



# 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

- Preproposal Statement of Inquiry was filed as WSR 07-11-146 ; or
- Expedited Rule Making--Proposed notice was filed as WSR \_\_\_\_\_ ; or
- Proposal is exempt under RCW 34.05.310(4).

- Original Notice
- Supplemental Notice to WSR 08-03-117
- 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](mailto: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](mailto: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?  Yes  No
  - Federal Court Decision?  Yes  No
  - State Court Decision?  Yes  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 22<sup>nd</sup>, 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.