
HOUSE BILL 1473

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2013 Regular Session

By Representatives Sells, McCoy, Morrell, Roberts, Takko, Lytton, Green, Ormsby, Bergquist, Freeman, Pollet, and Tarleton

Read first time 01/28/13. Referred to Committee on Labor & Workforce Development.

1 AN ACT Relating to reporting payments for construction services;
2 amending RCW 39.12.055; adding a new section to chapter 51.04 RCW;
3 adding a new section to chapter 42.56 RCW; and prescribing penalties.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 51.04 RCW
6 to read as follows:

7 (1) An entity that in the course of business makes a payment to a
8 construction service provider of six hundred dollars or more in a
9 taxable year for performing construction services shall report the
10 payment to the department and the construction service provider in a
11 manner prescribed by the department.

12 (2) The report must be transmitted by the entity to the department
13 and the construction service provider on or before January 31st
14 following the taxable year the payment was made. The report must
15 include:

16 (a) The entity's name, address, and unified business identification
17 number;

18 (b) The construction service provider's name, address, and unified
19 business identification number;

1 (c) The total amount the entity paid to the construction service
2 provider in the taxable year, including payments for services and for
3 any materials and equipment that were provided along with services; and

4 (d) Any other information that the department requires by rule.

5 (3)(a) The department shall transmit the report to the commissioner
6 of the employment security department no later than the first day of
7 the month following the calendar quarter the report was received. The
8 department may share the report, upon request, with any other local,
9 state, or federal government agency.

10 (b) Except as provided in (a) of this subsection, reports filed
11 under this section are confidential and exempt from public disclosure
12 under chapter 42.56 RCW, other than to public employees in the
13 performance of their official duties.

14 (4)(a) If the director determines that an entity has failed to file
15 a report or has filed an incomplete report, he or she may assess a
16 monetary penalty of not less than two hundred dollars and not more than
17 one thousand dollars per report. If the director determines that an
18 entity has knowingly failed to file a report or knowingly filed an
19 incomplete, false, or misleading report, he or she may assess a
20 monetary penalty of not less than one thousand dollars and not more
21 than five thousand dollars per report. An entity that is assessed a
22 penalty under this subsection shall not be permitted to bid, or have a
23 bid considered, on any public works contract until the penalty has been
24 paid in full. Penalties assessed under this subsection shall be
25 deposited in the general fund.

26 (b) An entity found to have violated this section shall, in
27 addition to any other penalties, be subject to the penalties in RCW
28 39.12.055.

29 (5) The requirements of this section do not apply to an entity that
30 does not regularly contract for construction services, as defined by
31 the department.

32 (6) The department may adopt rules to implement and enforce this
33 section.

34 (7) The definitions in this subsection apply throughout this
35 section unless the context clearly requires otherwise.

36 (a) "Construction services" includes the erection, excavation,
37 installation, alteration, addition, modification, repair, improvement,

1 demolition, deconstruction, dismantling, or removal of all or any part
2 of a building, structure, dock, wharf, surface, or subsurface on or
3 attached to any real property.

4 (b) "Construction service provider" means a general contractor or
5 specialty contractor, as defined in RCW 18.27.010, that provides
6 construction services regardless of whether the general contractor or
7 specialty contractor is registered under chapter 18.27 RCW.

8 (c) "Entity" includes a sole proprietor, partnership, corporation,
9 limited liability company, trust, association, financial institution,
10 governmental entity, other than the federal government, and any other
11 individual or group, engaged in a trade, occupation, enterprise,
12 governmental function, or similar activity in this state.

13 (d) "Payment" does not include wages paid by the entity to an
14 employee.

15 **Sec. 2.** RCW 39.12.055 and 2009 c 197 s 3 are each amended to read
16 as follows:

17 A contractor shall not be allowed to bid on any public works
18 contract for one year from the date of a final determination that the
19 contractor has committed any combination of two of the following
20 violations or infractions within a five-year period:

21 (1) Violated RCW 51.48.020(1) (~~(or)~~), 51.48.103, or section 1 of
22 this act;

23 (2) Committed an infraction or violation under chapter 18.27 RCW
24 for performing work as an unregistered contractor; or

25 (3) Determined to be out of compliance by the Washington state
26 apprenticeship and training council for working apprentices out of
27 ratio, without appropriate supervision, or outside their approved work
28 processes as outlined in their standards of apprenticeship under
29 chapter 49.04 RCW.

30 NEW SECTION. **Sec. 3.** A new section is added to chapter 42.56 RCW
31 to read as follows:

32 Reports filed with the department of labor and industries under
33 section 1 of this act are exempt from public disclosure under this
34 chapter.

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