HOUSE BILL REPORT HB 1597

As Reported by House Committee On:

Commerce & Labor Appropriations

Title: An act relating to requiring workers to have licenses, certificates, or permits in their possession when performing plumbing, electrical, and conveyance work.

Brief Description: Requiring plumbing, electrical, and conveyance workers to have licenses, certificates, or permits in their possession while working.

Sponsors: Representative Moeller.

Brief History:

Committee Activity:

Commerce & Labor: 2/9/07 [DPS];

Appropriations: 2/19/07, 2/21/07 [DPS(CL)].

Brief Summary of Substitute Bill

- Requires persons doing electrical, plumbing, and conveyance work to have their licenses and certificates in their possession, and to produce their licenses and certificates upon request.
- Requires that licenses and certificates be wallet size, made of durable material, and include photo identification.
- Directs the Department of Labor and Industries to convene a work group to develop recommendations for enforcement of this requirement by December 1, 2007.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: The substitute bill be substituted therefor and the substitute bill do pass. Signed by 7 members: Representatives Conway, Chair; Wood, Vice Chair; Condotta, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Green, Moeller and Williams.

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This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

Staff: Jill Reinmuth (786-7134).

Background:

The Department of Labor and Industries (Department) administers and enforces state laws governing certain construction-related trades. These laws require persons who perform electrical, plumbing, or conveyance work to have appropriate certificates of competency or licenses. Persons who perform such work without appropriate certificates or licenses, as well as persons who employ them, are subject to civil penalties ranging from \$250 to \$500 for violations of the electrician certification requirement, \$250 to \$1,000 for violations of the plumber certification requirement, and \$500 for violations of the elevator mechanic licensing requirement.

Summary of Substitute Bill:

The Legislature finds that dishonest contractors sometimes hire unlicensed and uncertified persons to perform electrical, plumbing, and conveyance work. This practice gives them an unfair competitive advantage. Requiring persons to have their licenses and certificates in their possession while performing this work will help address the problems of the underground economy in the construction industry.

While performing electrical, plumbing, or conveyance work, persons must have their licenses and certificates in their possession. They must produce their licenses and certificates upon request of an authorized representative of the Department of Labor and Industries (Department). The licenses and certificates must be wallet size, made of durable material, and include photo identification.

The Department is directed to convene a work group to develop recommendations for enforcement of the requirement that persons performing plumbing, electrical, and conveyance work have proper licenses and certificates. The work group is directed to report its recommendations to specified legislative committees by December 1, 2007.

Substitute Bill Compared to Original Bill:

A provision requiring that licenses and certificates be wallet size and made of a durable material is added. A provision requiring that a work group develop enforcement recommendations is added. The provision requiring that counties and cities refer violations of this requirement to the Department of Labor and Industries is deleted.

Appropriation: None.

Fiscal Note: Requested on February 11, 2007.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support of original bill) House Bill 1013 and HB 1597 are intended to address the problems of the underground economy, especially the unscrupulous hiring of unlicensed or uncertified workers. They are intended to ensure that there is fair treatment for licensed and certified workers.

This bill will improve enforcement of plumbing laws in Washington. We also support HB 1597. There are currently only three FTEs for enforcement. Photo identification, whether it is visibly displayed or in the worker's possession, is a good idea. Although there would be an increased cost, we're willing to pay for it.

We support both HB 1013 and HB 1597. Another reason for not displaying the license or certificate would be that it may interfere with the work being performed. Another option would be to display the license or certificate when working on a homeowner's property. A fee increase is not necessary because there is a surplus in the Electrical Fund.

(With concerns on original bill) This is another hassle. House Bill 1597 is preferable to HB 1013.

House Bill 1597 strikes language dealing with plumbing trainees on page 5, line 4. We need to make sure that plumbing trainees are subject to the same requirement as other workers in the building trades.

The card should be laminated or made better than it is now. The worker should be able to keep the card on the visor of their truck or someplace easily accessible. There should be any easy way for inspectors to check electronically whether a worker is licensed or certified.

With the current building boom, building inspectors average 45 inspections per day. There is barely enough time to inspect for code, much less this. Requiring local building inspectors to make referrals to the Department of Labor and Industries is very difficult. Authorizing them to issue citations would be better. If they are required to make referrals, it will be at the bottom of their list and it will not happen.

(Opposed) None.

Persons Testifying: (In support of original bill) Representative Jim Moeller, prime sponsor; Pete Crow, Washington State Association of Plumbers & Steamfitters; and Dick King, International Brotherhood of Electrical Workers.

(With concerns on original bill) Gary Smith, Independent Business Association; Larry Stevens, National Electrical Contractors Association and Mechanical Contractors Association; John Neff, Washington Association of Building Officials; Carolyn Logue, National Federation of Independent Business; and Michael Transue, Associated General Contractors.

Persons Signed In To Testify But Not Testifying: None.

HOUSE COMMITTEE ON APPROPRIATIONS

Majority Report: The substitute bill by Committee on Commerce & Labor be substituted therefor and the substitute bill do pass. Signed by 34 members: Representatives Sommers, Chair; Dunshee, Vice Chair; Alexander, Ranking Minority Member; Bailey, Assistant Ranking Minority Member; Haler, Assistant Ranking Minority Member; Anderson, Buri, Chandler, Cody, Conway, Darneille, Dunn, Ericks, Fromhold, Grant, Haigh, Hinkle, Hunt, Hunter, Kagi, Kenney, Kessler, Kretz, Linville, McDermott, McDonald, McIntire, Morrell, Pettigrew, Priest, Schual-Berke, Seaquist, P. Sullivan and Walsh.

Staff: Owen Rowe (786-7391).

Summary of Recommendation of Committee On Appropriations Compared to Recommendation of Committee On Commerce & Labor:

No new changes were recommended.

Appropriation: None.

Fiscal Note: Available.

Effective Date of Substitute Bill: The bill takes effect 90 days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony:

(In support) We support Substitute House Bill 1597 as an important step to ensure license and certification compliance by ensuring that each person is required to carry a new durable license that includes photo identification. Currently license holders are not required to have the license in their possession, and licenses wear out before they are ready for renewal. We support the increase in fees related to the new license format.

These expenditures are not from the General Fund, they are from fees paid by users. This is not a cost to taxpayers.

Persons Testifying: (In support) Gary Smith, Independent Business Association; and Pete Crow, Washington State Association of Plumbers and Pipe Fitters.

Persons Signed In To Testify But Not Testifying: None.