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HOUSE BILL 1989

54th Legislature

1995 Regular Session

By Representatives Lisk, Ebersole and Patterson

State of Washington

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Read first time 02/20/95. Referred to Committee on Commerce & Labor.

- AN ACT Relating to employment in the construction industry; amending RCW 51.24.035, 51.16.140, and 51.32.073; adding a new section to chapter 49.17 RCW; creating a new section; providing an effective date; and declaring an emergency.
- 5 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 6 **Sec. 1.** RCW 51.24.035 and 1987 c 212 s 1801 are each amended to 7 read as follows:
- Notwithstanding RCW 51.24.030(1), the injured worker or 8 9 beneficiary may not seek damages ((against a design professional who is 10 a third person and who has been retained to perform professional services on a construction project, or any employee of a design 11 12 professional who is assisting or representing the design professional 13 in the performance of professional services on the site of the 14 construction project, unless responsibility for safety practices is 15 specifically assumed by contract, the provisions of which were mutually negotiated, or the design professional actually exercised control over 16 17 the portion of the premises where the worker was injured)) for an injury or occupational disease occurring in the course of employment at 18

the site of a construction project, whether accomplished by a single

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- 1 contract or by multiple contracts, against the owner or developer of
- 2 the project or against any person or entity performing work, furnishing
- 3 <u>materials</u>, or <u>providing services to or for the construction project</u>
- 4 <u>including</u>, but not limited to, design professionals, construction
- 5 managers, general or prime contractors, suppliers, subcontractors of
- 6 any tier, and any employee of a design professional, construction
- 7 manager, general or prime contractor, supplier, or subcontractor of any
- 8 tier.
- 9 (2) The immunity provided by this section does not extend to any
- 10 person or entity who injures a worker by deliberate intention as
- 11 defined in RCW 51.24.020, and it is against public policy to seek
- 12 indemnification in construction contracts against such liability. Such
- 13 <u>contractual clauses are void and unenforceable.</u>
- 14 (3) The immunity provided by this section does not extend to
- 15 manufacturers and product sellers for product liability actions as
- 16 <u>defined in chapter 7.72 RCW.</u>
- 17 (4) The immunity provided by this section does not apply to the
- 18 negligent preparation of design plans and specifications by a design
- 19 professional.
- 20 $((\frac{3}{)})$ for the purposes of this section, "design professional"
- 21 means an architect, professional engineer, land surveyor, or landscape
- 22 architect, who is licensed or authorized by law to practice such
- 23 profession, or any corporation organized under chapter 18.100 RCW or
- 24 authorized under RCW 18.08.420 or 18.43.130 to render design services
- 25 through the practice of one or more of such professions.
- 26 **Sec. 2.** RCW 51.16.140 and 1989 c 385 s 3 are each amended to read
- 27 as follows:
- 28 (1) Every employer who is not a self-insurer shall deduct from the
- 29 pay of each of his or her workers one-half of the amount he or she is
- 30 required to pay(()) for medical benefits within each risk
- 31 classification, except that for workers in the construction industry,
- 32 the amount deducted shall not be more than one-third of the amount that
- 33 the employer would be required to pay, but in no case more than one-
- 34 third of the basic manual premium rate established by the department
- 35 for the applicable risk classification. Such amount shall be
- 36 periodically determined by the director and reported by him or her to
- 37 all employers under this title: PROVIDED, That the state governmental
- 38 unit shall pay the entire amount into the medical aid fund for

