



January 2013

Searching for Unregistered Contractors

In four surprise sweeps between August and November, L&I construction compliance inspectors visited 257 work sites and issued 41 citations to unregistered contractors. It's part of our "boots on the ground" efforts to fight the Underground Economy. Working as an unregistered contractor can result in a minimum \$1,000 penalty for a first offense.

Surprise sweeps are a powerful tool in combating the Underground Economy. L&I works hard to increase its presence in the field and appreciates stakeholder input.

Underground Economy Citations



2012 Annual Fraud Report

This year saw new records and accomplishments in fighting fraud and the Underground Economy. Each year our [annual report](#) to the Legislature gives the details.

Our 2012 report highlights achievements such as our return on investment. For every dollar spent fighting fraud the program returns:

\$9.30

Fraud Blotter: Beroth Drywall

A Tacoma couple pleaded guilty on 1/7/2013 to one count of felony theft each for collecting workers' compensation benefits illegally.

L&I stopped benefit payments after an investigation determined that Jamie and Lawrence Beroth continued working after their purported injuries occurred. The couple own Beroth Drywall. Between the two of them, the couple collected \$223,758 in benefit payments over two years.

Pierce County Superior Court ordered them to repay the full amount in restitution. Each felony count carries a maximum penalty of 10 years in prison and a \$20,000 fine in addition to the restitution.

For more information on this case and others visit our blog, [Nailed](#)

New ProtectMyHome Consumer Campaign Starting Soon

Showing consumers how to watch out for fraudulent contractors will be the focus of a new L&I campaign launching mid-February.

The agency's **ProtectMyHome** ad campaign will drive homeowners to its new **ProtectMyHome** website, where they'll find how-to advice, checklists, and other tools for screening out scammers and choosing only reputable, registered contractors.



Auditing the Right Employers

We've improved audit selection since our program began in 2004. This year 76% of employers we audited owed premiums.

Success isn't always measured in revenue. Auditing the right employers saves time for L&I and reduces work for upstanding employers.

