

support of the state government and its existing public institutions, and shall take effect immediately.

NEW SECTION. Sec. 37. This act may be cited as the "Economic Assistance Act of 1972".

NEW SECTION. Sec. 38. Sections 1 through 34 and section 37 of this act shall constitute a new chapter in Title 43 RCW.

Passed the Senate February 18, 1972.

Passed the House February 18, 1972.

Approved by the Governor February 22, 1972.

Filed in Office of Secretary of State February 28, 1972.

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CHAPTER 118  
[Engrossed House Bill No. 194]  
REGULATION OF CONTRACTORS

AN ACT Relating to contractors bonds; amending section 1, chapter 77, Laws of 1963 as amended by section 5, chapter 126, Laws of 1967 and RCW 18.27.010; amending section 4, chapter 77, Laws of 1963 as amended by section 1, chapter 126, Laws of 1967 and RCW 18.27.040; amending section 8, chapter 77, Laws of 1963 and RCW 18.27.080; and adding new sections to chapter 18.27 RCW.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

Section 1. Section 1, chapter 77, Laws of 1963 as amended by section 5, chapter 126, Laws of 1967 and RCW 18.27.010 are each amended to read as follows:

A "contractor" as used in this chapter is 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, the erection of scaffolding or other structures or works in connection therewith; or, who, to do similar work upon his 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. A "general contractor" is a contractor whose business operations require the use of more than two unrelated building trades or crafts whose work the contractor shall superintend or do in whole or in part; the term "general contractor" shall not include an individual who does all work personally without employees or other "specialty contractors" as defined herein. The terms

"general contractor" and "builder" are synonymous. A "specialty contractor" is a contractor whose operations as such do not fall within the foregoing definition of "general contractor".

Sec. 2. Section 4, chapter 77, Laws of 1963 as amended by section 1, chapter 126, Laws of 1967 and RCW 18.27.040 are each amended to read as follows:

Each applicant shall, at the time of applying for a certificate of registration, file with the ~~((director of licenses))~~ department of motor vehicles a surety bond issued by a surety insurer who meets the requirements of chapter 48.28 RCW in a form acceptable to the department of motor vehicles running to the state of Washington if a general contractor, in the sum of two thousand dollars; if a specialty contractor, in the sum of one thousand dollars, conditioned that the applicant will pay all persons performing labor, including employee benefits, for the contractor, will pay all taxes and contributions due to the state of Washington, and will pay all persons furnishing labor or material or renting or supplying equipment to the contractor and will pay all amounts that may be adjudged against the contractor by reason of negligent or improper work or breach of contract in the conduct of the contracting business. Any person having a claim against the contractor for any of the items referred to in this section may bring suit upon such bond in the superior court of the county in which the work is done or of any county in which jurisdiction of the contractor may be had. Action upon such bond or deposit shall be commenced by serving and filing of the complaint within one year from the date of expiration of the certificate of registration in force at the time the claimed labor was performed and benefits accrued, taxes and contributions owing the state of Washington became due, materials and equipment were furnished, or the claimed contract work was completed. ~~((A copy))~~ Three copies of the complaint shall be served by registered or certified mail upon the ~~((director of licenses))~~ department of motor vehicles at the time suit is started and the ~~((director))~~ department shall maintain a record, available for public inspection, of all suits so commenced. Such service shall constitute service on the registrant and the surety for suit upon the bond and the ~~((director))~~ department shall transmit the complaint or a copy thereof to the registrant at the address listed in his application and to the surety within forty-eight hours after it shall have been received. The surety upon the bond shall not be liable in an aggregate amount in excess of the amount named in the bond ~~((, but in case claims))~~. The surety upon the bond may, upon notice to the department and the parties, tender to the clerk of the court having jurisdiction of the action an amount equal to the claims thereunder or the amount of the bond less the amount of judgments, if any, previously satisfied

therefrom and to the extent of such tender the surety upon the bond shall be exonerated but if the actions commenced and pending at any one time exceed the amount of the bond then unimpaired, claims shall be satisfied from the bond in the following order:

(1) Labor, including employee benefits;

(2) ((Taxes and contributions due the state of Washington))

Claims for breach of contract by a party to the construction contract;

(3) Material and equipment;

(4) ((Claims for breach of contract)) Taxes and contributions due the state of Washington;

(5) Any court costs, interest, and attorney's fees plaintiff may be entitled to recover.

In the event that any final judgment shall impair the liability of the surety upon the bond so furnished that there shall not be in effect a bond undertaking in the full amount prescribed in this section, the ((director)) department shall suspend the registration of such contractor until the bond liability in the required amount unimpaired by unsatisfied judgment claims shall have been furnished.

In lieu of the surety bond required by this section the contractor may file with the ((director)) department a ((cash)) deposit consisting of cash or other ((negotiable)) security acceptable to the ((director)) department.

((In the event of a judgment being entered against such deposit, the director of licenses shall upon receipt of a certified copy of a final judgment, pay from the amount of the deposit said judgment.)) Any person having an unsatisfied final judgment against the registrant for any items referred to in this section may execute upon the security held by the department by serving a certified copy of the unsatisfied final judgment by registered or certified mail upon the department within one year of the date of entry of such judgment. Upon the receipt of service of such certified copy the department shall pay or order paid from the deposit, through the registry of the superior court which rendered judgment, towards the amount of the unsatisfied judgment. The priority of payment by the department shall be the order of receipt by the department, but the department shall have no liability for payment in excess of the amount of the deposit.

The director may promulgate rules and regulations necessary for the proper administration of the security.

Sec. 3. Section 8, chapter 77, Laws of 1963 and RCW 18.27.080 are each amended to read as follows:

No person engaged in the business or acting in the capacity of a contractor may bring or maintain any action in any court of this

state for the collection of compensation for the performance of any work or for breach of any contract for which registration is required under this chapter without alleging and proving that he was a duly registered contractor and held a current and valid certificate of registration at the time he contracted for the performance of such work or entered into such contract.

NEW SECTION. Sec. 4. There is added to chapter 18.27 RCW a new section to read as follows:

The provisions of this chapter relating to the registration or licensing of any person, firm, or corporation, including the requirement of a bond with the state of Washington named as obligee therein and the collection of a fee therefor, shall be exclusive and no political subdivision of the state of Washington shall require or issue any registrations, licenses, or bonds nor charge any fee for the same or a similar purpose: PROVIDED, That nothing herein shall limit or abridge the authority of any city or town to levy and collect a general and nondiscriminatory license fee levied upon all businesses, or to levy a tax based upon gross business conducted by any firm within said city: PROVIDED, FURTHER, That nothing herein shall limit the authority of any city or town with respect to contractors not required to be registered under this chapter.

NEW SECTION. Sec. 5. There is added to chapter 18.27 RCW a new section to read as follows:

The department of motor vehicles shall annually, starting July 1, 1973, compile a list of all contractors registered pursuant to the provisions of this chapter and update such list at least bimonthly. Such list shall be considered as public record information and shall be available to the public upon request: PROVIDED, That the department may charge a reasonable reproduction fee.

Passed the House February 16, 1972.

Passed the Senate February 11, 1972.

Approved by the Governor February 24, 1972.

Filed in Office of Secretary of State February 28, 1972.

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CHAPTER 119  
[House Bill No. 482]  
NATURAL AREA PRESERVES

AN ACT Relating to natural resources; and adding a new chapter to Title 79 RCW.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. Section 1. The purpose of this chapter is to establish a state system of natural area preserves and a means