



PROPOSED RULE MAKING

CR-102 (June 2004)

(Implements RCW 34.05.320)

Do NOT use for expedited rule making

Agency: Department of Labor and Industries

- | | |
|--------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------|
| <input checked="" type="checkbox"/> Preproposal Statement of Inquiry was filed as <u>WSR 07-11-146</u> ; or | <input type="checkbox"/> Original Notice |
| <input type="checkbox"/> Expedited Rule Making--Proposed notice was filed as <u>WSR _____</u> ; or | <input checked="" type="checkbox"/> Supplemental Notice to WSR <u>08-03-117</u> |
| <input type="checkbox"/> Proposal is exempt under RCW 34.05.310(4). | <input type="checkbox"/> Continuance of WSR _____ |

Title of rule and other identifying information: Chapter 296-200A WAC, Contractor Certification of Registration

Hearing location(s):
 Date: July 22, 2008 Time: 9:00 am
 Department of Labor and Industries, Tukwila Service Location
 12806 Gateway Drive
 Tukwila, Washington

Submit written comments to:
 Name: Sally Elliott
 Department of Labor and Industries
 Address: Post Office Box 44400
 Olympia, Washington 98504-4400
 e-mail yous235@lni.wa.gov
 fax (360) 902-5292 by July 22, 2008

Assistance for persons with disabilities: Contact
 Sally Elliott by July 1, 2008
 (360) 902-6411 or yous235@lni.wa.gov

Date of intended adoption: August 1, 2008
 (Note: This is **NOT** the **effective** date)

Purpose of the proposal and its anticipated effects, including any changes in existing rules:
 The department is holding one additional public hearing to allow interested parties to comment on the Small Business Economic Impact Study and Cost Benefit Analysis.

Reasons supporting proposal: See purpose statement.

Statutory authority for adoption: Chapter 18.27 RCW and Chapter 436, Laws of 2007 (Substitute House Bill 1843)

Statute being implemented: Chapter 18.27 RCW and Chapter 436, Laws of 2007 (Substitute House Bill 1843)

Is rule necessary because of a:

- | | | |
|-------------------------|------------------------------|-----------------------------|
| Federal Law? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| Federal Court Decision? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
| State Court Decision? | <input type="checkbox"/> Yes | <input type="checkbox"/> No |
- If yes, CITATION:

DATE
June 17, 2008

NAME (type or print)
Judy Schurke

SIGNATURE

TITLE
Director

CODE REVISER USE ONLY

OFFICE OF THE CODE REVISER
STATE OF WASHINGTON
FILED

DATE: June 17, 2008
TIME: 7:54 AM

WSR 08-13-078

Agency comments or recommendations, if any, as to statutory language, implementation, enforcement, and fiscal matters:

Name of proponent: (person or organization)

- Private
- Public
- Governmental

Name of agency personnel responsible for:

Name	Office Location	Phone
Drafting.....		
Implementation....		
Enforcement.....		

Has a small business economic impact statement been prepared under chapter 19.85 RCW?

Yes. Attach copy of small business economic impact statement.

A copy of the statement may be obtained by contacting:

Name:
Address:

phone () _____
fax () _____
e-mail _____

No. Explain why no statement was prepared.

See attachment.

Is a cost-benefit analysis required under RCW 34.05.328?

Yes A preliminary cost-benefit analysis may be obtained by contacting:

Name: Sally Elliott
Address: Post Office Box 44400
Olympia, Washington 98504-4400
phone (360) 902-6411
fax (360) 902-5292
e-mail yous235@lni.wa.gov

No: Please explain:

Has a small business economic impact statement been prepared under chapter 19.85 RCW? No

We did not prepare a Small Business Economic Impact Statement for this rulemaking because the rule will not impose costs on any business. Per subsection (1)(a) of RCW 19.85.030, an agency must “prepare a small businesses economic impact statement... if the proposed rule will impose more than minor costs on businesses in an industry.”

Chapter 436, Laws of 2007 (Substitute House Bill 1843), passed during the 2007 session of the Washington State Legislature and made several changes to chapter 18.27 RCW. Some of these changes are listed below:

- Added included the term “develop” to the definition of a contractor
- Altered the definition of a general contractor to include a person whose business operations require the use of more than one building trade or craft upon a single job or project or under a single building permit.

The effective date of these changes was July 22nd, 2007. Previous to this date the law defined a general contractor as a contractor whose business operations required the use of more than two unrelated building trades of crafts.

The proposed new section WAC 296-200A-015 provides definitions, including a definition of a developer. This definition serves only to clarify the application of the statutory inclusion of developers as contractors pursuant to the statute. Additionally it serves to limit the application of the term to include only residential development. As such, these rules impose no additional costs on any business.

The proposed new section WAC 296-200A-016 provides definitions for “specialty contractor” for the purpose of contractor registration. The department uses these definitions to classify businesses into the “building trades or crafts” governed by the statute described above. The definitions also outline the scope of work each specialty may perform. The department is publishing the proposed definitions only to help contractors identify their proper classification and scope of work, but will not alter agency interpretation of the classifications. They will not alter the type of business a firm does or how they do that business, nor will they alter the agency’s compliance activities. As such, they impose no additional costs on any business.

The remaining proposed sections simply clarify the rule without altering its intent, and provide mechanisms for citations, suspensions, and appeals, etc. As such, acting in compliance with the law imposes no new costs on any business.