

Meeting Minutes  
 Construction Underground Economy Advisory Committee (CUEAC)  
 January 3, 2017  
 10:00 am – 12:00 pm  
 Tumwater, WA

Attendees: Noe Castillo Jr., Patrick Connor, Don DeMulling, Allison Drake, Cory Elliott, Matthew Erlich, Eric Gustafson, Stan Harris, Neil Hartman, Jan Himebaugh, Ed Holmes, Jim King, Tom Kwieciak, Mark Martinez, Melissa McBride, Doric Olson, Alan Paja, Derek Patches, Kevin Penberthy, Gary Schenk, Jolene Skinner, Elizabeth Smith, Josh Swanson, Annette Taylor, Jerry Vanderwood

Agenda Item	Discussion
Opening Remarks Introductions	<p><b>Elizabeth Smith– L&amp;I</b></p> <ul style="list-style-type: none"> <li>• Welcome</li> </ul> <p><b>Allison Drake – L&amp;I</b></p> <ul style="list-style-type: none"> <li>• Safety Topic: Safe winter driving.</li> </ul>
Coordinated Enforcement Pilot Project	<p><b>Elizabeth Smith– L&amp;I</b></p> <ul style="list-style-type: none"> <li>• The Coordinated Enforcement Pilot Program (CEPP) is an effort we put into place last year with the goal of focusing on taking significant civil or criminal action against 25 offenders by 2020.</li> <li>• We want to identify who the worst violators are across multiple areas of law, and focus on those violators using civil and criminal tools.</li> <li>• Example: There was an unregistered contractor who wasn't paying appropriate wages, wasn't paying workers' compensation, and had safety violations. Instead of just pursuing them with one of those avenues, we wanted to see how we could identify them as a threat in multiple areas and identify how we could address that.</li> <li>• We created the detection specialist position, which is responsible for working across all of the programs and divisions to figure out who the worst violators were, and to coordinate priority at the agency and the Attorney General's (AG) level.</li> <li>• We've been working on restructuring our investigations to focus on employer criminal work, and working with AG partners to identify problem entities and develop significant responses. We are working on training staff to be able to work on these higher level violators. They take a lot more time than a standard level case, audit, investigation, etc.</li> <li>• Since beginning the project in December 2015, we've reviewed 90 firms.</li> </ul>

- There's currently 12 cases relating to civil wage theft in process by a combination of L&I and AG, and we are in the preliminary stages of developing four other cases. L&I is also working closely with the U.S. Department of Labor (DOL).
- There was one case where the U.S. DOL started the case and gave it to us, and we're partnering with them on a case that has prevailing wage violations on state and federal projects.
- L&I started discussion with the U.S. DOL on agriculture cases, and we are investigating one criminal wage theft case.
- Beyond partnering with the AG, there are cases that L&I has taken on its own. There are eight employer criminal cases we've taken on. We've been doing work with our regional offices to help determine when they should pursue escalation strategies.
- We are planning to continue this work moving forward. We are going to be looking at how we can strengthen the network with our regional staff, improve communications, etc.
- In terms of detection, we're trying to figure out how we keep detecting which firms are significant? We really want to try to move our efforts and do a better job.

**Patrick Connor – National Federation of Independent Business**

- Are the employer and wage theft cases separate?

**Elizabeth Smith – L&I**

- Yes. The wage theft cases are where multiple wage complaints have been filed against the same employer, so we go in and do a company-wide investigation. The criminal cases are where they haven't been paying workers' compensation.

**Patrick Connor – National Federation of Independent Business**

- Is there tracking going on to determine who the contracting entities are? Are we keeping track to determine if they're prevailing wage, private sector, etc.?

**Elizabeth Smith – L&I**

- That's absolutely one of the things we look at. It's not as significant as I would like it to be, but we do know when the same names keep popping up.

**Patrick Connor – National Federation of Independent Business**

- Is there going to be data available?

**Annette Taylor – L&I**

- Scott, the detection specialist, is tracking all of that data, and putting it into spreadsheets. He's identifying patterns, and how to address them. The patterns haven't told us that there's some significant action that needs to be taken in one direction just yet, but we'll be looking for that.

**Eric Gustafson – Ironworkers Local 86**

- Is it recognized that the second tier contractor who hires a third tier contractor finds it as an easy way to cheat? As a subcontractor, the person doesn't even need to be paid minimum wage. When you see that, you see a red flag, right?

**Annette Taylor – L&I**

- We've had the same conversations with our auditors. Yes, we are aware of that.

