

**HB 2106** - H AMD TO H AMD (H-2939.4/07) **416**  
By Representative Chandler

1           Beginning on page 5, line 10 of the amendment, strike all of  
2 section 3 and insert the following:

3           "**Sec. 3.** RCW 19.30.040 and 1987 c 216 s 1 are each amended to read  
4 as follows:

5           (1) The director shall require the deposit of a surety bond, or  
6 cash or other security as described in subsection (5) of this section,  
7 by any person acting as a farm labor contractor under this chapter to  
8 insure compliance with the provisions of this chapter, including  
9 payment to workers of all sums owing in the event that a license is  
10 revoked. Such bond shall be in an amount specified by the director in  
11 accordance with such criteria as the director adopts by rule but shall  
12 not be less than five thousand dollars. The bond shall be payable to  
13 the state of Washington and be conditioned on payment of sums legally  
14 owing under contract and under RCW 19.30.170 to (~~an~~) any agricultural  
15 (~~employee~~) workers. The aggregate liability of the surety upon such  
16 bond for all claims which may arise thereunder shall not exceed the  
17 face amount of the bond.

18           (2) The amount of the bond may be raised or additional security  
19 required by the director, upon his or her own motion or upon petition  
20 to the director by any person, when it is shown that the security or  
21 bond is insufficient to satisfy the contractor's potential liability  
22 for the licensed period.

23           (3) No surety insurer may provide any bond, undertaking,  
24 recognizance, or other obligation for the purpose of securing or  
25 guaranteeing any act, duty, or obligation, or the refraining from any  
26 act with respect to a contract using the services of a farm labor  
27 contractor unless the farm labor contractor has made application for or  
28 has a valid license issued under RCW 19.30.030 at the time of issuance  
29 of the bond, undertaking, recognizance, or other obligation.

1           (4) Surety bonds may not be canceled or terminated during the  
2 period in which the bond is executed unless thirty days' notice is  
3 provided by the surety to the department. The bond is written for a  
4 one-year term and may be renewed or extended by continuation  
5 certification at the option of the surety.

6           (5) In lieu of the surety bond required by this section, the  
7 contractor may file with the director a deposit consisting of cash or  
8 other security acceptable to the director. The deposit shall not be  
9 less than five thousand dollars in value. The security deposited with  
10 the director in lieu of the surety bond shall be returned to the  
11 contractor at the expiration of three years after the farm labor  
12 contractor's license has expired or been revoked if no legal action has  
13 been instituted against the contractor or on the security deposit at  
14 the expiration of the three years.

15           (6) If a contractor has deposited a bond with the director and has  
16 failed to comply with the conditions of the bond as provided by this  
17 section, and has departed from this state, service may be made upon the  
18 surety as prescribed in RCW 4.28.090."

EFFECT: Does not increase the amount of the surety bond or vary  
the amount depending on the number of employees employed by the  
contractor. Also does not require or authorize the director of the  
Department of Labor and Industries to increase the amount of the surety  
bond or require additional security to cover repatriation costs.

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