

FINAL BILL REPORT

HB 1514

C 54 L 97

Synopsis as Enacted

Brief Description: Establishing requirements for keeping records of unified business identifier account numbers.

Sponsors: Representatives Conway, McMorris and Schoesler; by request of Joint Task Force on Nonpayment of Employer Obligations.

House Committee on Commerce & Labor
Senate Committee on Commerce & Labor

Background: In 1996, Substitute House Bill 2513 created the Task Force on Nonpayment of Employer Obligations. The task force was directed to make recommendations on, among other issues, methods of improving compliance with employer responsibilities for covering workers under state industrial insurance law and other laws.

In its December 1996 report, the task force recommended that persons contracting with independent contractors in the construction industry should be required to keep a record of the contractor's unified business identifier (UBI) number. The task force further recommended that if the Department of Labor and Industries, the Employment Security Department, or the Department of Revenue found noncompliance during an audit, the employer or taxpayer should be subject to an administrative penalty and an employing contractor should be barred from bidding on public works contracts for a specified period of time.

Summary: Employers covered by industrial insurance and unemployment insurance, and taxpayers required to report to the Department of Revenue, must obtain and keep a record of the unified business identifier (UBI) number of persons with whom they contract for construction work or electrical work.

An employer or taxpayer who fails to keep the UBI record is subject to a penalty of up to \$250 and is barred from bidding on or contracting for public works projects for two years from the date the violation is finally determined.

Votes on Final Passage:

House 97 0

Senate 43 1

Effective: July 27, 1997