**Jim King – Washington State Heating, Ventilation, & Air Conditioning Contractors Association**

- Does any of this show up in your budget request? Is there anything that we need to be looking for?

**Annette Taylor – L&I**

- The AG's Office has been able to redirect resources to cover some of the resources.

**Elizabeth Smith – L&I**

- That may be something that happens in the future. We've been taking existing resources and re-prioritizing them. It could potentially happen down the line, but no promises.

**Gary Schenk – Washington Association of Building Officials**

- How big is the problem? You said you've looked at 90 firms. What percentage of that is it for the entire problem?

**Annette Taylor – L&I**

- Those 90 firms came up as the "top" problems. That's 90 out of the scope of the number of employers in the state of Washington. This is who showed up on our list when we looked across the agency.

**Elizabeth Smith – L&I**

- The 90 is with one detection specialist, and are those which have risen to the top. When we say investigated the 90, that means we did a deep dive into the firm. If we see big problems in a multitude of areas, that's when we decide that it's worth taking the extra effort into addressing those concerns.

**Patrick Connor – National Federation of Independent Business**

- Are all 90 of these construction?

**Annette Taylor – L&I**

- No, but a lot of them are. Just because of the nature of our work at this agency, a lot of them end up being construction.

**Josh Swanson – International Union of Operating Engineers Local 302**

- When you say that you checked with your staff, did you mean across the agency?

**Annette Taylor – L&I**

- Yes. We work to try and break down silos, and we reached out to staff throughout the agency for feedback on what they're seeing.

**Elizabeth Smith – L&I**

- And we've also been using data.

**Alan Paja – Pacific Northwest Regional Council of Carpenters**

- You've identified 90 employers, and you only have 21 have cases going?

**Elizabeth Smith – L&I**

- A lot of that goes to capacity, and only having one detection specialist. We have no additional dedicated staff.

**Annette Taylor – L&I**

- We're redesigning how we do the work in the regional offices as well. Part of the pilot project is to help us look at our current model, manage staff, etc., to improve our efforts.

**Alan Paja – Pacific Northwest Regional Council of Carpenters**

- What's the plan long-term?

**Annette Taylor – L&I**

- We're developing a unit that we will either be redirecting resources to, or after showing success with asking for resources, putting a unit into place who will be working on these cases. What do we need to do in order to accomplish this work in the regional offices?

**Jan Himebaugh**

- What did the pilot cost?

**Annette Taylor – L&I**

- We took an existing position that was unfilled, and put Scott in there. We had been holding that position, so it's only the cost of filling that. At the AG's Office, one criminal and one civil investigator are being used. And then staff internally to do the work.

**Jan Himebaugh**

- Do you have an estimate of what that cost is?

**Annette Taylor – L&I**

- We don't have that number today, but we could sit down and put a number together.

**Elizabeth Smith – L&I**

- We consider it a success because we've gotten the ball rolling and focus put on violators that we may not have otherwise addressed. At least not at this level.

	<p><b>Jim King – Washington State Heating, Ventilation, &amp; Air Conditioning Contractors Association</b></p> <ul style="list-style-type: none"> <li>• With all of the work you’re doing, most employers are in compliance. You’re gathering data, and what you should also be showing is how much money they’re taking away from honest businesses. It might be useful for selling the narrative.</li> </ul> <p><b>Elizabeth Smith – L&amp;I</b></p> <ul style="list-style-type: none"> <li>• It’s easier to do on public works projects, but we could definitely try to do that.</li> </ul> <p><b>Eric Gustafson – Ironworkers Local 86</b></p> <ul style="list-style-type: none"> <li>• When we identify there’s a subcontractor who has third-tier subcontractors working for them, is it strictly through the seven-part test and asking those questions that we determine the relationship?</li> </ul> <p><b>Elizabeth Smith – L&amp;I</b></p> <ul style="list-style-type: none"> <li>• Are you talking about in the workers’ compensation arena?</li> </ul> <p><b>Eric Gustafson – Ironworkers Local 86</b></p> <ul style="list-style-type: none"> <li>• Both for workers’ compensation fraud and wage theft. If a worker is listed as subcontractor, but they’re actually an employee, you have a test to determine. Do you figure that out on the basis of just asking those questions? Or do you also observe to see if people can get the job done on their own?</li> </ul> <p><b>Elizabeth Smith – L&amp;I</b></p> <ul style="list-style-type: none"> <li>• We’ll typically in the context of an audit or investigation, ask questions of both the hiring employer, and the worker/contractor. We start asking them questions about their conditions of work. We send out questionnaires. There’s also a degree of observation, but that’s in relationship to the paperwork.</li> </ul> <p><b>Eric Gustafson – Ironworkers Local 86</b></p> <ul style="list-style-type: none"> <li>• It would really help a lot if the department had people who are familiar with the disciplines asking the questions.</li> </ul> <p><b>Elizabeth Smith – L&amp;I</b></p> <ul style="list-style-type: none"> <li>• Having a combination of interviews, looking at the paperwork, etc., and having people who are familiar with the trades is what is most useful for us.</li> </ul>
IT Updates	<p><b>Elizabeth Smith – L&amp;I</b></p> <ul style="list-style-type: none"> <li>• Last year in the legislature, we got approved for enhancements to the prevailing wage system. We first did an awarding agency portal.</li> <li>• What we’re working on now is the Phase 2 contractor portal. The same concept comes through, i.e. making it easy to fill out the forms, make compliance visible, etc.</li> </ul>

