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SENATE BILL 5613

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State of Washington

61st Legislature

2009 Regular Session

By Senators Kohl-Welles, Keiser, Franklin, Kline, McDermott, Tom, and Fraser

Read first time 01/27/09. Referred to Committee on Labor, Commerce & Consumer Protection.

1 AN ACT Relating to authorizing the department of labor and  
2 industries to issue stop work orders for violations of certain workers'  
3 compensation provisions; and adding a new section to chapter 51.48 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 51.48 RCW  
6 to read as follows:

7 (1) In addition to the penalties provided by this chapter, an  
8 employer performing services that require registration under chapter  
9 18.27 RCW or licensing under chapter 19.28 RCW who violates RCW  
10 51.48.010 or 51.48.020(1) may be subject to a stop work order issued  
11 under this section.

12 (2) If the director determines after an investigation that an  
13 employer is in violation of RCW 51.48.010 or 51.48.020(1), the director  
14 may issue a stop work order against the employer requiring the  
15 cessation of all business operations of the employer. Service of the  
16 order must be in accordance with subsection (3) of this section.

17 (3) When a stop work order is served on a worksite by posting a  
18 copy of the stop work order in a conspicuous location at the worksite,  
19 it is effective as to the employer's operations on that worksite. When

1 a stop work order is served on the employer, the order is effective to  
2 all employer worksites for which the employer is not in compliance.  
3 All business operations of the employer must cease immediately upon  
4 service. The order remains in effect until the director issues an  
5 order releasing the stop work order upon finding that the employer has  
6 come into compliance and has paid any premiums, penalties, and interest  
7 under this chapter or issues an order of conditional release pursuant  
8 to subsection (6) of this section.

9 (4) An employer who violates a stop work order is subject to a one  
10 thousand dollar penalty for each day not in compliance.

11 (5) An employer against whom a stop work order has been issued may  
12 request reconsideration from the department or may appeal to the board  
13 of industrial insurance appeals. The request must be made in writing  
14 to the department or the board within ten days of receiving the stop  
15 work order at the worksite or in person. The hearing must be conducted  
16 in accordance with chapter 34.05 RCW. The stop work order remains in  
17 effect during the period of reconsideration or appeal. In an appeal  
18 before the board, the appellant has the burden of proceeding with the  
19 evidence to establish a prima facie case for the relief sought in such  
20 appeal. RCW 51.52.080 through 51.52.106 govern appeals under this  
21 section. Further appeals taken from a final decision of the board  
22 under this section are governed by the provisions relating to judicial  
23 review of administrative decisions contained in RCW 34.05.510 through  
24 34.05.598, and the department has the same right of review from the  
25 board's decisions as do employers.

26 (6) The director may issue an order of conditional release from the  
27 stop work order if the employer has complied with the coverage  
28 requirements of this chapter and agreed to pay penalties through a  
29 payment schedule. If the terms of the schedule are not met, the stop  
30 work order may be reinstated and the unpaid balance of the penalties  
31 will become due.

32 (7) Stop work orders and penalties assessed under this chapter  
33 remain in effect against any successor corporation or business entity  
34 that has one or more of the same principals or officers as the employer  
35 against whom the stop work order was issued and which is engaged in the  
36 same or equivalent trade or activity.

1 (8) The department may adopt rules to carry out this section.

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