



Contractor License Requirements

Under State Law, the City is obligated to provide written notification to all homeowners 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.

The following are excerpts of noted sections from Title 18 of the RCW. You may go to <http://apps.leg.wa.gov/rcw/> to view Title 18 in its entirety.

18.27.010 Definitions

1) "Contractor" means 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, corporation, or other entity covered by this subsection, whether or not registered as required under this chapter.

18.27.110 Building permits - Verification of registration required - Responsibilities of issuing entity - Penalties

(1) No city, town or county shall issue a construction building permit for work which is to be done by any contractor required to be registered under this chapter without verification that such contractor is currently registered as required by law. When such verification is made, nothing contained in this section is intended to be, nor shall be construed to create, or form the basis for any liability under this chapter on the part of any city, town or county, or its officers, employees or agents. However, failure to verify the contractor registration number results in liability to the city, town, or county to a penalty to be imposed according to RCW 18.27.100(7)(a).

(2) At the time of issuing the building permit, all cities, towns, or counties are responsible for:

- (a) Printing the contractor registration number on the building permit; and
- (b) Providing 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.

(3) 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.

18.27.140 Purpose

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.

18.27.200 Violation — Infraction

(1) It is a violation of this chapter and an infraction for any contractor to:

- (a) Advertise, offer to do work, submit a bid, or perform any work as a contractor without being registered as required by this chapter;
- (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 RCW 18.106.320.

(2) Each day that 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. 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.

There are a number of risks associated with using an unregistered contractor. A property owner that uses an unlicensed contractor will not be protected by the contractor's bond required by RCW 18.27.040. These bonds are designed to: (1) pay all persons performing labor, 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. In addition, the property owner's construction project may be delayed due to enforcement actions of the Department of Labor and Industries and the Town of Coupeville caused by an unregistered contractor. There could be additional risks associated with the use of unregistered contractors. For additional information contact the Department of Labor and Industries at 1.800.647.0982 or www.lni.wa.gov/.