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TOWN OF WINTHROP

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CONTRACTOR LICENSE REQUIREMENTS **Building Permit Information**

Under State law, the Town of Winthrop is obligated to provide written notification regarding the contractor registration requirements set forth in RCW Chapter 18.27 and to advise homeowners of the risks associated with using an unregistered contractor.

Any contractor conducting business in the Town of Winthrop must be licensed by the State of Washington Department of Labor and Industries.

The contractor licensing requirements are outlined below. You may wish to read the noted sections in RCW Chapter 18.27 for the exact language.

What is a Contractor? (See RCW 18.27.010)

A "contractor" is: Any person, firm or corporation who or which, in the pursuit of an independent business undertakes to, or offers to undertake, or submits a bid to, construct, alter, repair, add to, subtract from, improve, move, wreck or demolish, for another, any building, highway, road, railroad, excavation or other structure, project, development, or improvement attached to real estate or to do any part thereof including the installation of carpeting or other floor covering, the erection of scaffolding or other structures or works in connection therewith or who installs or repairs roofing or siding; or, who, to do similar work upon his or her own property, employs

members of more than one trade upon a single job or project or under a single building permit except as otherwise provided herein. "Contractor" includes any person, firm, or corporation covered by this subsection, whether or not registered as required under RCW Chapter 18.27.

What is the purpose of contractor registration? (See RCW 18.27.140)

It is the purpose of this chapter to afford protection to the public including all persons, firms, and corporations furnishing labor, materials, or equipment to a contractor from unreliable, fraudulent, financially irresponsible, or incompetent contractors.

What are the registration violations? (See RCW 18.27.200)

It is a violation for any contractor to:

- a) Advertise, offer to do work, submit a bid, or perform any work as a contractor without being registered;
- b) Advertise, offer to do work, submit a bid, or perform any work as a contractor when the contractor's registration is suspended or revoked;
- c) Transfer a valid registration to an unregistered contractor or allow an unregistered contractor to work under a registration issued to another contractor; or
- d) If the contractor is a contractor as defined in RCW 18.106.010, violate 18.106.320.

Each day that a contractor works without being registered as required by law, works while the contractor's registration is suspended or revoked, or works under a registration issued to another contractor is a separate infraction. Each worksite at which a contractor works without being registered as required by this chapter, works while the contractor's registration is suspended or revoked, or works under a registration issued to another contractor is a separate infraction.

What are the Town of Winthrop's responsibilities? (See RCW 18.27.110)

The Town of Winthrop cannot issue a construction building permit for work which is to be done by any contractor required to be registered without verification that such contractor is currently registered as required by law.

The Town of Winthrop is responsible for:

- a) Printing the contractor registration number on the building permit; and
- b) Provided a written notice to the building permit applicant informing them of contractor registration laws and the potential risk and monetary liability to the homeowner for using an unregistered contractor.

If a building permit is obtained by an applicant or contractor who falsifies information to obtain an exemption provided under RCW 18.27.090, the building permit shall be forfeited.

What are the risks associated with using an unregistered contractor?

There are a number of risks associated with using an unregistered contractor. First, a property owner that uses an unlicensed contractor will not be protected by the contractor's bond required by RCW 18.27.040. The general contractor and the specialty contractor bonds are designed to: (1) pay persons performing labor for the contractor, including employee benefits; (2) pay all taxes and contributions due to the State of Washington; (3) pay all persons furnishing labor or material or renting or supplying equipment to the contractor; and (4) pay all amounts that may be adjudged against the contractor by reason of breach of contract including negligent or improper work in the conduct of the contracting business. Second, the property owner's construction project may be delayed due to enforcement actions of the Department of Labor and Industries or the Town of Winthrop caused by use of an unregistered contractor. There may be other risks associated with use of unregistered contractors.

For additional contractor licensing information, please contact the State of Washington Department of Labor and Industries at 1-800-547-8367 or visit their web site at www.lni.wa.gov.