
HOUSE BILL 1899

State of Washington 56th Legislature 1999 Regular Session

By Representatives Ogden, Carlson, O'Brien, Romero and Edwards

Read first time 02/10/1999. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to licensing of residential contractors; amending
2 RCW 18.27.010, 18.27.030, 18.27.040, 18.27.114, 18.27.120, and
3 19.28.120; reenacting and amending RCW 18.27.060; and adding new
4 sections to chapter 18.27 RCW.

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

6 **Sec. 1.** RCW 18.27.010 and 1997 c 314 s 2 are each amended to read
7 as follows:

8 Unless the context clearly requires otherwise, the definitions in
9 this section apply throughout this chapter.

10 (1) "Contractor" means any person, firm, or corporation who or
11 which, in the pursuit of an independent business undertakes to, or
12 offers to undertake, or submits a bid to, construct, alter, repair, add
13 to, subtract from, improve, move, wreck or demolish, for another, any
14 building, highway, road, railroad, excavation or other structure,
15 project, development, or improvement attached to real estate or to do
16 any part thereof including the installation of carpeting or other floor
17 covering, the erection of scaffolding or other structures or works in
18 connection therewith or who installs or repairs roofing or siding; or,
19 who, to do similar work upon his or her own property, employs members

1 of more than one trade upon a single job or project or under a single
2 building permit except as otherwise provided herein. "Contractor"
3 includes any person, firm, or corporation covered by this subsection,
4 whether or not registered as required under this chapter.

5 (2) "General contractor" means a contractor whose business
6 operations require the use of more than two unrelated building trades
7 or crafts whose work the contractor shall superintend or do in whole or
8 in part. "General contractor" shall not include an individual who does
9 all work personally without employees or other "specialty contractors"
10 as defined in this section. The terms "general contractor" and
11 "builder" are synonymous.

12 (3) "Performance bond" means a surety bond given by a residential
13 contractor to the property owner, to protect the property owner against
14 any loss in the event the residential contractor fails to fulfill the
15 terms of the contract, including but not limited to payment of liens
16 filed by subcontractors and suppliers.

17 (4) "Residential contractor" means a general contractor who
18 performs work in connection with residential structures and the
19 appurtenances thereto. "Residential contractor" includes, but is not
20 limited to, a person who purchases or owns property and constructs or
21 for compensation arranges for the construction of one or more
22 residential structures with the intent of selling the residential
23 structure or structures.

24 (5) "Residential structure" means a residence, including a site-
25 built home, a modular home constructed off-site, a condominium, a
26 duplex, or multifamily residential building consisting of four or fewer
27 dwelling units.

28 (6) "Specialty contractor" means a contractor whose operations do
29 not fall within the foregoing definition of "general contractor".

30 (~~(4)~~) (7) "Unregistered contractor" means a person, firm, or
31 corporation doing work as a contractor without being registered in
32 compliance with this chapter. "Unregistered contractor" includes
33 contractors whose registration is expired for more than thirty days
34 beyond the renewal date or has been suspended.

35 (~~(5)~~) (8) "Department" means the department of labor and
36 industries.

37 (~~(6)~~) (9) "Director" means the director of the department of
38 labor and industries.

1 (~~(7)~~) (10) "Verification" means the receipt and duplication by
2 the city, town, or county of a contractor registration card that is
3 current on its face, checking the department's contractor registration
4 data base, or calling the department to confirm that the contractor is
5 registered.

6 **Sec. 2.** RCW 18.27.030 and 1998 c 279 s 3 are each amended to read
7 as follows:

8 (1) An applicant for registration as a contractor shall submit an
9 application under oath upon a form to be prescribed by the director and
10 which shall include the following information pertaining to the
11 applicant:

12 (a) Employer social security number.

13 (b) Evidence of workers' compensation coverage for the applicant's
14 employees working in Washington, as follows:

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

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

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

26 (c) Employment security department number.

27 (d) State excise tax registration number.

