
SENATE BILL 5783

State of Washington

67th Legislature

2022 Regular Session

By Senators Conway, Hasegawa, Hunt, Keiser, Kuderer, Mullet, Stanford, and Van De Wege

Read first time 01/11/22. Referred to Committee on Labor, Commerce & Tribal Affairs.

1 AN ACT Relating to reestablishing the underground economy task
2 force; and creating a new section.

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

4 NEW SECTION. **Sec. 1.** (1) The joint legislative task force on
5 the underground economy in the Washington state construction industry
6 is reestablished. For purposes of this section, "underground economy"
7 means contracting and construction activities in which payroll is
8 unreported or underreported with consequent nonpayment of payroll
9 taxes to federal and state agencies including nonpayment of workers'
10 compensation and unemployment compensation taxes.

11 (2) The purpose of the task force is to formulate a state policy
12 to establish cohesion and transparency between state agencies so as
13 to increase the oversight and regulation of the underground economy
14 practices in the construction industry in this state. To assist the
15 task force in achieving this goal and to determine the extent of and
16 projected costs to the state and workers of the underground economy
17 in the construction industry, the task force shall contract with the
18 institute for public policy, or, if the institute is unavailable,
19 another entity with expertise capable of providing such assistance.

20 (3) (a) The task force shall consist of the following members:

1 (i) The chair and ranking minority member of the senate labor,
2 commerce, research and development committee;

3 (ii) The chair and ranking minority member of the house of
4 representatives commerce and labor committee;

5 (iii) Four members representing the construction business,
6 selected from nominations submitted by statewide construction
7 business organizations and appointed jointly by the president of the
8 senate and the speaker of the house of representatives;

9 (iv) Four members representing construction laborers, selected
10 from nominations submitted by statewide labor organizations and
11 appointed jointly by the president of the senate and the speaker of
12 the house of representatives; and

13 (v) One representative from the state attorney general's office.

14 (b) In addition, the employment security department, the
15 department of labor and industries, and the department of revenue
16 shall cooperate with the task force and shall each maintain a liaison
17 representative, who is a nonvoting member of the task force. The
18 departments shall cooperate with the task force and the institute for
19 public policy, or other entity as appropriate, and shall provide
20 information and data as the task force or the institute, or other
21 entity as appropriate, may reasonably request.

22 (c) The task force shall choose its chair or cochairs from among
23 its legislative membership. The chairs of the senate labor, commerce,
24 and tribal affairs committee and the house of representatives labor
25 and workplace standards committee shall convene the initial meeting
26 of the task force.

27 (4) (a) The task force shall use legislative facilities and staff
28 support shall be provided by senate committee services and the house
29 of representatives office of program research. Within available
30 funding, the task force may hire additional staff with specific
31 technical expertise if such expertise is necessary to carry out the
32 mandates of this study.

33 (b) Legislative members of the task force shall be reimbursed for
34 travel expenses in accordance with RCW 44.04.120. Nonlegislative
35 members, except those representing an employer or organization, are
36 entitled to be reimbursed for travel expenses in accordance with RCW
37 43.03.050 and 43.03.060.

38 (c) The expenses of the task force will be paid jointly by the
39 senate and house of representatives. Task force expenditures are
40 subject to approval by the senate facilities and operations committee

1 and the house of representatives executive rules committee, or their
2 successor committees.

3 (5) The task force shall report its findings and recommendations
4 to the legislature by December 1, 2022.

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