(c) When forfeiture or penalty is forty dollars to fifty-nine dollars and ninety-nine cents, ((seven)) ten dollars;

(d) When forfeiture or penalty is sixty dollars to ninety-nine dollars and ninety-nine cents, ((twelve)) fifteen dollars; and

(e) When forfeiture or penalty is one hundred dollars or more, ((fifteen)) twenty dollars.

(3) When any deposit of bail is made for a violation to which this section applies, the person making such deposit shall also deposit a sufficient amount to include the assessment prescribed in subsection (2) of this section.

(4) When bail is forfeited or a penalty paid, the assessment prescribed in this section shall be forwarded to the state treasurer pursuant to this section. If bail is returned, the assessment made thereon shall also be returned.

Passed the House April 2, 1981. Passed the Senate April 24, 1981. Approved by the Governor May 8, 1981. Filed in Office of Secretary of State May 8, 1981.

CHAPTER 128

[Substitute House Bill No. 250] WORKERS' COMPENSATION—REGISTERED AND ELECTRICAL CONTRACTORS, SUBCONTRACTOR COVERAGE—SOLE PROPRIETORS, PARTNERS, COVERAGE EXEMPTION

AN ACT Relating to workers' compensation; amending section 51.08.070, chapter 23, Laws of 1961 as last amended by section 12, chapter 350, Laws of 1977 ex. sess. and RCW 51.08.070; amending section 51.08.180, chapter 23, Laws of 1961 as amended by section 15, chapter 350, Laws of 1977 ex. sess. and RCW 51.08.180; amending section 51.12.020, chapter 23, Laws of 1961 as last amended by section 1, chapter 128, Laws of 1979 and RCW 51.12.020; amending section 51.12.070, chapter 23, Laws of 1961 as last amended by section 1, chapter 24, Laws of 1979 and RCW 51.12.020; amending section 51.12.070, chapter 23, Laws of 1961 as last amended by section 10, chapter 23, Laws of 1971 ex. sess. and RCW 51.12.070; and adding a new section to chapter 51.12 RCW.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 51.08.070, chapter 23, Laws of 1961 as last amended by section 12, chapter 350, Laws of 1977 ex. sess. and RCW 51.08.070 are each amended to read as follows:

"Employer" means any person, body of persons, corporate or otherwise, and the legal representatives of a deceased employer, all while engaged in this state in any work covered by the provisions of this title, by way of trade or business, or who contracts with one or more workers, the essence of which is the personal labor of such worker or workers.

For the purposes of this title, a contractor registered under chapter 18-.27 RCW or licensed under chapter 19.28 RCW is not an employer when: (1) Contracting with any other person, firm, or corporation currently engaging in a business which is registered under chapter 18.27 RCW or licensed under chapter 19.28 RCW;

(2) The person, firm, or corporation has a principal place of business which would be eligible for a business deduction for internal revenue service tax purposes other than that furnished by the contractor for which the business has contracted to furnish services;

(3) The person, firm, or corporation maintains a separate set of books or records that reflect all items of income and expenses of the business; and

(4) The work which the person, firm, or corporation has contracted to perform is:

(a) The work of a contractor as defined in RCW 18.27.010; or

(b) The work of installing wires or equipment to convey electric current or installing apparatus to be operated by such current as it pertains to the electrical industry as described in chapter 19.28 RCW.

Sec. 2. Section 51.08.180, chapter 23, Laws of 1961 as amended by section 15, chapter 350, Laws of 1977 ex. sess. and RCW 51.08.180 are each amended to read as follows:

"Worker" means every person in this state who is engaged in the employment of an employer under this title, whether by way of manual labor or otherwise in the course of his or her employment; also every person in this state who is engaged in the employment of or who is working under an independent contract, the essence of which is his or her personal labor for an employer under this title, whether by way of manual labor or otherwise, in the course of his or her employment.

For the purposes of this title, any person, firm, or corporation currently engaging in a business which is registered under chapter 18.27 RCW or licensed under chapter 19.28 RCW is not a worker when:

(1) Contracting to perform work for any contractor registered under chapter 18.27 RCW or licensed under chapter 19.28 RCW;

(2) The person, firm, or corporation has a principal place of business which would be eligible for a business deduction for internal revenue service tax purposes other than that furnished by the contractor for which the business has contracted to furnish services;

(3) The person, firm, or corporation maintains a separate set of books or records that reflect all items of income and expenses of the business; and

(4) The work which the person, firm, or corporation has contracted to perform is:

(a) The work of a contractor as defined in RCW 18.27.010; or

(b) The work of installing wires or equipment to convey electric current or installing apparatus to be operated by such current as it pertains to the electrical industry as described in chapter 19.28 RCW.

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ed to read as follows: The following are the only employments which shall not be included within the mandatory coverage of this title:

(1) Any person employed as a domestic servant in a private home by an employer who has less than two employees regularly employed forty or more hours a week in such employment.

(2) Any person employed to do gardening, maintenance, repair, remodeling, or similar work in or about the private home of the employer which does not exceed ten consecutive work days.

(3) A person whose work is casual and the employment is not in the course of the trade, business, or profession of his employer.

(4) Any person performing services in return for aid or sustenance only, received from any religious or charitable organization.