28 (e) Unified business identifier (UBI) account number may be
29 substituted for the information required by (b) of this subsection if
30 the applicant will not employ employees in Washington, and by (c) and
31 (d) of this subsection.

32 (f) Type of contracting activity, whether a general, a residential,
33 or a specialty contractor and if the latter, the type of specialty.

34 (g) The name and address of each partner if the applicant is a firm
35 or partnership, or the name and address of the owner if the applicant
36 is an individual proprietorship, or the name and address of the
37 corporate officers and statutory agent, if any, if the applicant is a

1 corporation. The information contained in such application is a matter
2 of public record and open to public inspection.

3 (2) The department may verify the workers' compensation coverage
4 information provided by the applicant under subsection (1)(b) of this
5 section, including but not limited to information regarding the
6 coverage of an individual employee of the applicant. If coverage is
7 provided under the laws of another state, the department may notify the
8 other state that the applicant is employing employees in Washington.

9 (3)(a) The department shall deny an application for registration if
10 the applicant has been previously registered as a sole proprietor,
11 partnership, or corporation and the applicant has an unsatisfied final
12 judgment against him or her in an action based on this chapter that was
13 incurred during a previous registration under this chapter.

14 (b) The department shall suspend any active registration as a
15 residential contractor if the department has notice that the registrant
16 is a sole proprietor or a principal or officer named in the application
17 of another registered entity that has an unsatisfied final judgment
18 against it.

19 (c) The department shall not deny an application or suspend a
20 registration as a residential contractor because of an unsatisfied
21 final judgment if the applicant's or registrant's unsatisfied final
22 judgment was the result of the fraud or negligence of another party.

23 (d) As used in this section, "an unsatisfied final judgment"
24 includes a judgment assigned under RCW 19.72.070.

25 **Sec. 3.** RCW 18.27.040 and 1997 c 314 s 5 are each amended to read
26 as follows:

27 (1) Each applicant shall file with the department a surety bond
28 issued by a surety insurer who meets the requirements of chapter 48.28
29 RCW in the sum of:

30 (a) Six thousand dollars if the applicant is a general contractor
31 ((and four));

32 (b) Fifty thousand dollars if the applicant is a residential
33 contractor; and

34 (c) Ten thousand dollars if the applicant is a specialty
35 contractor.

36 (2) If no valid bond is already on file with the department at the
37 time the application is filed, a bond must accompany the registration
38 application. The bond shall have the state of Washington named as

1 obligee with good and sufficient surety in a form to be approved by the
2 department. The bond shall be continuous and may be canceled by the
3 surety upon the surety giving written notice to the director of its
4 intent to cancel the bond. A cancellation or revocation of the bond or
5 withdrawal of the surety from the bond suspends the registration issued
6 to the registrant until a new bond or reinstatement notice has been
7 filed and approved as provided in this section. The bond shall be
8 conditioned that the applicant will pay all persons performing labor,
9 including employee benefits, for the contractor, will pay all taxes and
10 contributions due to the state of Washington, and will pay all persons
11 furnishing labor or material or renting or supplying equipment to the
12 contractor and will pay all amounts that may be adjudged against the
13 contractor by reason of breach of contract including negligent or
14 improper work in the conduct of the contracting business. A change in
15 the name of a business or a change in the type of business entity shall
16 not impair a bond for the purposes of this section so long as one of
17 the original applicants for such bond maintains partial ownership in
18 the business covered by the bond.

19 ~~((+2+))~~ (3) Any contractor registered as of July 1, 1997, who
20 maintains such registration in accordance with this chapter shall be in
21 compliance with this chapter until the next annual renewal of the
22 contractor's certificate of registration. At that time, the contractor
23 shall provide a bond, cash deposit, or other security deposit as
24 required by this chapter and comply with all of the other provisions of
25 this chapter before the department shall renew the contractor's
26 certificate of registration.

