SENATE BILL REPORT SB 5088

As Reported by Senate Committee On: Labor & Commerce, January 17, 2023

Title: An act relating to adding references to contractor registration and licensing laws in workers' compensation, public works, and prevailing wage statutes.

Brief Description: Adding references to contractor registration and licensing laws in workers' compensation, public works, and prevailing wage statutes.

Sponsors: Senators Keiser and King; by request of Department of Labor & Industries.

Brief History:

Committee Activity: Labor & Commerce: 1/12/23, 1/17/23 [DP, w/oRec].

Brief Summary of Bill

• Adds cross-references to plumbing, electrical, and elevator contractor licensing laws to existing workers' compensation, public works, and prevailing wage statutes.

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass.

Signed by Senators Keiser, Chair; Conway, Vice Chair; Saldaña, Vice Chair; King, Ranking Member; Braun, MacEwen, Robinson and Stanford.

Minority Report: That it be referred without recommendation. Signed by Senator Schoesler.

Staff: Jarrett Sacks (786-7448)

Background: General and specialty contractors are required to register with the Department of Labor and Industries. In addition to registering, contractors must follow

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

requirements relating to advertising, bonds and insurance, and other matters. In addition to the general contractor licensing statute, separate contractor licensing provisions exist for electrical and elevator contractors. Other statutes, including various public works, prevailing wage, and workers' compensation laws make references to the contractor registration laws.

Prior to 2020, plumbing contractors registered under the general construction contractor registration laws. In 2020, the Legislature passed SB 6170, which created a separate plumbing contractor licensing law, requiring plumbing contractors to register under the new law rather than the general construction contractor registration laws.

Summary of Bill: Cross-references to the plumbing contractor licensing laws are added to the following statutes:

- the requirement that a public works contractor must verify the responsibility criteria for certain subcontractors;
- the prevailing wage statutes establishing penalties for filing a false statement, failing to file a required statement or record, and for failing to pay prevailing wages;
- the independent contractor tests for workers' compensation and the references in the workers' compensation statute to those tests; and
- state workers' compensation laws regarding out of state employers covering workers in Washington, record keeping, prime contractor liability for workers' compensation premiums, and stop work orders for failing to secure payment of industrial insurance.

Cross-references to the plumbing, elevator, and electrical contractor licensing laws are added to the following statutes:

- the responsible bidder criteria for public works contracts; and
- the debarment statutes for public works contracts.

Cross-references to the plumbing and elevator contractor licensing laws are added to the independent contractor test for the prevailing wage statutes.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Staff Summary of Public Testimony: PRO: In 2020, the Legislature moved plumbing contractors out of the general contractor statute. In doing so, many cross-references were lost, which the bill corrects. There are rights and obligations that used to apply to plumbing contractors that no longer do because the cross-references were not corrected in the 2020 bill.

Persons Testifying: PRO: Senator Karen Keiser, Prime Sponsor; Tammy Fellin, Labor & Industries.

Persons Signed In To Testify But Not Testifying: No one.