
Commerce & Labor Committee

SB 5926

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.

Brief Summary of Bill

- Creates a Joint Legislative Task Force on the underground economy in the construction industry.

Hearing Date: 3/16/07

Staff: Joan Elgee (786-7106).

Background:

The "underground economy" typically refers to employment for which taxes are not paid.

Summary of Bill:

It is the Legislature's intent to determine the extent of and potential costs to the state of the underground economy in the construction industry.

A Joint Legislative Task Force (Task Force) on the underground economy in the Washington construction industry is created. The purpose of the Task Force is to formulate a state policy to establish cohesion and transparency between state agencies to increase oversight and regulation of the underground economy in Washington's construction industry.

The Task Force consists of:

- the Chair and Ranking Minority of the Senate Labor, Commerce, Research & Development Committee;
- the Chair and Ranking Minority of the House Commerce & Labor Committee; and

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- four members representing the construction business and four members representing construction laborers, selected from nominations submitted by the statewide construction business and labor organizations, respectively. These members are appointed jointly by the president of the Senate and the Speaker of the House.

The Employment Security Department, the Department of Labor and Industries, and the Department of Revenue each have a non-voting liaison representative and are to cooperate with the Task Force.

The Task Force is to contract with the Washington State Institute for Public Policy to assist in determining the extent of and costs to the state and workers of the underground economy in the construction industry.

Senate Committee Services and the House Office of Program Research are directed to provide staff support to the Task Force. The Task Force may hire additional staff.

The Task Force must report its findings and recommendations to the Legislature by January 1, 2008.

Rules Authority: The bill does not address the rule-making powers of an agency.

Appropriation: None.

Fiscal Note: Available.

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