27 ~~((+3+))~~ (4) Any person, firm, or corporation having a claim against
28 the contractor for any of the items referred to in this section may
29 bring suit upon the bond or deposit in the superior court of the county
30 in which the work was done or of any county in which jurisdiction of
31 the contractor may be had. The surety issuing the bond shall be named
32 as a party to any suit upon the bond. Action upon the bond or deposit
33 shall be commenced by filing the summons and complaint with the clerk
34 of the appropriate superior court within one year from the date of
35 expiration of the certificate of registration in force at the time the
36 claimed labor was performed and benefits accrued, taxes and
37 contributions owing the state of Washington became due, materials and
38 equipment were furnished, or the claimed contract work was completed or
39 abandoned. Service of process in an action against the contractor, the

1 contractor's bond, or the deposit shall be exclusively by service upon
2 the department. Three copies of the summons and complaint and a fee of
3 ten dollars to cover the handling costs shall be served by registered
4 or certified mail upon the department at the time suit is started and
5 the department shall maintain a record, available for public
6 inspection, of all suits so commenced. Service is not complete until
7 the department receives the ten-dollar fee and three copies of the
8 summons and complaint. The service shall constitute service on the
9 registrant and the surety for suit upon the bond or deposit and the
10 department shall transmit the summons and complaint or a copy thereof
11 to the registrant at the address listed in the registrant's application
12 and to the surety within forty-eight hours after it shall have been
13 received.

14 ~~((+4))~~ (5) The surety upon the bond shall not be liable in an
15 aggregate amount in excess of the amount named in the bond nor for any
16 monetary penalty assessed pursuant to this chapter for an infraction.
17 The liability of the surety shall not cumulate where the bond has been
18 renewed, continued, reinstated, reissued or otherwise extended. The
19 surety upon the bond may, upon notice to the department and the
20 parties, tender to the clerk of the court having jurisdiction of the
21 action an amount equal to the claims thereunder or the amount of the
22 bond less the amount of judgments, if any, previously satisfied
23 therefrom and to the extent of such tender the surety upon the bond
24 shall be exonerated but if the actions commenced and pending at any one
25 time exceed the amount of the bond then unimpaired, claims shall be
26 satisfied from the bond in the following order:

27 (a) Employee labor and claims of laborers, including employee
28 benefits;

29 (b) Claims for breach of contract by a party to the construction
30 contract;

31 (c) Subcontractors, material, and equipment;

32 (d) Taxes and contributions due the state of Washington;

33 (e) Any court costs, interest, and attorney's fees plaintiff may be
34 entitled to recover. The surety is not liable for any amount in excess
35 of the penal limit of its bond.

36 A payment made by the surety in good faith exonerates the bond to
37 the extent of any payment made by the surety.

38 ~~((+5))~~ (6) If a final judgment impairs the liability of the surety
39 upon the bond so furnished that there shall not be in effect a bond

1 undertaking in the full amount prescribed in this section, the
2 department shall suspend the registration of the contractor until the
3 bond liability in the required amount unimpaired by unsatisfied
4 judgment claims is furnished. If the bond becomes fully impaired, a
5 new bond must be furnished at the rates prescribed by this section.

6 ~~((+6+))~~ (7) In lieu of the surety bond required by this section the
7 contractor may file with the department a deposit consisting of cash or
8 other security acceptable to the department.

9 ~~((+7+))~~ (8) Any person having filed and served a summons and
10 complaint as required by this section having an unsatisfied final
11 judgment against the registrant for any items referred to in this
12 section may execute upon the security held by the department by serving
13 a certified copy of the unsatisfied final judgment by registered or
14 certified mail upon the department within one year of the date of entry
15 of such judgment. Upon the receipt of service of such certified copy
16 the department shall pay or order paid from the deposit, through the
17 registry of the superior court which rendered judgment, towards the
18 amount of the unsatisfied judgment. The priority of payment by the
19 department shall be the order of receipt by the department, but the
20 department shall have no liability for payment in excess of the amount
21 of the deposit.

22 ~~((+8+))~~ (9) The director may adopt rules necessary for the proper
23 administration of the security.

24 **Sec. 4.** RCW 18.27.060 and 1997 c 314 s 6 and 1997 c 58 s 817 are
25 each reenacted and amended to read as follows:

26 (1) A certificate of registration shall be valid for ~~((one))~~ two
27 years and shall be renewed on or before the expiration date. The
28 department shall issue to the applicant a certificate of registration
29 upon compliance with the registration requirements of this chapter.

30 (2) If the department approves an application, it shall issue a
31 certificate of registration to the applicant. The certificate shall be
32 valid for:

33 (a) ~~((One))~~ Two years;

34 (b) Until the bond expires; or

35 (c) Until the insurance expires, whichever comes first. The
36 department shall place the expiration date on the certificate.

37 (3) A contractor may supply a short-term bond or insurance policy
38 to bring its registration period to the full one year.

1 (4) If a contractor's surety bond or other security has an
2 unsatisfied judgment against it or is canceled, or if the contractor's
3 insurance policy is canceled, the contractor's registration shall be
4 automatically suspended on the effective date of the impairment or
5 cancellation. The department shall mail notice of the suspension to
6 the contractor's address on the certificate of registration by
7 certified and by first class mail within forty-eight hours after
8 suspension.

9 (5) Renewal of registration is valid on the date the department
10 receives the required fee and proof of bond and liability insurance, if
11 sent by certified mail or other means requiring proof of delivery. The
12 receipt or proof of delivery shall serve as the contractor's proof of
13 renewed registration until he or she receives verification from the
14 department.

15 (6) The department shall immediately suspend the certificate of
16 registration of a contractor who has been certified by the department
17 of social and health services as a person who is not in compliance with
18 a support order or a residential or visitation order as provided in RCW
19 74.20A.320. The certificate of registration shall not be reissued or
20 renewed unless the person provides to the department a release from the
21 department of social and health services stating that he or she is in
22 compliance with the order and the person has continued to meet all
23 other requirements for certification during the suspension.

24 **Sec. 5.** RCW 18.27.114 and 1997 c 314 s 12 are each amended to read
25 as follows:

26 (1) Except as provided in section 6 of this act, any contractor
27 agreeing to perform any contracting project: (a) For the repair,
28 alteration, or construction of four or fewer residential units or
29 accessory structures on such residential property when the bid or
30 contract price totals one thousand dollars or more; or (b) for the
31 repair, alteration, or construction of a commercial building when the
32 bid or contract price totals one thousand dollars or more but less than
33 sixty thousand dollars, must provide the customer with the following
34 disclosure statement prior to starting work on the project:

35 "NOTICE TO CUSTOMER

36 This contractor is registered with the state of Washington,
37 registration no., as a general/specialty contractor and

1 has posted with the state a bond or cash deposit of
2 \$6,000/\$4,000 for the purpose of satisfying claims against the
3 contractor for negligent or improper work or breach of contract
4 in the conduct of the contractor's business. The expiration
5 date of this contractor's registration is This
6 bond or cash deposit may not be sufficient to cover a claim
7 which might arise from the work done under your contract. If
8 any supplier of materials used in your construction project or
9 any employee of the contractor or subcontractor is not paid by
10 the contractor or subcontractor on your job, your property may
11 be liened to force payment. If you wish additional protection,
12 you may request the contractor to provide you with original
13 "lien release" documents from each supplier or subcontractor on
14 your project. The contractor is required to provide you with
15 further information about lien release documents if you request
16 it. General information is also available from the department
17 of labor and industries."

18 (2) A contractor subject to this section shall notify any consumer
19 to whom notice is required under subsection (1) of this section if the
20 contractor's registration has expired or is revoked or suspended by the
21 department prior to completion or other termination of the contract
22 with the consumer.

