

FINAL BILL REPORT

SHB 2146

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Synopsis as Enacted

Brief Description: Concerning department of labor and industries appeal bonds.

Sponsors: House Committee on Labor & Workforce Development (originally sponsored by Representative Condotta).

House Committee on Labor & Workforce Development
House Committee on Appropriations
Senate Committee on Commerce & Labor
Senate Committee on Ways & Means

Background:

The Department of Labor and Industries (Department) administers laws related to several trades including: construction contractors; electrical contractors, electricians, and electrical work; and conveyance contractors, mechanics, and conveyance work. Each of these laws provides for monetary penalties for specified violations. A party appealing a decision of the Department assessing penalties must accompany the appeal by a certified check for \$200, which is returned to the assessed party if the party prevails. If the Department prevails, the \$200 is applied for various purposes.

Construction Contractors. Violations of the contractor laws includes performing work without being registered as a contractor, advertising when the contractor's registration is suspended or revoked, and other violations. Each day is a separate violation. The penalty range is \$200 to \$10,000, depending on the violation. The Department's rules specify the penalties for each violation type subject to some statutory requirements. Appeals of contractor violations are handled by the Office of Administrative Hearings (OAH). By rule, a separate \$200 appeal bond must be filed to appeal each violation. If the Department's decision is sustained, the \$200 is applied to the expenses of the appeal including costs charged by the OAH.

Electrical. Violations of the electrical laws including installing wiring not in accordance with the law, offering to do electrical work without an electrical contractor's license, and employing a person who does not have a training certificate. The penalty range is \$50 to \$10,000, depending on the violation. Similar to contractors, a penalty schedule for each violation type is set forth in rule. Appeals of penalties are heard by the Electrical Board

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(Board), which has assigned appeals to the OAH. By rule, a separate \$200 bond must be filed for each violation, up to a maximum of \$1,000 for all violations by one entity. The Department may also deny a license or certificate renewal if penalties are owed. Appeal of a denial also requires a \$200 appeal bond. In all cases, the Department's decision is sustained, the check amount is applied to the payment of the per diem and expenses of the Board, and any balance is paid into the Electrical License Fund.

Conveyances. The Department may assess a penalty for violation of the conveyance laws, with a penalty of not more than \$500. On appeal, if the assessment is sustained the Department retains the amount of the check.

Summary:

The appeal bond amount for appeals of penalties under the contractor, electrical, and conveyance laws is modified beginning July 1, 2015. The amount is 10 percent of the penalty amount, or \$200, whichever is less, subject to a \$100 minimum. The new amount also applies to appeals of denials of electrical license and certificate renewals.

Votes on Final Passage:

House	96	0	
Senate	49	0	(Senate amended)
House	95	0	(House concurred)

Effective: July 1, 2015