HOMEOWNER RECOVERY PROGRAM

NEW SECTION

WAC 296-200A-9100 Definitions applicable to homeowner recovery program. (1) "Claimant" means the owner of an owner-occupied residential property in the state.

(2) "Residential property" means a single-family dwelling, or a multifamily dwelling consisting of four or fewer units, but does not include a condominium.

NEW SECTION

WAC 296-200A-9105 Claim eligibility. A claimant may file a claim with the department. To qualify, the claimant must:

(1) Own and occupy the residential property at the time the work was performed;

(2) Have obtained a final judgment from superior court for a claim filed against the bond as identified in RCW 18.27.040 that has not been satisfied in full; and

(3) Have made the claim within 90 days of the conclusion of the civil action.

NEW SECTION

WAC 296-200A-9110 Claim filing. (1) Claimants must submit:

(a) A completed claim on the department provided form;

(b) A certified copy of the final judgment;

(c) Proof of residency such as a deed, mortgage statement, or utility bill from the last 60 days showing the name and address of the claimant; and

(d) If applicable, a copy of the response letter from the bond company verifying proof of payment or a copy of the check.

(2) Claims may be submitted:

(a) Electronically through the department's designated online portal; or

(b) By mail to: Post Office Box 44450, Olympia, WA 98504-4450.

NEW SECTION

WAC 296-200A-9115 Processing of claims. After a claim is submitted, the department will:

(1) Review the documentation for completeness and eligibility.

(2) Make a decision to approve or deny the claim and notify the claimant in writing of the decision.

(a) If a claim is denied, the department will provide a reason for the denial.

(b) If more information is needed, the claimant may resubmit the application with the required information.

(c) If the claim is approved and funds are available, claimants must assign the final judgment to the department prior to a payment being made from the fund.

(d) If the claim is approved and funds are not available, the process described in WAC 296-200A-9130 will be followed.

NEW SECTION

WAC 296-200A-9120 Compensation amount. The department will pay the amount of the unpaid judgment up to $25,000 per contractor per parcel.

NEW SECTION

WAC 296-200A-9125 Claim denial. The department may deny a claim if:

(1) The claim is incomplete or contains false information;

(2) The judgment does not meet eligibility requirements;

(3) The judgment has been satisfied; or

(4) The application was not made within 90 days of the final judgment order.

NEW SECTION

WAC 296-200A-9130 Fund waitlist. (1) Claims will be reviewed in the order received.

(2) If there are not enough funds available for payment, claimants will be placed on a waitlist until funds become available.

(3) Claimants on the waitlist will be paid in the order of placement on the list.

(4) Claimants placed on the waitlist will receive a notice from the department of their status at the time of claim submission.

(5) Claimants will receive a second notice from the department when funds are available.

(6) Claimants must notify the department if the final judgment is fulfilled while on the waitlist.

NEW SECTION

WAC 296-200A-9135 Payment and reimbursement requirements. (1) Prior to payment, the claimant will assign their final judgment which includes their right, title, and interest to the department.

(2) Upon payment from the homeowner recovery account, the department will notify the contractor the existing final judgment has been assigned to the department and a payment has been made from the fund to the claimant including the amount paid.

(3) Prior to reinstatement of the contractor registration, the final judgment must be satisfied in full including any interest owed to the department.

(4) Reimbursement including any interest owed to the department from the contractor may include establishment of a payment plan.

(a) A payment plan may last up to 36 months.

(b) A payment plan will include interest at a rate of one percent per month.

(5) Interest owed to the department begins accruing on the date that funds are paid to the claimant.

(6) The department has discretion to waive interest pursuant to RCW 43.17.240.

(7) When a contractor fails to reimburse the department under this section, the collection of amounts will be handled pursuant to RCW 49.48.086.