

REVENUE: No revenue impact

FISCAL: Minimal fiscal impact, no statement issued

Action:	Do Pass as Amended and Be Printed Engrossed
Vote:	9 - 1 - 0
Yeas:	Barton, Fagan, Holvey, Kennemer, Matthews, Thompson, Weidner, Witt, Doherty
Nays:	Thatcher
Exc.:	0
Prepared By:	Jan Nordlund, Administrator
Meeting Dates:	5/6, 5/13

WHAT THE MEASURE DOES: Requires limited partnership applicants for construction contractor licenses include, as part of application, the name and address of certain members of the limited partnership. Requires the reporting of any changes in names and address of certain limited partnership members. Deletes redundant reporting requirement. Establishes residential locksmith services contractor license, home inspector services contractor license, and home services contractor license. Modifies definition of nonexempt class of independent contractors for purposes of licensure under Construction Contractors Board.

ISSUES DISCUSSED:

- Allow nonexempt status of independent contractors when leased workers are used
- Certification requirements for locksmiths and home inspectors
- Limited license reduces cost for new businesses
- Amendment to create limited license for home services contractor
- Whether home services contractor operates as a general contractor
- Whether contractor can directly employ workers and use leased workers simultaneously

EFFECT OF COMMITTEE AMENDMENT: Establishes home services contractor license. Modifies definition of nonexempt class of independent contractors for purposes of licensure under Construction Contractors Board. Defines “worker leasing company.”

BACKGROUND: Under current law, when applying for licensure under the Construction Contractors Board (CCB), a limited partnership need only include the name and address of general partners; providing the name and address of any limited partners is not required. For nearly all types of business entities, CCB requires applicants to disclose the names, addresses and Social Security numbers of principals involved in the business. CCB has asserted the importance of obtaining information about limited partners to determine whether any have been convicted of crimes or have outstanding debts that might affect licensure of the limited partnership. Senate Bill 207-B clarifies that limited partnerships are to be treated the same as other business entities with regard to disclosure of members.

Under existing law, home inspectors and locksmiths must be certified by the Board and must either own or work for a CCB-licensed business. Senate Bill 207-B establishes residential license endorsements for home inspectors and locksmiths that reduce the costs and barriers to entry for small businesses performing locksmith or home inspection services. The measure also creates a residential license endorsement for home services contractors allowing a business to provide service, repair or replacement for homes through a licensed contractor under a home service agreement.

Finally, Senate Bill 207-B specifies that an independent contractor will be classified as nonexempt if one or more workers are supplied by a worker leasing company. This change means the owners will no longer be required to obtain workers compensation coverage for themselves; the workers compensation coverage for the employees is paid by the worker leasing company.

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This summary has not been adopted or officially endorsed by action of the committee.