23 (3) No contractor subject to this section may bring or maintain any
24 lien claim under chapter 60.04 RCW based on any contract to which this
25 section applies without alleging and proving that the contractor has
26 provided the customer with a copy of the disclosure statement as
27 required in subsection (1) of this section.

28 (4) This section does not apply to contracts authorized under
29 chapter 39.04 RCW or to contractors contracting with other contractors.

30 (5) Failure to comply with this section shall constitute an
31 infraction under the provisions of this chapter.

32 (6) The department shall produce model disclosure statements, and
33 public service announcements detailing the information needed to assist
34 contractors and contractors' customers to comply under this section.
35 As necessary, the department shall periodically update these education
36 materials.

37 NEW SECTION. **Sec. 6.** A new section is added to chapter 18.27 RCW
38 to read as follows:

1 (1) Any residential contractor agreeing to perform any contracting
2 project for the repair, alteration, or construction of a residential
3 structure when the bid or contract price total one thousand dollars or
4 more, shall provide the customer the following disclosure statement
5 prior to starting work on the project:

6 "NOTICE TO CUSTOMER

7 This contractor is registered with the state of Washington,
8 registration no., as a residential contractor and has
9 posted with the state a bond or cash deposit of fifty thousand
10 dollars (\$50,000) for the purpose of satisfying claims against
11 the residential contractor for breach of contract including
12 negligent or improper work in the conduct of the contractor's
13 business. The expiration date of this residential contractor's
14 registration is

15 THIS BOND MAY NOT BE SUFFICIENT TO COVER A CLAIM WHICH MIGHT
16 ARISE FROM WORK DONE UNDER YOUR CONTRACT.

17 This bond or cash deposit is not for your exclusive use because
18 it covers all work performed by this contractor. The bond or
19 cash deposit is intended to pay valid claim that you and other
20 customers, suppliers, subcontractors, or taxing authorities may
21 have.

22 YOUR PROPERTY MAY BE LIENED.

23 If any supplier of materials or subcontractor used in your
24 construction project or any employee of the contractor is not
25 paid by the contractor on your job, your property may be liened
26 to force payment.

27 FOR GREATER PROTECTION YOU MAY REQUEST YOUR CONTRACTOR TO
28 PROVIDE YOU WITH A PERFORMANCE BOND FOR YOUR JOB.

29 Your contractor may obtain a performance bond for an additional
30 fee. A performance bond would give you greater protection
31 against claims filed against your property by subcontractors,
32 suppliers, or the contractor's employees in the event your
33 contractor fails to perform as agreed.

34 The contractor is required to provide you with further
35 information about lien release documents if you request it.

1 General information is also available for the department of
2 labor and industries."

3 (2) In addition to the bond requirements under RCW 18.27.040(1)(b),
4 the residential contractor may be required to provide a performance
5 bond up to an amount equal to the total cost of the construction
6 contract. The performance bond must be issued by a surety insurer who
7 meets the requirements of chapter 48.28 RCW in an amount that covers
8 the total cost of the construction contract.

9 (3) A residential contractor shall notify any customer to whom
10 notice is required under subsection (1) of this section if the
11 contractor's registration has expired or is revoked or suspended by the
12 department before completion or other termination of the contract with
13 the customer.

14 (4) No residential contractor may bring or maintain any lien claims
15 under chapter 60.04 RCW based on any contract to which this section
16 applies without alleging and providing that the residential contractor
17 has provided the customer with a copy of the disclosure statement as
18 required in subsection (1) of this section.

19 (5) Failure to comply with this section constitutes an infraction
20 under this chapter.

21 (6) The department shall produce model disclosure statements and
22 public service announcements detailing the information needed to assist
23 residential contractors and residential contractors' customers to
24 comply with this section. As necessary, the department shall
25 periodically update these education materials.