**Jolene Skinner – L&I**

- Creating the opportunity for awarding agency and contractor to identify issues during the project, instead of waiting for L&I to find the issues during the review for release of retainage.
- Slide 2 goes through what we're doing. Enhancements to the intent and affidavit system. One of our main focuses was to create the same accesses and feature for prime contractors as we make for everyone else.
- We are enhancing the certified payroll report system, the awarding agency portal, public dashboard, Verify, and we'll be doing notifications.
- We have two new apps. In Phase 1, all of it was focused on our customers. On Phase 2, one of the things we wanted to do was look at a system for our internal staff.
- With the awarding agency portal, we were able to do a soft launch. With the intent and affidavit system, contractors are already on there using it, so we can't do a soft launch.
- Overview of Slide 3 – Instead of having contractors link over to the Verify application, we wanted to create a one-stop location. We have that functionality built in, where they can review multiple contractors at once.

**Don DeMulling – Citizen Participant**

- Please don't give access to the certified payroll. That's one of the ways we check and catch the bad guys.

**Jolene Skinner – L&I**

- The certified payroll system doesn't stop people from reporting less than a prevailing wage rate. The affidavit system does not let them put in a prevailing wage rate that is less than the minimum in the system. One system lets them do it, and one does not.
- We wanted them to be able to pull it in, but they can also change it. If they change it, we're going to provide the information to internal staff, the awarding agency, and the prime contractor.

**Don DeMulling – Citizen Participant**

- The dollar amounts are important for misclassification. But this is how you catch the hours for people who are working off the books. I would strongly recommend that you don't do that.

**Eric Gustafson – Ironworkers Local 86**

- I think that part of what our concern is that this is one of the ways that a lot of cheating takes place. We're concerned about people who, on their intent, identify that they're going to use certain kinds of labor. But the affidavit and the certified payroll don't really capture whether or not that was the case for the hours worked by each classification.

**Elizabeth Smith – L&I**

- This is self-reported. We get over 130,000 affidavits per year. Those get reviewed by customer service staff, but as much as we can help people understand what their obligations are, we're going to do that. We want to make the process easy, clarify obligations, and have the transparency factor.

**Jolene Skinner – L&I**

- Those compliance actions of what they're doing on the project, versus what they stated on their intent.

**Alan Paja – Pacific Northwest Regional Council of Carpenters**

- If you're looking to put responsibility on the awarding agency and the prime contractor, then that's what you're doing.

**Gary Schenk – Washington Association of Building Officials**

- What's the penalty?

**Elizabeth Smith – L&I**

- It depends on the level of the violation, and what areas it touches.

**Jim King – Washington State Heating, Ventilation, & Air Conditioning Contractors Association**

- The vast majority of employers using this system are honest. You shouldn't be building a system that puts the onus on the people who play by the rules.

**Jolene Skinner – L&I**

- The other thing we have coming up is the ability to review and submit certified payroll. This new system will allow the contractors to submit a request.
- Now the awarding agency can initiate an intent.
- The system links to the contractor portal, which is what mirrors the agency portal today.

**Alan Paja – Pacific Northwest Regional Council of Carpenters**

- Are you only doing one tier?

**Jolene Skinner – L&I**

- It shows multiple ways. You can collapse and expand these.
- With our new system for release and retainage internally, it's going to give us the ability to provide the awarding agency and prime contractor with an update of where we're at in the process.
- Currently, the only notifications that a contractor will receive from us is when they have a combined form filed by the awarding agency. We're developing email notifications to them on certain actions.
- For each contractor on the project, they'll have the ability to see where the issues exist.

