

Construction Landscape & Design







What is the Purpose of Contractor Registration?

Based on the consumer protection act, "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". RCW 18.27.140





Who is required to be registered?

Designing a landscape project does not require contractor registration if the firm is simply providing a design plan to the customer. An entity that offers or submits a bid to perform landscaping work, and/or sub-contracts to another, or uses its own employees to perform the landscape work, is acting as a general contractor and is required to be registered.





Contractor definition

"Contractor" includes any person, firm, corporation, or other entity 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, develop, move, wreck, or demolish any building, highway, road, railroad, excavation or other structure, project, development, or improvement attached to real estate or to do any part thereof including ...performing tree removal services.





Two types of contractor registration

- "General contractor" means a contractor 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. A general contractor also includes one who superintends, or consults on, in whole or in part, work falling within the definition of a contractor
- 2. "Specialty contractor" means a contractor whose operations do not fall within the definition of "general contractor". A specialty contractor may only subcontract work that is incidental to the specialty contractor's work





What are the Registration Requirements?

- Master Business License (UBI number)
- Registered with WA Secretary of State if applicable
- Surety bond: \$12,000 for General or \$6,000 for Specialty or an assigned savings account
- Liability insurance in the amount of \$250,000
- Completed contractor registration application
- Department of Revenue account
- Registration fee of \$113.40 : renew every two years





Sub-contracting to others:

Based on the definitions then, only a General Contractor (GC) may sub-contract to either another GC or to a Specialty contractor. If you intend to bid jobs and sub-contract out the work, you must be registered as a General contractor.





Specialty Landscaping

"Landscaping"—A contractor in this specialty constructs, maintains, repairs, installs and develops landscape systems and facilities for public and private gardens and other areas which are designed to aesthetically, architecturally, horticulturally, or functionally improve the ground within or surrounding a structure or tract or plot of land. Also prepares and grades plots; treats, conditions, prepares, and installs topsoil; performs hydroseed spraying; and plants all decorative vegetation. Landscaping includes installation of nonload bearing slabs, walkways and areas using concrete, brick, stone, or gravel; decorative wooden decks; garden walls, fences and screens up to six feet in height; and all other materials and equipment common to the industry. This specialty includes installation of residential lawn sprinklers (without pumps), ponds and water-features. (Excluded from this specialty are cast in place or tilt up concrete, load bearing walls for structures, perimeter fencing along property lines or boundaries.) Work in this specialty may also require an electrical license per chapter 19.28 RCW and/or plumber certification per chapter 18.106 RCW. Registration is not required for companies who only deliver material and are not installing or placing the product.





Consultant

"Consultant" means any person, individual, firm, agent or other entity who directs, controls or monitors construction activities for a property owner. A general contractor registration is required. A licensed professional acting in the capacity of their license is exempt from registration. Designers must be careful that they do not act as "consultants".

RCW 18.27.010 "Contractor" also includes a consultant acting as a general contractor.





Exemptions

(14) A licensed architect or civil or professional engineer acting solely in his or her professional capacity, an electrician certified under the laws of the state of Washington, or a plumber certified under the laws of the state of Washington or licensed by a political subdivision of the state of Washington while operating within the boundaries of such political subdivision. The exemption provided in this subsection is applicable only when the person certified is operating within the scope of his or her certification.





Bond Claims by sub-contractors

If a General Contractor fails to pay you for work you performed as a sub-contractor, you can file on the GC's bond. The total amount paid from a bond or deposit required of a General contractor by this section to claimants other than residential homeowners must not exceed one-half of the bond amount. That means you may be able to claim up to \$6,000.





Disclosure Statement

RCW 18.27.114: Any contractor agreeing to perform any contracting project...must provide the customer with the following disclosure (Notice to Customer) statement in substantially the following form using lower case and upper case twelve-point and bold type where appropriate, prior to starting work on the project:

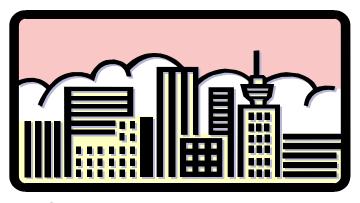




Disclosure Statement



Residential Projects require disclosure for any project over \$1,000



Commercial Projects require disclosure for any project of \$1,000 - \$60,000

You must keep a copy of the signed disclosure "Notice to Customer" statement for three years.





Are There Penalties for Violations?

Advertising, offering to do work, submitting a bid or performing any work as a contractor without being registered with the department is a violation of *RCW* 18.27.200.

- First time violations result in civil penalties of \$1,000
- Each day worked is considered a separate offence
- Infractions that are ignored can be prosecuted as a Gross Misdemeanor
- Using or sub-contracting to an unregistered contractor is a \$1,000 infraction to the unregistered contractor and the General Contractor.





How are Contractor Registration Requirements Enforced?

The chapter is strictly enforced: department of Labor & Industries has 27 compliance inspectors throughout the state.

 Construction Compliance Inspectors check about 15,000 jobsites per year resulting in approximately 1,500 infractions each year. They also perform after hours and weekend sweeps targeting the underground economy.





Contact Information

- Contractor hotline 1-800-647-0982 (option 2)
- Contractor Registration/Plumber Certification
 Email: ContReg@Ini.wa.gov
- Contractor Compliance Technical Specialist Jesse L Jameson: jajc235@Ini.wa.gov

Phone: 206-835-1107





Contractor Registration Information

www.lni.wa.gov

Trades & Licensing / Contractors

- Registering as a Contractor
- Contractor Forms and Publications