

Sec. 2. Section 4, chapter 257, Laws of 1971 ex. sess. as last amended by section 21, chapter 294, Laws of 1977 ex. sess. and RCW 41.26.046 are each amended to read as follows:

By July 31, 1971, the retirement board shall adopt minimum medical and health standards for membership coverage into the Washington law enforcement officers' and fire fighters' retirement system act. In adopting such standards the retirement board shall consider existing standards recommended by the international association of chiefs of police and the international association of fire fighters, and shall adopt equal or higher standards, together with appropriate standards and procedures to insure uniform compliance with this chapter. The standards when adopted shall be published and distributed to each employer, and each employer shall adopt certification procedures and such other procedures as are required to insure that no law enforcement officer or fire fighter receives membership coverage unless and until he has actually met minimum medical and health standards: **PROVIDED**, That an elected sheriff or an appointed chief of police ((or)), fire chief, or director of public safety shall not be required to meet the age standard. The retirement board may amend the minimum medical and health standards as experience indicates, even if the standards as so amended are lower or less rigid than those recommended by the international associations mentioned above. The cost of the medical examination contemplated by this section is to be paid by the employer.

Passed the House April 23, 1987.

Passed the Senate April 16, 1987.

Approved by the Governor May 18, 1987.

Filed in Office of Secretary of State May 18, 1987.

CHAPTER 419

[Substitute House Bill No. 364]

CONTRACTORS—DISCLOSURE STATEMENT PRIOR TO STARTING WORK—JOB SITE INSPECTIONS—RESTRAINING ORDERS

AN ACT Relating to contractors; amending RCW 18.27.210; adding new sections to chapter 18.27 RCW; and making an appropriation.

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

NEW SECTION. Sec. 1. (1) Any contractor agreeing to perform any contracting project subject to this chapter on real property when the bid or contract price totals one thousand dollars or more must provide the customer with the following disclosure statement prior to starting work on the project:

"NOTICE TO CUSTOMER

This contractor is registered with the state of Washington, registration no., as a general/specialty contractor and has posted with the state a bond or cash deposit of \$6,000/\$4,000 for the purpose of satisfying claims against the contractor for negligent or improper work or breach of contract in the conduct of the contractor's business. This bond or cash deposit may not be sufficient to cover a claim which might arise from the work done under your contract. If any supplier of materials used in your construction project or any employee of the contractor or subcontractor is not paid by the contractor or subcontractor on your job, your property may be liened to force payment. If you wish additional protection, you may request the contractor to provide you with original "lien release" documents from each supplier or subcontractor on your project. The contractor is required to provide you with further information about lien release documents if you request it. General information is also available from the department of labor and industries."

(2) No contractor subject to this section 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 to which this section applies without alleging and proving that the contractor has provided the customer with a copy of the disclosure statement as required in subsection (1) of this section.

(3) This section does not apply to contracts authorized under chapter 39.08 RCW, contracts for construction of more than four residential units, or to contractors contracting with other contractors.

(4) Failure to comply with this section shall constitute an infraction under the provisions of this chapter.

(5) The department shall produce model disclosure statements, and public service announcements detailing the information needed to assist contractors and contractors' customers to comply under this section. As necessary, the department shall periodically update these education materials.

Sec. 2. Section 2, chapter 2, Laws of 1983 1st ex. sess. as amended by section 2, chapter 197, Laws of 1986 and RCW 18.27.210 are each amended to read as follows:

(1) The director shall appoint compliance inspectors to investigate alleged or apparent violations of this chapter. ~~((If the name of the contractor allegedly or apparently in violation of this chapter is not known, or if the name of the contractor does not appear on the latest list of registered contractors compiled under RCW 18.27.120(1), upon presentation of credentials, a compliance inspector of the department may inspect sites at which a~~

~~contractor had bid or presently is working to determine whether the contractor is registered in accordance with this chapter.)~~ The director, or authorized compliance inspector, upon presentation of appropriate credentials, may inspect and investigate job sites at which a contractor had bid or presently is working to determine whether the contractor is registered in accordance with this chapter or the rules adopted under this chapter. Upon request of the compliance inspector of the department, a contractor or an employee of the contractor shall provide information identifying the contractor.