26 NEW SECTION. **Sec. 7.** A new section is added to chapter 18.27 RCW
27 to read as follows:

28 The residential contractor and customer shall agree in writing to
29 submit any dispute arising under the provisions of this chapter or
30 under the terms, conditions, or performance of the contract, to mediate
31 by an independent third party. The parties must submit any dispute to
32 mediation before the customer can exercise a claim against the
33 residential contractor's bond or cash deposit or performance bond
34 required under this chapter.

35 **Sec. 8.** RCW 18.27.120 and 1983 1st ex.s. c 2 s 20 are each amended
36 to read as follows:

1 (1) The department shall compile a list of all contractors
2 registered under this chapter and update the list at least bimonthly.
3 The list shall be considered as public record information and shall be
4 available to the public upon request: PROVIDED, That the department
5 may charge a reasonable fee under RCW 42.17.300.

6 (2)(a) Except in the case of residential contractors, the
7 department shall inform any person, firm, or corporation, if a
8 contractor is registered, and if a contractor is bonded or insured,
9 without charge except for a reasonable fee under RCW 42.17.300 for
10 copies made.

11 (b) The department shall inform any person, firm, or corporation,
12 if a residential contractor is registered, if a residential contractor
13 is bonded or insured, if the residential contractor was a principal or
14 officer named on a previous application of a previously registered
15 partnership or corporation that has an unsatisfied final judgment
16 against it in an action based on this chapter that was incurred during
17 a previous registration under this chapter, or if the department has
18 received complaints from customers, suppliers, and subcontractors
19 regarding a residential contractor, without charge except for a
20 reasonable fee under RCW 42.17.300 for copies made.

21 **Sec. 9.** RCW 19.28.120 and 1998 c 279 s 4 are each amended to read
22 as follows:

23 (1) It is unlawful for any person, firm, partnership, corporation,
24 or other entity to engage in, conduct, or carry on the business of
25 installing or maintaining wires or equipment to convey electric
26 current, or installing or maintaining equipment to be operated by
27 electric current as it pertains to the electrical industry, without
28 having an unrevoked, unsuspended, and unexpired electrical contractor
29 license, issued by the department in accordance with this chapter. All
30 electrical contractor licenses expire twenty-four calendar months
31 following the day of their issue. The department may issue an
32 electrical contractors license for a period of less than twenty-four
33 months only for the purpose of equalizing the number of electrical
34 contractor licenses that expire each month. Application for an
35 electrical contractor license shall be made in writing to the
36 department, accompanied by the required fee. The application shall
37 state:

1 (a) The name and address of the applicant; in case of firms or
2 partnerships, the names of the individuals composing the firm or
3 partnership; in case of corporations, the names of the managing
4 officials thereof;

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

7 (c) Employer social security number;

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

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

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

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

21 (e) Employment security department number;

22 (f) State excise tax registration number;

23 (g) Unified business identifier (UBI) account number may be
24 substituted for the information required by (d) of this subsection if
25 the applicant will not employ employees in Washington, and by (e) and
26 (f) of this subsection; and

27 (h) Whether a general or specialty electrical contractor license is
28 sought and, if the latter, the type of specialty. Electrical
29 contractor specialties include, but are not limited to: Residential,
30 domestic appliances, pump and irrigation, limited energy system, signs,
31 nonresidential maintenance, and a combination specialty. A general
32 electrical contractor license shall grant to the holder the right to
33 engage in, conduct, or carry on the business of installing or
34 maintaining wires or equipment to carry electric current, and
35 installing or maintaining equipment, or installing or maintaining
36 material to fasten or insulate such wires or equipment to be operated
37 by electric current, in the state of Washington. A specialty
38 electrical contractor license shall grant to the holder a limited right
39 to engage in, conduct, or carry on the business of installing or

1 maintaining wires or equipment to carry electrical current, and
2 installing or maintaining equipment; or installing or maintaining
3 material to fasten or insulate such wires or equipment to be operated
4 by electric current in the state of Washington as expressly allowed by
5 the license.

