculture).

House Committee on Agriculture & Ecology
Senate Committee on Agriculture & Rural Economic Development

Background:

The Washington Pesticide Control Act is administered by the Department of Agriculture. With certain exceptions, a person is prohibited from acting as a structural pest control inspector without obtaining a license from the department as a pest control consultant in the special category of structural pest control inspector. A structural pest control inspector is a person who inspects a building for wood destroying organisms, their damage, or conditions conducive to infestation by such organisms.

Commercial pesticide applicators are licensed under the Washington Pesticide Application Act. To secure and maintain such a license, the applicators must provide certain evidence of financial responsibility in the form of surety bonds or certain insurance. The amount of the bond or insurance policy must be not less than \$50,000 for both property damage and public liability insurance. The property damage portion may be waived in certain circumstances.

Summary of Bill:

The Washington Pesticide Control Act is amended. Structural pest control inspectors are now referred to as "structural pest inspectors" under the act.

Crimes. It is unlawful for a person to advertise that the person is a licensed structural pest inspector without having a valid pest control consultant's license in the category of structural pest inspector. It is unlawful for a person to issue one or more wood destroying organism inspection reports in conjunction with a transaction to transfer, exchange, or refinance a structure without recording a unique inspection control number on each of the reports. Such a report is a written document that reports or

comments on the presence or absence of wood destroying organisms, damage by such organisms, or conditions conducive to establishing such organisms.

Financial Responsibility. The Director of Agriculture cannot issue a license to a person who intends to act as a structural pest inspector until the person has furnished evidence of financial responsibility. The evidence must consist of either a surety bond or an errors and omissions insurance policy or certification that protects persons who may suffer legal damages as a result of actions by the structural pest inspector. Such a bond or policy must be from an authorized insurer in this state.

The amount of the bond or policy must be not less than \$25,000 and \$50,000 respectively and the bond or policy cannot have a deductible of more than \$5,000. A deductible is not allowed if the applicant has not satisfied the amount of the deductible in a prior claim unless the deductible is itself covered by a bond or policy. An insurance policy must have a minimum three-year occurrence clause. The bond or policy must be maintained during the licensing period. The director must be notified before a reduction of policy coverage requested by the applicant and before cancellation of the bond or policy. If a licensee does not maintain these financial responsibility requirements, the director must immediately suspend the license until the requirements are again met.

Votes on Final Passage:

House 95 0
Senate 47 1 (Senate amended)
House 98 0 (House concurred)

Effective: July 1, 2000