(2) If the employee of an unregistered contractor is cited by a compliance inspector, that employee is cited as the agent of the employer-contractor, and issuance of the infraction to the employee is notice to the employer-contractor that the contractor is in violation of this chapter. An employee who is cited by a compliance inspector shall not be liable for any of the alleged violations contained in the citation unless the employee is also the contractor.

NEW SECTION. Sec. 3. (1) If, upon inspection or investigation, the director or authorized compliance inspector reasonably believes that a contractor has failed to register in accordance with this chapter or the rules adopted under this chapter, the director shall issue an order immediately restraining further construction work at the job site by the contractor. The order shall describe the specific violation that necessitated issuance of the restraining order. The contractor or representative to whom the restraining order is directed may request a hearing before an administrative law judge, such hearing to be conducted pursuant to chapter 34.04 RCW. A request for hearing shall not stay the effect of the restraining order.

(2) In addition to and after having invoked the powers of restraint vested in the director as provided in subsection (1) of this section, the director, through the attorney general, may petition the superior court of the state of Washington to enjoin any activity in violation of this chapter. A prima facie case for issuance of an injunction shall be established by affidavits and supporting documentation demonstrating that a restraining order was served upon the contractor and that the contractor continued to work after service of the order. Upon the filing of the petition, the superior court shall have jurisdiction to grant injunctive or other appropriate relief, pending the outcome of enforcement proceedings under this chapter, or to enforce restraining orders issued by the director. If the contractor fails to comply with any court order, the director shall request the attorney general to petition the superior court for an order holding the contractor in contempt of court and for any other appropriate relief.

NEW SECTION. Sec. 4. Sections 1 and 3 of this act are each added to chapter 18.27 RCW.

NEW SECTION. Sec. 5. The sum of one hundred one thousand, five hundred dollars, or so much thereof as may be necessary, is appropriated for the biennium ending June 30, 1989, from the general fund to the department of labor and industries for the purposes of section 1 of this act: **PROVIDED**, That the appropriation shall be limited to the amount generated during the biennium by the collection of fees under RCW 18.27.070.

Passed the House April 25, 1987.

Passed the Senate April 25, 1987.

Approved by the Governor May 18, 1987.

Filed in Office of Secretary of State May 18, 1987.

CHAPTER 420

[Substitute House Bill No. 476]

BANKS—MEETINGS ONCE EACH QUARTER—CAPITAL STOCK—LAND BANK OVERSIGHT PROCEDURES

AN ACT Relating to banks and banking; amending RCW 30.12.010 and 30.08.090; re-enacting and amending RCW 30.04.230; adding a new section to chapter 30.08 RCW; adding new sections to chapter 31.30 RCW; repealing RCW 30.23.010, 30.23.020, 30.23.030, 30.23.040, 30.23.050, 30.23.060, 30.23.070, 30.23.080, 30.23.900, and 30.23.901; and prescribing penalties.

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

Sec. 1. Section 30.12.010, chapter 33, Laws of 1955 as last amended by section 30, chapter 279, Laws of 1986 and RCW 30.12.010 are each amended to read as follows:

Every bank and trust company shall be managed by not less than five directors, who need not be residents of this state. Directors shall be elected by the stockholders and hold office for such term as is specified in the articles of incorporation, not exceeding three years, and until their successors are elected and have qualified. In the first instance the directors shall be those named in the articles of incorporation and afterwards, those elected at the annual meeting of the stockholders to be held at least once each year on a day to be specified by the bank's or trust company's bylaws. Shareholders may not cumulate their votes unless the articles of incorporation specifically so provide. If for any cause no election is held at that time, it may be held at an adjourned meeting or at a subsequent meeting called for that purpose in the manner prescribed by the corporation's bylaws. The directors shall meet at least once each ((month)) quarter and whenever required by the supervisor. A majority of the then serving board of directors shall constitute a quorum for the transaction of business. At all stockholders' meetings, each share shall be entitled to one vote, unless the articles of incorporation provide otherwise. Any stockholder may vote in person or by written proxy.