6 (2) The department may verify the workers' compensation coverage
7 information provided by the applicant under subsection (1)(d) of this
8 section, including but not limited to information regarding the
9 coverage of an individual employee of the applicant. If coverage is
10 provided under the laws of another state, the department may notify the
11 other state that the applicant is employing employees in Washington.

12 (3) The application for a contractor license shall be accompanied
13 by a bond in the sum of (~~four~~) ten thousand dollars with the state of
14 Washington named as obligee in the bond, with good and sufficient
15 surety, to be approved by the department. The bond shall at all times
16 be kept in full force and effect, and any cancellation or revocation
17 thereof, or withdrawal of the surety therefrom, suspends the license
18 issued to the principal until a new bond has been filed and approved as
19 provided in this section. Upon approval of a bond, the department
20 shall on the next business day deposit the fee accompanying the
21 application in the electrical license fund and shall file the bond in
22 the office. The department shall upon request furnish to any person,
23 firm, partnership, corporation, or other entity a certified copy of the
24 bond upon the payment of a fee that the department shall set by rule.
25 The fee shall cover but not exceed the cost of furnishing the certified
26 copy. The bond shall be conditioned that in any installation or
27 maintenance of wires or equipment to convey electrical current, and
28 equipment to be operated by electrical current, the principal will
29 comply with the provisions of this chapter and with any electrical
30 ordinance, building code, or regulation of a city or town adopted
31 pursuant to RCW 19.28.010(3) that is in effect at the time of entering
32 into a contract. The bond shall be conditioned further that the
33 principal will pay for all labor, including employee benefits, and
34 material furnished or used upon the work, taxes and contributions to
35 the state of Washington, and all damages that may be sustained by any
36 person, firm, partnership, corporation, or other entity due to a
37 failure of the principal to make the installation or maintenance in
38 accordance with this chapter or any applicable ordinance, building
39 code, or regulation of a city or town adopted pursuant to RCW

1 19.28.010(3). In lieu of the surety bond required by this section the
2 license applicant may file with the department a cash deposit or other
3 negotiable security acceptable to the department. If the license
4 applicant has filed a cash deposit, the department shall deposit the
5 funds in a special trust savings account in a commercial bank, mutual
6 savings bank, or savings and loan association and shall pay annually to
7 the depositor the interest derived from the account.

8 (4) The department shall issue general or specialty electrical
9 contractor licenses to applicants meeting all of the requirements of
10 this chapter. The provisions of this chapter relating to the licensing
11 of any person, firm, partnership, corporation, or other entity
12 including the requirement of a bond with the state of Washington named
13 as obligee therein and the collection of a fee therefor, are exclusive,
14 and no political subdivision of the state of Washington may require or
15 issue any licenses or bonds or charge any fee for the same or a similar
16 purpose. No person, firm, partnership, corporation, or other entity
17 holding more than one specialty contractor license under this chapter
18 may be required to pay an annual fee for more than one such license or
19 to post more than one four thousand dollar bond, equivalent cash
20 deposit, or other negotiable security.

21 (5) To obtain a general or specialty electrical contractor license
22 the applicant must designate an individual who currently possesses an
23 administrator's certificate as a general electrical contractor
24 administrator or as a specialty electrical contractor administrator in
25 the specialty for which application has been made. Administrator
26 certificate specialties include but are not limited to: Residential,
27 domestic, appliance, pump and irrigation, limited energy system, signs,
28 nonresidential maintenance, and combination specialty. To obtain an
29 administrator's certificate an individual must pass an examination as
30 set forth in RCW 19.28.123 unless the applicant was a licensed
31 electrical contractor at any time during 1974. Applicants who were
32 electrical contractors licensed by the state of Washington at any time
33 during 1974 are entitled to receive a general electrical contractor
34 administrator's certificate without examination if the applicants apply
35 prior to January 1, 1984. The board of electrical examiners shall
36 certify to the department the names of all persons who are entitled to

1 either a general or specialty electrical contractor administrator's
2 certificate.

--- END ---