



CONTRACTOR REGISTRATION EXEMPTION

OWNER: _____

PROJECT ADDRESS: _____

PERMIT NUMBER: _____

Per RCW 18.27.090 “Exemptions”, as owner of the above-referenced property, I will act as the general contractor for all work authorized by the aforementioned permit and hereby acknowledge the following:

- The construction related to the referenced permit is not being done with the intention of selling the improved property.
- All work will be done by the legal owner(s) of the property, or registered contractors, or my full-time employees.

WHAT THE LAW REQUIRES OF REGISTERED CONTRACTORS

In Washington, contractors must register with the Department of Labor and Industries, post a bond and carry general liability insurance coverage.

- A general contractor must maintain a \$12,000 **bond**. A specialty contractor (i.e., painter, cabinet maker, carpet installer, etc) must maintain a \$6,000 bond. Dissatisfied consumers may pursue restitution by taking civil action, in Superior Court, against a contractor’s bond.
- All registered contractors must carry **general liability insurance** coverage (\$50,000 property damage and up to \$200,000 public liability).
- Contractors must possess a current Unified Business Identifier (UBI) number and an Employer Identification number (EIN). (An EIN is optional for a sole proprietorship with no employees.)

OWNER AS GENERAL CONTRACTOR – SOME RISKS AND LIABILITIES

When hiring an unlicensed contractor and acting as your own contractor:

- You may be responsible for the medical and time loss costs of employees injured while working on your project.
- You may be liable for all unpaid taxes.
- Your homeowners insurance may not cover work done by an unlicensed contractor.

- The law requires complete disclosure of all work that has been done on your property if you resell. You may be required to do work over again that has been done without permits or inspections. Non-disclosure can lead to civil action taken against you.
- You may be placing yourself and your family or employees in a life-threatening situation, especially when hiring unlicensed people to install plumbing, electrical wiring, heating systems or wood stoves.
- Suppliers can place a lien on your property for non-payment of materials by your contractor.
- Unpaid workers can place a lien on your property.
- When problems arise, your only recourse is a lengthy and costly civil action...IF there are any assets of value to attach and IF you can find the contractor.

I have read and acknowledged the above information.

Signature of Owner

Date

Printed Name of Owner