

SENATE BILL REPORT

SB 6106

As Reported By Senate Committee On:
Labor, Commerce, Research & Development, February 27, 2007

Title: An act relating to the regulation of certain trades by the department of labor and industries.

Brief Description: Establishing guidelines for the regulation of certain trades by the department of labor and industries.

Sponsors: Senators Spanel, Kohl-Welles, Clements and Keiser.

Brief History:

Committee Activity: Labor, Commerce, Research & Development: 2/26/07, 2/27/07 [DPS].

SENATE COMMITTEE ON LABOR, COMMERCE, RESEARCH & DEVELOPMENT

Majority Report: That Substitute Senate Bill No. 6106 be substituted therefor, and the substitute bill do pass.

Signed by Senators Kohl-Welles, Chair; Keiser, Vice Chair; Clements, Ranking Minority Member; Franklin, Hewitt, Holmquist, Murray and Prentice.

Staff: Jennifer Strus (786-7316)

Background: Both the Department of Licensing and the Department of Health license and regulate a number of professions and businesses. Both are statutorily required to conduct sunrise reviews in certain circumstances. The Department of Labor and Industries (L&I) also licenses and regulates a number of trades, although it is not statutorily required to conduct a sunrise review.

Summary of Bill: The purpose of this bill is to establish guidelines for the regulation of construction trades or construction-related trades generally overseen in some capacity by L&I.

All bills introduced in the legislature to regulate a trade for the first time must first be reviewed by L&I using certain criteria. A trade should be regulated by the state only when:

- unregulated practice can clearly harm or endanger the health, safety or welfare of the public;
- the public needs and can reasonably be expected to benefit from an assurance of initial and continuing professional ability; and
- the public cannot be effectively protected by other means in a more cost-beneficial manner.

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.

If L&I determines that a trade should be regulated, the least restrictive alternative method of regulation should be recommended consistent with public interest.

After July 1, 2007, L&I must determine, by interviewing members of applicant groups, discussions with the general public, information received in public hearings, and L&I's own internal information, whether a trade should be regulated or further regulated. L&I is to make this determination by reviewing at least the following factors:

- a definition of the problem and why regulation is necessary;
- the efforts made to address the problem;
- the alternatives considered;
- the benefit to the public if the regulation is granted;
- the extent to which regulation might harm the public;
- the maintenance of standards;
- a description of the group proposed for regulation, an estimate of the number of practitioners in each group and whether the groups represent different levels of practice; and
- the expected costs of regulation.

L&I must hold a public hearing during which it will receive public comment on whether a trade should be regulated by the state. At least 20 days before the public hearing, L&I must file a notice of hearing with the Code Reviser for publication in the Washington State Register.

After L&I conducts its review it must submit a report with the details of its review as well as its recommendations about regulating the trade to the appropriate legislative committees.

EFFECT OF CHANGES MADE BY RECOMMENDED SUBSTITUTE AS PASSED COMMITTEE (Labor, Commerce, Research & Development): The language requiring L&I to review any legislation to regulate a trade before the Legislature can hear the bill is removed. A criteria is added for L&I to review the interests of the worker. The requirement that L&I publish the notice of the public hearing in the Washington Administrative Code is removed.

Appropriation: None.

Fiscal Note: Available.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: This bill would set up a good process. The Legislature should have a good process to rely on when deciding whether to regulate a trade.

CON: The bill as written would frustrate the legislative process. It takes away from the Legislature the ability to consider legislation. When L&I conducts its review it should consider not only the public interest but also the interest of the worker.

Persons Testifying: PRO: Gary Smith, IBA.

CON: Owen Linch, Teamsters; Richard King, IBEW; Randy Loomans, IUOE 302.