HOUSE COMMITTEE ON COMMERCE SUBCOMMITTEE ON LABOR January 27, 1993 Hearing Room D 8:30 a.m. Tapes 13 - 14 MEMBERS PRESENT: Rep. John Watt, Chair Rep. Lee Beyer Rep. Michael Payne Rep. Charles Starr Rep. Bob Tiernan STAFF PRESENT: Marilyn Johnston, Committee Administrator Rick Gaupo, Committee Clerk WITNESSES: Jim Stembridge, Construction Contractors Board Ken Keudell, Construction Contractors Board John Powell, Construction Bonding and Insurance Co Fred Van Natta, Home Builders Association Patrick Gallagher, SAIF Corp MEASURES CONSIDERED: HB 2051 -Public Hearing HB 2052 - Public Hearing HB 2053 - Public Hearing HB 2069 - Public Hearing These minutes contain materials which paraphrase and/or summarize statements made during this session. Only text enclosed in quotation marks report a speaker's exact words. For complete contents of the proceedings, please refer to the tapes [--- Unable To Translate Graphic ---] TAPE 13, SIDE A 011 Chair Watt calls the meeting to order at 8:30 and opens Public Hearing on HB 2051 HB 2051 - Allows Construction Contractors Board to treat arbitration decisions in same manner court decisions for purposes of paying claims from bonds 014 Administrator Johnston summarizes Preliminary Measure Analysis -Exhibit A 020 Jim Stembridge reviews prepared testimony - Exhibit B 058 Chair Watt and Jim Stembridge discuss claims under \$1,000. John Powell advocate amendments to the bill > Refers to page 2 081 line 33 > Refers to page 2 line 27 > Discussion centers around time line issues 117 Chair Watt Closes Public Hearing on HB 2051 and opens Public hearing on HB 2052 HB 2052 - Allows use of regular mail for certain notices by board of Construction Contractors

120 Administrator Johnston summarizes Preliminary Measure Analysis - Exhibit C

128 Jim Stembridge reviews prepared testimony - Exhibit D

158 Chair Watt and Jim Stembridge discuss language of HB 2052 > Discussion on mailing methods to contractors > Fiscal impact of \$7,200

221 John Powell discusses language changed. Change from "mail to correct address"

245 Chair Watt Closes Public Hearing HB 2052 and opens Public hearing on HB 2053 $\,$

HB 2053 - Requires written notice from Construction Contractors Board in certain instances before independent contractor registration is invalid

250 Administrator Johnston summarizes Preliminary Measure Analysis – Exhibit ${\rm E}$

258 Jim Stembridge reviews prepared testimony - Exhibit F

290 Chair Watt and Jim Stembridge discuss language of the bill > Discussion about Written Notice

328 Rep. Beyer and Jim Stembridge discuss cost of claiming exempt

354 Fred Van Natta gives testimony. > Discuss time line for claiming exempt criteria and when a contractor

must claim being exempt > Discuss registration and employees and exempt
issues

TAPE 14, SIDE B

008 Fred Van Natta Explains diagram - Exhibit G > Discussion on who is liable for worker's comp > Requires written notice of who is registered > Provide method where general contractor could know change of

subcontractors status > Discusses language of bill that leaves general contractor liable 094 Fred Van Natta brings up separate issue about PERS > Discusses worker's comp

169 Rep. Tiernan and Fred Van Natta discuss if the general contractor is liable for worker's comp of subcontractors employees > General is liable if subcontractors is registered exempt

227 Rep. Payne and Fred Van Natta discuss if the problem can be avoided if subcontractor are held liable if they do have employees

260 Pat Gallagher presents prepared testimony - Exhibit H

280 Rep. Payne and Pat Gallagher discuss workers comp and valid and invalid status

318 Rep. Beyer and Pat Gallagher discuss the issue of two contractor working directly with home owners acting as their own general

 $372\,$ Chair Watt closes Public Hearing on $\,$ HB 2053. Opens Public Hearing on HB 2069 $\,$

HB 2069 - Allows administrator of Construction Contractors Board to immediately suspend or refuse to renew registration in certain instances of danger to public welfare 280 Administrator Johnston summarizes Preliminary Measure Analysis -Exhibit I 287 Jim Stembridge presents prepared testimony - Exhibit J TAPE 13, SIDE B Chair Watt and Jim Stembridge discuss role of administer > 037 Discuss language of dishonest of fraudulent 053 Ken Keudell explains line 26 and why the contractor's board is comfortable with the language 064 Chair Watt close Public Hearing on HB 2069. Adjourns meeting at 9:30

Submitted by Reviewed by

Rick Gaupo, Committee Administrator Marilyn Johnston, Committee Clerk

EXHIBIT LOG:

A - HB 2051 Preliminary Measure Analysis, Administrator Johnston B - HB 2051 Testimony, Jim Stembridge C - HB 2052 Preliminary Measure
Analysis, Administrator Johnston D - HB 2052 Testimony, Jim Stembridge E - HB 2053 Preliminary Measure Analysis, Administrator Johnston F - HB 2053 Testimony, Jim Stembridge G - HB 2053 Diagram, Fred Van Natta H - HB 2053 Testimony, Patrick Gallagher I - HB 2069 Preliminary Measure Analysis, Administrator Johnston J - HB 2069 Testimony, Jim Stembridge