



RULE-MAKING ORDER PERMANENT RULE ONLY

CR-103P (December 2017) (Implements RCW 34.05.360)

CODE REVISER USE ONLY

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STATE OF WASHINGTON
FILED

DATE: April 30, 2024

TIME: 1:31 PM

WSR 24-10-086

Agency: Department of Labor & Industries

Effective date of rule:

Permanent Rules

- 31 days after filing.
- Other (specify) July 1, 2024 (If less than 31 days after filing, a specific finding under RCW 34.05.380(3) is required and should be stated below)

Any other findings required by other provisions of law as precondition to adoption or effectiveness of rule?

- Yes No If Yes, explain:

Purpose: This rulemaking adopts amendments to the Contractor Registration rules. The amendments affect the definitions, penalty and bond amounts, and fees for general and specialty contractors. The amendments are necessary due to the passage of Second Substitute House Bill 1534 (2SHB 1534) (Chapter 213, Laws of 2023) and Senate Bill 5795 (SB 5795) (Chapter 155, Laws of 2019) and to support operating expenses for the Contractor Registration Program.

The adopted rules include:

- Increasing fees by the fiscal growth factor of 6.40 percent to support operating expenses.
- Amendments for consistency with the statutory amendments under 2SHB 1534. This includes:
 - Adding a new definition to define the meaning of “due diligence” related to a successor of an entity verifying the entity is in good standing related to unsatisfied final judgment against it for work performed under chapter 18.27 RCW or owes money to L&I for assessed penalties or fees as a result of a final judgment;
 - Increasing surety bond and savings account amounts for general and specialty contractors; and
 - Increasing the monetary penalty amounts that may be assessed for infractions issued for violations of chapter 18.27 RCW.
- Amendments for consistency with the statutory amendments under SB 5795. This includes:
 - Amending the number of final judgements and single family dwelling structures involved for when a bond or savings account can be increased.
- Amendments for updates and clarification. This includes:
 - Clarifying the service fee for summons and complaints by removing the fee amount and referencing the fee schedule; and
 - Clarifying the requirements for collection of penalties from a contractor and payments of restitution.

Citation of rules affected by this order:

New:
 Repealed:
 Amended: WAC 296-200A-015, 296-200A-030, 296-200A-080, 296-200A-400, and 296-200A-900
 Suspended:

Statutory authority for adoption: 2SHB 1534 (Chapter 213, Laws of 2023), SB 5795 (Chapter 155, Laws of 2019), and Chapter 18.27 RCW

Other authority: None

PERMANENT RULE (Including Expedited Rule Making)

Adopted under notice filed as WSR 24-05-077 on February 20, 2024 (date).
 Describe any changes other than editing from proposed to adopted version: None

If a preliminary cost-benefit analysis was prepared under RCW 34.05.328, a final cost-benefit analysis is available by contacting:

Name:
Address:
Phone:
Fax:
TTY:
Email:
Web site:
Other:

**Note: If any category is left blank, it will be calculated as zero.
No descriptive text.**

**Count by whole WAC sections only, from the WAC number through the history note.
A section may be counted in more than one category.**

The number of sections adopted in order to comply with:

Federal statute:	New	___	Amended	___	Repealed	___
Federal rules or standards:	New	___	Amended	___	Repealed	___
Recently enacted state statutes:	New	___	Amended	<u>3</u>	Repealed	___

The number of sections adopted at the request of a nongovernmental entity:

New	___	Amended	___	Repealed	___
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The number of sections adopted on the agency's own initiative:

New	___	Amended	<u>5</u>	Repealed	___
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The number of sections adopted in order to clarify, streamline, or reform agency procedures:

New	___	Amended	___	Repealed	___
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The number of sections adopted using:

Negotiated rule making:	New	___	Amended	<u>5</u>	Repealed	___
Pilot rule making:	New	___	Amended	___	Repealed	___
Other alternative rule making:	New	___	Amended	___	Repealed	___

Date Adopted: April 30, 2024

Name: Joel Sacks

Title: Director

Signature:

