

FINAL BILL REPORT

SB 5926

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Synopsis as Enacted

Brief Description: Creating a joint legislative task force to review the underground economy in the construction industry.

Sponsors: Senators Kohl-Welles, Clements, Kastama, Weinstein, Fairley, Keiser, Marr, Tom, Murray, Oemig, Sheldon and Kline.

Senate Committee on Labor, Commerce, Research & Development

Senate Committee on Ways & Means

House Committee on Commerce & Labor

House Committee on Appropriations

Background: Some estimates place the percentage of unreported employment in Washington's construction industry at between 20 and 50 percent, although solid data on this phenomena is not readily available.

Summary: The joint legislative task force on the underground economy in the state's construction industry is created. The task force is to formulate a state policy to establish cohesion and transparency between state agencies so as to increase the oversight and regulation of the underground economy practices in the state.

The task force consists of the chairs and ranking minority members of the Senate Labor, Commerce, Research & Development and the House Commerce and Labor Committees; four members representing the construction business chosen from nominations submitted by statewide business construction organizations; and four members representing construction laborers chosen from nominations submitted by statewide labor organizations.

The Departments of Employment Security, Labor & Industries, and Revenue are to cooperate with the task force and will each maintain a nonvoting liaison representative to the task force.

The task force is to choose its chair or co-chairs from among its legislative members and the chairs of the two standing committees will convene the first meeting.

The task force is to contract with the Institute for Public Policy, or another entity if the Institute is unavailable, to assist it in determining the extent of and projected costs to the state and workers of the underground economy in the construction industry. Within available funding, the task force can hire additional staff with specific technical expertise if such expertise is needed to carry out the mandates of the study.

The expenses of the task force will be paid jointly by the Senate and House of Representatives.

The task force is to report its findings and recommendations to the Legislature by January 1, 2008.

Votes on Final Passage:

Senate	45	0	
House	98	0	(House amended)
Senate	49	0	(Senate concurred)

Effective: May 2, 2007