**Alan Paja – Pacific Northwest Regional Council of Carpenters**

- Can we put the collapsible structure here?

**Jolene Skinner – L&I**

- I'll look into that. One of the things we're really trying to do is automate the process, and reduce the amount of work that needs to be done through hand-keying.
- We're really hoping that all of this will speed up the process of releasing the retainage by L&I.

**Jerry Vanderwood – Associated of General Contractors**

- How are you planning to communicate the changes?

**Jolene Skinner – L&I**

- We're looking at sending out a notification next week to our listserv. One of the things we did with the awarding agency portal is we created a step-by-step guide. We're going to create the same thing for the contractor portal. We'll be updating that for the awarding agency, as well as making updates to that system.

**Jerry Vanderwood – Associated of General Contractors**

- How can we help get the word out?

**Jolene Skinner – L&I**

- As much as you can get the word out, we would really appreciate it.

**Elizabeth Smith – L&I**

- On the core team of people working on this, how many people are working on it?

**Jolene Skinner – L&I**

- We have five developers. They didn't start until the end of September, but we did a lot of requirements gathering before that.
- Currently, 1,126 contractors are using the certified payroll report system today. Back in August, it was 800. So it's been steadily increasing. We had 7,800 weekly reported filed in August, and that's almost up to 16,000.
- Our awarding agency portal, we have a 39 percent usage, and we have 243 that are currently using the system.

**Josh Swanson – International Union of Operating Engineers Local 302**

- Do we know why so many people are using the certified payroll system? The numbers are growing exponentially.

**Jolene Skinner – L&I**

- We haven't done any research as to why people are using the certified payroll system. We haven't done a deeper dive yet.



