Meeting Minutes October 18, 2016

Board Members

Evan Conklin, Plumbing Business, Chairman
Ed Holmes, Journey Level Plumber, Vice Chairman
Jake Tapani, Journey Level Plumber
Dave Weisbeck, Public Member
Scott Fowler, Specialty Plumbing Business
Dave Weickum, Specialty Plumber
Linda Houser, Plumbing Business

Department of Labor & Industries

Elizabeth Smith, Assistant Director, Fraud Prevention Labor Standards
Annette Taylor, Deputy Assistant Director, Fraud Prevention Labor Standards
Dean Simpson, Chief, Contractor Registration/Plumber Certification/FAS
Bruce Springer, Plumbing Technical Specialist
Jesse Jameson, Contractor Technical Specialist
Melissa McBride, Management Analyst, Fraud Prevention Labor Standards
Debby Abe, Communication Consultant, Public Affairs
Jackie Lemons, Plumber Certification Supervisor
Tamara Petterson, Customer Service Specialist

 Guests

Tim Downes, Jason Howard, Wendy Burnett, Tim Bushnell, Wiley Cortez, Jason Pritchard, Todd Allred, Chris Allred, Pat Dickinson, Bob Larson, Dennis Hamon, Dan Grossruck, John Kneene, Fred Volkers, Sean Daly, Joshua Lutes, Brian Harding, Russ Thompson, Wm Derek Henry, Larry Stevens

Call to Order

The meeting was called to order at 9:32 a.m.

Approve Minutes

A motion was made, seconded, and passed to approve the July 19, 2016 meeting minutes as written.
Fraud Overview

Elizabeth Smith, Assistant Director, Fraud Prevention Labor Standards, stated that she was here today to speak about what Labor and Industries is doing about the underground economy and what results they are seeing.

Liz explained that a large portion of what they do is focus on the construction industry looking for worker’s comp fraud, construction compliance fraud, non-compliance, and harmed consumers. They specifically look at licensing fraud and uncertified individuals doing plumbing work. Liz stated that the purpose of what they do is to eliminate fraud, help honest employers, and protect workers and consumers. She said that is the mission for everything we do across all of our many programs.

Liz said that in Labor and Industries we have a number of specific goals for the entire agency, they are:

1. Ensure workers safety
2. Help injured workers heal and return to work
3. Make it easy to do business with us
4. Support honest workers, businesses, and providers by cracking down on the dishonest ones.
5. Employer of Choice

Liz spoke about the underground economy. She reported that between 23 Labor and Industries Inspectors throughout the state, they have stopped at 12,350 jobsites and issued 1,812 underground economy infractions/violations. She also stated that does not include the number of workers’ comp audit referrals or workers’ comp collection referrals. Underground economy violations include;

- Unregistered Contractors that are bidding or working in Washington
- Contractors that are not properly paying for workers’ compensation insurance.

Liz noted that some of what inspectors check when visiting a jobsite is;

- Is the contractor registered?
- Is the plumber certified?
- Is the electrician licensed?
- Do they have appropriate workers’ comp coverage?
- Are there any collection issues?

Liz provided the following resources that are available to the public:

- Report Fraud
  - [http://www.lni.wa.gov/Main/Fraud/]
• Verify a Contractor or Tradesperson
  ➢ http://www.lni.wa.gov/TradesLicensing/Contractors/HireCon/Verify/

• ProtectMyHome
  ➢ http://www.lni.wa.gov/TradesLicensing/Contractors/ContractorFraud/ProtectMyHome.asp

Liz introduced Annette Taylor, Deputy Assistant Director, Fraud Prevention and Labor Standards, to explain the Coordinated Enforcement Pilot Project.

**New- Coordinated Enforcement Pilot Project**

Annette Taylor explained that they had developed the Coordinated Enforcement Pilot Project in January of this year. As an enterprise approach they want to:

- Improve identification of bad actors.
- Decrease the number of bad actions.
- Improve public awareness that we are targeting bad actions.

Annette stated that they have many systems at Labor and Industries that they look at, but don’t have one comprehensive enterprise system that gives them the view of a firm, or an employer. She said we are going to try and build a system where we can look at the business through an enterprise system. We have started down this path through our business transformation.

Discussion followed.

**Escalation Strategy**

Liz said when we talk about an escalation strategy, what we mean is having systems that have a progressive and proportionate consequences for violations. Also making sure that we, as an agency are really focused on the violations and the compliance problems that are harming the industry and the consumers. She stated that in order to develop that, we need your input.

Annette provided a sample escalation strategy from the Contractor Compliance Program. She explained the purpose and importance of having an escalation strategy is:

- Stop the repeat violators
- Change the behaviors

Annette asked Ed to give her names to start a conversation about an escalation strategy.
Plumber Legislation

Ed suggested forming a subcommittee to draft a bill to propose to legislation. Liz suggested a subcommittee be formed outside of the board meeting to act on industry issues. Evan suggested that the Attorney General’s Office gets involved if a subcommittee is going to be formed. Liz agreed by responding to Evan with saying, we can definitely do that.

Ed encouraged the group to set up an appointment with their representative to talk about their industry and how they see it.

Discussion followed.

Plumber Infractions

Bruce stated that there were 146 infractions written for $51,500.00 for the third quarter of 2016.

Discussion followed

Plumber Examinations

Bruce stated that the extra exam we had in Vancouver went well. There are additional exams scheduled if necessary.

New Business

Todd Allred, Allred’s Mechanical Solutions Inc, PHCC Board of Directors, thanked Jesse Jameson for his presentation at the last IAPMO meeting. Todd asked if Jesse could speak at a future meeting.

Todd introduced Joshua Lutes, a consumer who had purchased a home that had multiple issues. It was disclosed that the previous owner did not have permits pulled. The home had been inspected and nothing serious came back from the inspection. The Lutes have spent $25,000.00 to date on having the plumbing repaired.

Motion to adjourn.