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- volunteers, as defined in RCW 51.12.035, and the state apprenticeship council shall pay the entire amount into the medical aid fund for
- 3 registered apprentices or trainees, for the purposes of RCW 51.12.130.
- 4 The deduction under this section is not authorized for premiums 5 assessed under RCW 51.16.210.
- 6 (2) It shall be unlawful for the employer, unless specifically
 7 authorized by this title, to deduct or obtain any part of the premium
 8 or other costs required to be by him or her paid from the wages or
 9 earnings of any of his or her workers, and the making of or attempt to
 10 make any such deduction shall be a gross misdemeanor.
- 11 **Sec. 3.** RCW 51.32.073 and 1989 c 385 s 4 are each amended to read 12 as follows:
- (1) Except as provided in subsection (2) of this section, each 13 14 employer shall retain from the earnings of each worker, except for 15 workers in the construction industry, that amount as shall be fixed from time to time by the director, the basis for measuring said amount 16 to be determined by the director. The money so retained shall be 17 18 matched in an equal amount by each employer, and all such moneys shall 19 be remitted to the department in such manner and at such intervals as the department directs and shall be placed in the supplemental pension 20 21 PROVIDED, That the state apprenticeship council shall pay the entire amount into the supplemental pension fund for registered 22 23 apprentices or trainees during their participation in supplemental and 24 related instruction classes. The moneys so collected shall be used 25 exclusively for the additional payments from the supplemental pension 26 fund prescribed in this title and for the amount of any increase payable under the provisions of RCW 51.32.075, as now or hereafter 27 amended, and shall be no more than necessary to make such payments on 28 29 a current basis. Employers in the construction industry shall pay the 30 entire amount into the supplemental pension fund for employees engaged in construction work, as reported in construction industry industrial 31 insurance classifications adopted by the department. The department 32 33 may require a self-insurer to make any additional payments which are 34 payable from the supplemental pension fund and thereafter such selfinsurer shall be reimbursed therefrom. 35
- 36 (2) None of the amount assessed for the supplemental pension fund 37 under RCW 51.16.210 may be retained from the earnings of workers 38 covered under RCW 51.16.210.

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NEW SECTION. Sec. 4. A new section is added to chapter 49.17 RCW to read as follows:

3 Each prime contractor or general contractor has a duty to provide 4 a safe place to work for its own employees and the employees of a subcontractor of any tier working at the site of a construction 5 project. This duty shall be considered within the context of standard 6 7 construction industry practices and shall establish that the general 8 contractor or prime contractor has the primary responsibility for 9 compliance with safety regulations. Such duty includes implementation 10 of a safety program specific to the site of a construction project that is effective in practice and that includes contractual requirements for 11 12 compliance for all lower-tier construction employers engaged in work at 13 the site of a construction project.

Each prime contractor or general contractor shall take reasonable steps to ensure that its safety program is designed to comply with Title 51 RCW and chapter 49.17 RCW, including the development, implementation, and periodic evaluation of a written prevention program for each construction project. This plan shall be communicated to the prime contractor's or general contractor's employees and to all subcontractors of any tier on the site of the construction project. All construction employers, whether prime contractor, general contractor, or subcontractor of any tier, shall designate an individual with responsibility for construction jobsite safety. The prime contractor or general contractor shall post the name and telephone number of its designated individual at the site of a construction project. All subcontractors shall inform the prime contractor or general contractor and each of that subcontractor's own employees of the name and telephone number of the subcontractor's designated individual.

30 Suggestions for safety improvements and identification of potential 31 hazards at the site of a construction project are to be encouraged. Permissible disciplinary actions for violation of these or other 32 appropriately communicated requirements include, but are not limited 33 34 to: Verbal or written reprimand, suspension from work, and termination 35 for cause. Such disciplinary actions for violations shall be subject to the disciplinary provisions set forth in an employer's written 36 37 policy statement or in a written agreement between an employer and 38 employees, if such a written agreement exists.

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- Neither violation of the provisions of this section nor the issuance of a citation under chapter 49.17 RCW shall eliminate or
- 3 effect any change to the immunity conferred in RCW 51.24.035.
- 4 <u>NEW SECTION.</u> **Sec. 5.** The department of labor and industries shall
- 5 adopt rules in consultation with the affected parties, that are
- 6 consistent with the legislative intent of this act to implement this
- 7 act.
- 8 <u>NEW SECTION.</u> **Sec. 6.** (1) Sections 1, 4, and 5 of this act are
- 9 necessary for the immediate preservation of the public peace, health,
- 10 or safety, or support of the state government and its existing public
- 11 institutions, and shall take effect immediately.
- 12 (2) Sections 2 and 3 of this act shall take effect July 1, 1996.

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