	<p><b>Elizabeth Smith – L&amp;I</b></p> <ul style="list-style-type: none"> <li>• And the fact that you individually need to enter each worker one by one, we didn't think people would use it. But that was the first step we needed to take before we could reach the bulk upload feature.</li> </ul> <p><b>Josh Swanson – International Union of Operating Engineers Local 302</b></p> <ul style="list-style-type: none"> <li>• So the bulk upload would be like QuickBooks?</li> </ul> <p><b>Elizabeth Smith – L&amp;I</b></p> <ul style="list-style-type: none"> <li>• The bulk upload would make a way to upload a file from your payroll software so that it's an easy, secure electronic transmission.</li> </ul> <p><b>Eric Gustafson – Ironworkers Local 86</b></p> <ul style="list-style-type: none"> <li>• If the labor community is not aware that a contractor is on site performing the work, it makes it hard for the industry folks who know the field to be able to get out there and make observations on behalf of the department if we don't know where the job is. The intent should truly be more than a revenue raiser. It could more effectively be used to address the underground economy.</li> </ul> <p><b>Jolene Skinner – L&amp;I</b></p> <ul style="list-style-type: none"> <li>• For the "Intents Not Filed" tab, it shows that they've been listed as a subcontractor, it shows that they haven't filed, or that their third-tier subcontractor hasn't filed.</li> </ul>
<p>Raising Consumer Awareness About Uncertified Plumbers</p>	<p><b>Annette Taylor – L&amp;I</b></p> <ul style="list-style-type: none"> <li>• Plumbers have told us that a lot of consumers aren't aware that the state requires plumbers to be certified by L&amp;I.</li> <li>• But as you all know, hiring certified plumbers protects consumers and helps level the playing field for plumbers following the rules.</li> <li>• So the department is developing and supporting outreach efforts targeting both consumers and industry professionals. Our key messages are to: Hire certified plumbers, ask to see their plumber certification card, and go to ProtectMyHome.net for more tips on hiring plumbers.</li> <li>• Here are a few of the things we've done so far or plan to do. <a href="http://www.lni.wa.gov/TradesLicensing/Contractors/UE/Docs/Newsletters/OnTheLevel201609.pdf">http://www.lni.wa.gov/TradesLicensing/Contractors/UE/Docs/Newsletters/OnTheLevel201609.pdf</a></li> <li>• We wrote a story encouraging plumbers to wear their plumber certification badges on their outer clothing. That lets consumers know up front that they are dealing with a professional who's licensed to do plumbing work. <ul style="list-style-type: none"> <li>○ The story was published in our September On the Level newsletter, which provides updates on our efforts to fight the underground economy in construction.</li> <li>○ We sent a message to people on our Plumbers Listserv about the campaign, and provided a link to the newsletter.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• We're establishing connections with local building officials. <ul style="list-style-type: none"> <li>○ We sent a slightly revised version of the story to the Washington Association of Building Officials (WABO) for their website. This version asked these local building officials to let L&amp;I know if they discover uncertified plumbers on the job.</li> <li>○ L&amp;I staff also attended the last meeting of the association. This was a great opportunity to meet officials to share our efforts and encourage referrals to the department.</li> </ul> </li> <li>• We created a webpage that shows consumers and the industry what the certification cards look like and spells out the differences between the various certification levels. <a href="http://www.Lni.wa.gov/PlumberCards">www.Lni.wa.gov/PlumberCards</a></li> <li>• We are partnering with plumbing labor and industry groups to get out the message. UA Local 32 Plumbers and Pipefitters and the Plumbing Heating Cooling Contractors Association have produced several really good public awareness ads for TV. We are contributing funds to help extend this ad campaign. Here are a couple of the ads: <a href="http://www.ualocal32.com/~local32/index.php">http://www.ualocal32.com/~local32/index.php</a> Finally, we are making plumbing the focus of our annual ProtectMyHome campaign targeted at consumers. <a href="http://www.ProtectMyHome.net">www.ProtectMyHome.net</a> <ul style="list-style-type: none"> <li>○ We are working on a video ad that we expect to air in late February. The ad will encourage consumers to make sure they're working with a certified plumber, and ask to see the plumber's certification badge.</li> <li>○ Once the ad begins airing, we plan to submit articles to consumer publications like the Better Business Bureau or AARP about hiring a certified plumber and our marketing campaign.</li> </ul> </li> </ul> <p><b>Don DeMulling – Citizen Participant</b></p> <ul style="list-style-type: none"> <li>• Could we encourage contractors to put their license numbers on their vehicles?</li> </ul> <p><b>Elizabeth Smith – L&amp;I</b></p> <ul style="list-style-type: none"> <li>• That requires a law change.</li> </ul>
2017 Legislative Updates	<p><b>Tammy Fellin – L&amp;I</b></p> <ul style="list-style-type: none"> <li>• Session starts on Monday. It's a long session which will address the biennial budget.</li> <li>• We put together budget requests and submitted them to the Governor's Office. Slight revisions, but most of everything we asked for, plus some, were included.</li> <li>• The biggest add that we hadn't asked for was funding to implement Initiative 1433. Funding for us to staff that effort.</li> <li>• Apprenticeship got a lot of time and attention in the governor's budget. We asked for authority so that we could spend some of the money we got. They're also doing additional expansion.</li> </ul>

- We asked for money to spend the workers' compensation premiums. We cover the cost of apprentices when they're in training.
- We asked for \$1.1 million to replace the conveyance management system for the elevator program. That was funded. We're continuing to work with the elevator industry on the proposal for (permit selection).
- I do have approval to move forward with the dedicated account bill again. The fees that we collect, and pay for the services we provide, go into the state General Fund. We think it makes sense to take those fees out of the General Fund so that education isn't competing with them. We understand that it would still be subject to appropriation, but it would protect those fees.
- The policy bill moves the fee out of the General Fund. It leaves all of the fees in the General Fund, so as to avoid from appearing as if we would be padding our pockets by issuing penalties. Seven percent would also remain in the state General Fund so as not to cause harm by taking all of that money away. The seven percent would sunset in 2023. That bill now has an emergency clause. To make it effective July 1, 2017, it has to have an emergency clause attached to it.
- We got approval in the governor's budget to add our electrical inspectors. \$4 million to fund 18 new electrical inspectors. Those would be phased in.
- The permit fee is intended to cover the cost of the inspection. With increases in salary, the fees were not covering the cost. There was a sufficient balance in the electrical fund that we were afraid of it having a target on it. We made the decision more than a year ago to wait, spend down that account, and give contractors a break on the permit fees so that we could spend it down knowing that we would have to raise the unit price for an inspection. That new fee went up on January 1, 2017.
- We got approval to hire more Division of Occupational Safety and Health inspectors and consultants. We asked for \$2.7 million, and that's what we received in the governor's budget.

**Jim King – Washington State Heating, Ventilation, & Air Conditioning Contractors Association**

- They're also working on exploring ideas to make technological improvements on how to perform the inspections.

