

**POSSIBLE ITEMS FOR STUDY/RECOMMENDATION IN 2008
(FROM ITEMS SUGGESTED IN 2007)**

Revised 9/10/2008 to indicate type of action needed: policy legislation, budget, or agency++

PART 1: Items postponed in 2007 for consideration during 2008 and possible recommendation for 2009 session		Action Needed	notes
1. Enforcement	(a) Require local governments to verify compliance with registration and other requirements before issuing a business license.	Legislation Budget	
	(b) Develop a process to report new hires to the Department of Labor and Industries.	Legislation Budget	
2. Penalties and requirements.	(a) Increase unregistered contractor criminal penalty from gross misdemeanor to a class C felony for the 3 rd offense.*	Legislation	
	(b) Provide agencies with greater flexibility in issuing penalties, including the authority in extreme cases to close down a business.	Legislation	
	(c) Create penalties for homeowners who intentionally do not follow the rules.	Legislation	
	(d) Create penalties for persons who accept undocumented cash payments.	Legislation	
	(e) Create a criminal penalty for a contractor who intentionally reports that an employee is an independent contractor.	Legislation	
3. Other	(a) Define term "independent contractor."	Legislation	

PART 2: Items suggested during 2007 but not considered by the Task Force for the 2008 session.		Action Needed	notes
1. Enforcement	(a) Require contractors to post their registration on the job site.	Legislation	
	(b) Provide funding to local governments to assist in notifying the Department of Labor and Industries of construction activity and enforcement requirements.	Budget	
2. Penalties and requirements	(a) Require a valid photo identification for contractor registration and renewal and make it available for review by consumers to verify the identity of the contractor.*	Legislation	
	(b) Explore requirements for new and out-of-state contractors to attend a contractor training class before allowing registration/licensing, as well as a minimum of 8 hours of ongoing education on law/regulations each year. Add one staff person to implement these changes.*	Legislation Budget	
	(c) Provide prime contractor liability for the Employment Security Department.*	Legislation	
	(d) Give the Employment Security Department and the Department of Labor and Industries priority to collect amounts owed from retainage on public works projects.*	Legislation	
	(e) Provide a stringent penalty for failure to keep unemployment insurance records.*	Legislation	
3. Education and outreach	(a) Establish a construction training and outreach	Budget	

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	team. Add two staff to provide direct contractor education/outreach to put on contractor training days, attend home shows, perform outreach to consumers and contractors. This also requires funding for travel, mailings, and materials. Add 2 underwriting staff for education and outreach on workers' compensation requirements and premium responsibilities, including independent contractor issues. They would work with new firms individually, develop training and present statewide, and help establish mass education campaigns. Funding for travel, mailings, and materials is also needed.*		
	(b) Provide additional training opportunities for contractors. These should be in multiple languages.	Budget	
	(c) Establish a rebate program for homeowners who report use of a registered contractor to the Department of Labor and Industries.	Legislation Budget	
4. Data-sharing and detection	(a) Enhance funding for the Master Business Application Systems.*	Budget	
	(b) Providing funding for employer fraud detection system based on results of feasibility study.*	Budget	
5. Other	(a) Create a competency test for contractors.	Legislation Budget	
	(b) Require independent contractors to carry workers' compensation coverage.	Legislation	

++ Depending on the proposal, additional items may require budget action.

* Offered by agencies for discussion purposes.

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