(5) Sole proprietors ((and)) or partners: PROVIDED, That after the effective date of this 1981 act, sole proprietors or partners who for the first time register under chapter 18.27 RCW or become licensed for the first time under chapter 19.28 RCW shall be included under the mandatory coverage provisions of this title subject to the provisions of RCW 51.32.030. These persons may elect to withdraw from coverage under section 5 of this 1981 act.

(6) Any employee, not regularly and continuously employed by the employer in agricultural labor, whose cash remuneration paid by or due from any one employer in that calendar year for agricultural labor is less than one hundred fifty dollars. Employees not regularly and continuously employed in agricultural labor by any one employer but who are employed in agricultural labor on a seasonal basis shall come under the coverage of this title only when their cash remuneration paid or due in that calendar year exceeds one hundred fifty dollars but only as of the occurrence of that event and only as to their work for that employer.

(7) Any child under eighteen years of age employed by his parent or parents in agricultural activities on the family farm.

(8) Jockeys while participating in or preparing horses for race meets licensed by the Washington horse racing commission pursuant to chapter 67-. .16 RCW.

(9) Any executive officer elected and empowered in accordance with the articles of incorporation or bylaws of a corporation who at all times during the period involved is also a director and shareholder of the corporation. Any officer who was considered by the department to be covered on and after June 30, 1977, shall continue to be covered until such time as the officer voluntarily elects to withdraw from coverage in the manner provided by RCW 51.12.110. However, any corporation may elect to cover such officers

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who are in fact employees of the corporation in the manner provided by RCW 51.12.110.

Sec. 4. Section 51.12.070, chapter 23, Laws of 1961 as last amended by section 81, chapter 289, Laws of 1971 ex. sess. and RCW 51.12.070 are each amended to read as follows:

The provisions of this title shall apply to all work done by contract; the person, firm, or corporation who lets a contract for such work shall be responsible primarily and directly for all premiums upon the work. The contractor and any subcontractor shall be subject to the provisions of this title and the person, firm, or corporation letting the contract shall be entitled to collect from the contractor the full amount payable in premiums and the contractor in turn shall be entitled to collect from the subcontractor his proportionate amount of the payment.

For the purposes of this section, a contractor registered under chapter 18.27 RCW or licensed under chapter 19.28 RCW shall not be responsible for any premiums upon the work of any subcontractor if:

(1) The subcontractor is currently engaging in a business which is registered under chapter 18.27 RCW or licensed under chapter 19.28 RCW;

(2) The subcontractor has a principal place of business which would be eligible for a business deduction for internal revenue service tax purposes other than that furnished by the contractor for which the business has contracted to furnish services;

(3) The subcontractor maintains a separate set of books or records that reflect all items of income and expenses of the business; and

(4) The subcontractor has contracted to perform:

(a) The work of a contractor as defined in RCW 18.27.010; or

(b) The work of installing wires or equipment to convey electric current or installing apparatus to be operated by such current as it pertains to the electrical industry as described in chapter 19.28 RCW.

It shall be unlawful for any county, city or town to issue a construction building permit to any person who has not submitted to the department an estimate of payroll and paid premium thereon as provided by chapter 51.16 RCW of this title or proof that such person has qualified as a self-insurer.

<u>NEW SECTION.</u> Sec. 5. There is added to chapter 51.12 RCW a new section to read as follows:

After the effective date of this act, any sole proprietor or partner who registers for the first time under chapter 18.27 RCW or becomes licensed for the first time under chapter 19.28 RCW may file notice with the director at the sole proprietor's or partner's election to be exempted from the mandatory coverage of this title. Such exemption shall become effective immediately after the director has received the notice of withdrawal. However, any sole proprietor or partner who has elected exemption from mandatory coverage may at any time voluntarily reelect to be covered under this title

and shall be subject to all the provisions and entitled to all of the benefits under this title.

Passed the House March 17, 1981. Passed the Senate April 21, 1981. Approved by the Governor May 8, 1981. Filed in Office of Secretary of State May 8, 1981.

CHAPTER 129

AN ACT Relating to nonpolluting special motor vehicle fuel; amending section I, chapter 335, Laws of 1977 ex. sess. as amended by section I, chapter 48, Laws of 1979 and RCW 82-.38.075; and providing penalties.

Be it enacted by the Legislature of the State of Washington:

Section 1. Section 1, chapter 335, Laws of 1977 ex. sess. as amended by section 1, chapter 48, Laws of 1979 and RCW 82.38.075 are each amended to read as follows:

In order to encourage the use of nonpolluting fuels, until July 1, 1983, an annual license fee in lieu of the tax imposed by RCW 82.38.030 shall be imposed upon the use of natural gas as defined in this chapter or on liquified petroleum gas, commonly called propane, which is used in any motor vehicle, as defined in RCW 46.04.320, in accordance with the following schedule:

VEHICLE TONNAGE (GVW)	FEE
0 - 6,000	\$ 45
6,001 – 10,000	\$ 45
10,001 – 18,000	\$ 80
18,001 – 28,000	\$110
28,001 - 36,000	\$150
36,001 and above	\$250

The department of licensing, in addition to the foregoing fee, shall charge a further fee of five dollars as a handling charge for each license issued.

The director of licensing shall be authorized to prorate the vehicle tonnage fee so that the annual license required by this section will correspond with the staggered vehicle licensing system.

A decal or other identifying device issued upon payment of these annual fees shall be displayed as prescribed by the department as authority to purchase this fuel.

Persons selling or dispensing natural gas or propane may not sell or dispense this fuel for their own use or the use of others into tanks of vehicles