**Tammy Fellin – L&I**

- There are four other bills we're hopeful to pursue during session. I'm hoping that we'll hear this week. I need to go get signatures.
- The Governor's Office has a new legislative director, Drew Shirk.
- We are proposing that the department get the discretion to reduce factory-assembled structure (FAS) penalties. Currently, if you don't put the insignia on the building, it's a \$1,000 penalty. This would give us discretion to perhaps issue a warning, a \$250 citation, use an escalation strategy, etc.

	<p><b>Patrick Connor – National Federation of Independent Business</b></p> <ul style="list-style-type: none"> <li>• Can you remind me what the tie in is to public safety and health?</li> </ul> <p><b>Tammy Fellin – L&amp;I</b></p> <ul style="list-style-type: none"> <li>• The installation of the FAS needs to be done by a certified individual, and they need to be on site the entire time. That is in large part tied to the consumer’s warranty. If that person isn’t involved throughout the entire process, it can void the homeowner’s warranty. It’s a protection for the consumer.</li> </ul> <p><b>Patrick Connor – National Federation of Independent Business</b></p> <ul style="list-style-type: none"> <li>• So the sticker is visual representation?</li> </ul> <p><b>Tammy Fellin – L&amp;I</b></p> <ul style="list-style-type: none"> <li>• Yes. To make sure that the responsible party is on site. It’s not about the sticker, but rather that they’re on site and can vouch for the installation of the unit. So that we know the process was followed correctly.</li> </ul> <p><b>Patrick Connor – National Federation of Independent Business</b></p> <ul style="list-style-type: none"> <li>• It seems silly that kind of inspection requires a sticker. I get the notion of having flexibility with the penalty. It just seems that given the way things go with digital recordkeeping that we could address that concern absent a physical sticker.</li> </ul> <p><b>Tammy Fellin – L&amp;I</b></p> <ul style="list-style-type: none"> <li>• We only do it once. We do it initially. Then that insignia represents for that life of the structure. There’s four different violations that you could write that ticket for.</li> </ul> <p><b>Elizabeth Smith – L&amp;I</b></p> <ul style="list-style-type: none"> <li>• One of the things about FAS is that unless I’m wrong, they don’t have the same inspections that a home being built would have. Instead of having an onsite inspector come look at it, the certified installer is the one who is coming to look and confirm that it happened according to guidelines.</li> </ul> <p><b>Patrick Connor – National Federation of Independent Business</b></p> <ul style="list-style-type: none"> <li>• Maybe it would’ve been a good opportunity to address not just the penalty, but the process. The whole notion of using a sticker seems quaint.</li> </ul> <p><b>Tammy Fellin – L&amp;I</b></p> <ul style="list-style-type: none"> <li>• Benefit accuracy work group. Last time I checked in, they were getting ready to send a letter that says no agreement to changes.</li> </ul>
<p>Roundtable and Closing Remarks</p>	<p><b>Don DeMulling – Citizen Participant</b></p> <ul style="list-style-type: none"> <li>• You can’t get paid unless you file your intent or affidavit. Why would you put that there?</li> </ul>

**Elizabeth Smith – L&I**

- My understanding is that if you don't file an affidavit, there's a fine. If you don't file an intent, you don't get paid.

**Don DeMulling – Citizen Participant**

- I don't get that language.

**Elizabeth Smith – L&I**

- I understand your concern, but the law says that the intent needs to be filed before being paid, not before work commences.

**Patrick Connor – National Federation of Independent Business**

- Perhaps more of the focus should be put on the awarding agencies. L&I can't be expected to review all of the intents coming through from all of these awarding agencies.

**Elizabeth Smith – L&I**

- One of the things we've made is a portal for the State Auditor's Office so that they will be able to run their own data for when they do audits. One of the goals in the system is transparency helps accountability, and in making problems very visible, it will make it easy to see problems, and harder to ignore them. So that hopefully agencies and primes will be able to see those before we need to step in.

**Eric Gustafson – Ironworkers Local 86**

- Would the department support a piece of legislation that says that the intent needs to be filed before work commences?

**Elizabeth Smith – L&I**

- We kind of let the lawmakers make the decisions about what policy to propose.

**Eric Gustafson – Ironworkers Local 86**

- Would the department be willing to support this kind of legislation though if it was brought to them?

**Elizabeth Smith – L&I**

- You don't usually see us come in to show support or opposition to a bill. We usually provide technical assistance, and let them make the decision.

**Elizabeth Smith – L&I**

- Questions
- Future topics for discussion?
  - Send requests to me or Allison for the next meeting.