

This bill would establish the water pollution control revolving fund to receive federal capitalization grants, state matching funds and other revenues. This fund would protect the state's surface and underground waters by providing loans to design, construct and improve water pollution control facilities and related activities.

Section 9 would create the water pollution control loan review committee to approve all loans prior to issuance. Technical and administrative criteria for evaluating loan applications are clearly spelled out in federal regulation. Creation of this committee places the Legislature in an administrative role and creates the possibility that loans will be evaluated on criteria other than technical merit. Finally, review of loan applications by the committee could result in slowing down the process. This will reduce local governments' certainty that multi-year construction projects will continue to receive funds.

Section 10 requires the Department of Ecology to follow the water quality account fund distribution schedule as established in RCW 70.146.060 when making loans through the revolving fund. Again, since this fund is utilizing federal moneys, federal law takes precedence in determining eligible projects. This section causes confusion by implying that the state's distribution schedule will be followed.

The water pollution control revolving fund is an important revenue source for financing continued protection of the state's waters for the health, safety, use, enjoyment, and economic benefit of its people.

With the exception of sections 9 and 10, Engrossed Second Substitute Senate Bill No. 6235 is approved."

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## CHAPTER 285

[Senate Bill No. 6182]

### CONTRACTORS—REGISTRATION REQUIREMENTS, SUBSTANTIAL COMPLIANCE

AN ACT Relating to contractors' registration; amending RCW 18.27.080; and reenacting and amending RCW 18.27.030.

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

Sec. 1. Section 3, chapter 77, Laws of 1963 as last amended by section 9, chapter 111, Laws of 1987 and by section 2, chapter 362, Laws of 1987 and RCW 18.27.030 are each reenacted and amended to read as follows:

An applicant for registration as a contractor shall submit an application under oath upon a form to be prescribed by the director and which shall include the following information pertaining to the applicant:

- (1) Employer social security number.
- (2) Industrial insurance number.
- (3) Employment security department number.
- (4) State excise tax registration number.
- (5) Unified business identifier (UBI) account number may be substituted for the information required by subsections (2), (3), and (4) of this section.
- (6) Type of contracting activity, whether a general or a specialty contractor and if the latter, the type of specialty.
- (7) The name and address of each partner if the applicant be a firm or partnership, or the name and address of the owner if the applicant be an

individual proprietorship, or the name and address of the corporate officers and statutory agent, if any, if the applicant be a corporation. The information contained in such application shall be a matter of public record and open to public inspection.

Registration shall be denied if the applicant has been previously registered as a sole proprietor, partnership or corporation, and was a principal or officer of the corporation, and if the applicant has an unsatisfied final judgment~~((s or summons and complaints not dismissed that were filed pursuant to))~~ in an action based on RCW 18.27.040~~((, and that were))~~ that incurred during a previous registration under this chapter.

Sec. 2. Section 8, chapter 77, Laws of 1963 as amended by section 3, chapter 118, Laws of 1972 ex. sess. 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. For the purposes of this section, the court shall not find a contractor in substantial compliance with the registration requirements of this chapter unless: (1) The department has on file the information required by RCW 18.27.030; (2) the contractor has a current bond or other security as required by RCW 18.27.040; and (3) the contractor has current insurance as required by RCW 18.27.050. In determining under this section whether a contractor is in substantial compliance with the registration requirements of this chapter, the court shall take into consideration the length of time during which the contractor did not hold a valid certificate of registration.

Passed the Senate March 7, 1988.

Passed the House March 2, 1988.

Approved by the Governor March 24, 1988.

Filed in Office of Secretary of State March 24, 1988.

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## CHAPTER 286

[Senate Bill No. 6671]

### HOUSING TRUST FUND—REVISIONS—REAL ESTATE SALES TAX PENALTIES TO BE DEPOSITED IN THE HOUSING TRUST FUND

AN ACT Relating to housing trust fund administration; amending RCW 43.185.070, 18.85.310, 18.85.510, and 82.45.100; recodifying RCW 18.85.505 and 18.85.510; and declaring an emergency.

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