

# Overview of the Department of Labor and Industries

Suchi Sharma  
Senior Policy Advisor  
(360) 902-6744  
[suchi.sharma@lni.wa.gov](mailto:suchi.sharma@lni.wa.gov)





## L&I's goals

1. Make workplaces safe.
2. Help injured workers heal and return to work.
3. Make it easy to do business with L&I.
4. Help the honest workers and businesses by cracking down on the dishonest ones.
5. Ensure L&I is an employer of choice.



Washington State Department of  
**Labor & Industries**



# What does L&I do?



# Department of Labor and Industries

Occupational  
Safety and  
Health

Workers'  
Compensation

Field and  
Public Safety

Fraud and  
Labor  
Standards



## Department of Labor and Industries

**Occupational Safety  
and Health**

Workers' Comp

Field and Public Safety

Fraud and Labor Standards

Issues related to safety and health rules and regulations, including:

- Rules and regulations apply to specific hazards, operations, or workplaces
- Free safety and health consultation services
- Workplace compliance inspections



## Department of Labor and Industries

### Occupational Safety and Health

Workers' Comp

Field and Public Safety

Fraud and Labor Standards

- Discrimination or retaliation for filing a safety and health complaint
- Temporary Worker Housing
- Safety and Health Investment Project (SHIP) grants



## Department of Labor and Industries

Occupational Safety and Health

**Workers'  
Compensation**

Field and Public Safety

Fraud and Labor Standards

Issues related to on-the-job injuries, including:

- Claim acceptance/rejection
- Medical treatment/authorization
- Wage replacement/time loss compensation
- Permanent partial disability/permanent total disability (pension)
- Training programs/vocational rehabilitation
- Return to work/light duty work
- Loss of Earning Power (LEP) compensation

Issues related to employer's workers compensation premiums, including:

- Opening a workers compensation account
- Covered employees and independent contractors
- Premium rates and risk classes
- Retrospective rating program
- Self Insurance Program



## Department of Labor and Industries

Occupational Safety and Health

**Workers'  
Compensation**

Field and Public Safety

Fraud and Labor Standards

- Workers compensation fraud
- Discrimination or retaliation for filing a workers compensation claim





## Department of Labor and Industries

Workers' Comp

Occupational Safety and Health

**Field and Public  
Safety**

Fraud and Labor Standards

Issues related to licenses, registrations, and certifications, including:

- Construction specialty construction contractors
- Electrical contractors and electricians/Telecommunications contractor
- Elevators contractors and mechanics
- Plumbing contractors and plumbers
- Boilers and pressure vessels



## Department of Labor and Industries

Workers' Comp

Occupational Safety and Health

Field and Public Safety

**Fraud and Labor Standards**

Issues related to employer, worker and employer

**wage and hour**, including:

- Minimum wage
- Filing and investigating wage complaints
- Overtime and exemptions
- Meal and rest breaks and work schedules
- Wages and deductions from paychecks
- Payroll and personnel records
- Paying for required uniforms

Issues related to **prevailing wage** on public work jobs, including:

- Wage rates and scopes of work
- Statement of intent to pay prevailing wage and affidavits of wages paid
- Payroll and other records



## Department of Labor and Industries

Workers' Comp

Occupational Safety and Health

Field and Public Safety

**Fraud and Labor Standards**

Issues related to **teen workers**, including: Issues related to **protected leave**, including:

- Minor work permits
- Hours of work
- Prohibited duties
- Parent/school authorization form
- Recordkeeping
- Student-learner exemptions
- Variances
- Use of leave for sick family members
- Use of paid or unpaid leave for victims of domestic violence
- Use of paid or unpaid leave for spouses of deployed military members
- Leave for volunteer firefighters and other certain emergency service personnel

Issues related to **Farm Labor Contractors**



Washington State Department of  
**Labor & Industries**



# Facts and figures



## Financial Figures 2013

- Total assets.....\$13.46 billion
- Total liabilities.....\$12.6 billion



## Worker Safety and Health 2013

- Worksites under L&I's jurisdiction  
(non-federal).....250,000
- Inspectors.....115
- Consultants.....45
- Inspections.....4,623
- Consultations.....2,425



## Worker Safety and Health 2013 con't

- Worker Injury compensable claims rate.....1,514 per 100,000
- Worker fatality rate.....1.9 per 100,000
- Most commonly reported workplace injury
  - One of every six compensable claims is a sprain or strain of the back from overexertion or repetitive motion.



## Worker Safety and Health 2013 con't

- Worker fatality causes
  - Transportation incident, struck by or caught in objects, falls from elevation, assaults and violent acts.
  
- Most frequently cited hazards
  - Lack of, or inadequate accident prevention program, chemical hazard communications, electrical safety, fall protections.





## Your Premium Dollars at Work 2013

- Employers insured..... *168,000*
- Premiums assessed..... \$1.74 billion
- Workers covered..... 2.5 million
- Providers credentialed..... Over 19,000 as of  
12/18/2013



## Public Safety - Inspections

- Electrical ..... 189,027 (93% completed within 48 hours)
- Elevator/escalator ..... 10,605
- FAS ..... 5,967
- Boiler/pressure vessels..... 16,799



# Fraud Prevention and Labor Standards

- Total Collected.....\$157 million
  - Claimant investigations completed.....4,554
  - Return on investment.....\$9.20 for every \$1 spent
  - Total employer audits completed.....3,954
    - Percentage of employers found to owe debts after L&I audit.....82%



## Fraud Prevention and Labor Standards con't

- Number of public works contracts reviewed.....3,512
- Amount identified as L&I overpayments to health care providers.....\$5 million
- Fraud cases investigated, prepared and referred to AG's office for criminal charges.....3 (AG Filed all 3)
- Prevailing wage online intent and affidavit filings.....119,243



## Fraud Prevention and Labor Standards con't

- New apprenticeship registrations.....3,095
- Apprenticeships completed.....1,703
- Wage complaints received.....3,867
- Wages returned to workers.....\$3.3 million
- Contractors registered.....52,250



## Fraud Prevention and Labor Standards con't

- Construction compliance jobsite visits.....14,676
  - Construction underground economy infractions issued:  
2,696
- Journeyman and specialty plumbers certified.....6,097
- Plumber trainees verified and certified.....2,511



## What is the Employment Standards Program?

- It is a program that administers and enforces the various labor and employment laws assigned to it by the Legislature.
- It's primary task is to investigate workplace standards.



## Laws administered include:

- The Industrial Welfare Act, Chapter 49.12 RCW.
  - Meal and rest breaks
  - Family Care Act
  - Child labor
  
- Minimum Wage Act, Chapter 49.46 RCW
  - Training time
  - Trainees and Interns
  
- Wages-Payment-Collection, Chapter 49.48 RCW





- Wage rebate laws, Chapter 49.52 RCW
- Farm Labor Contractor Act, Chapter 19.30 RCW
- Protected Leave laws including:
  - Chapter 49.78 RCW, the **Family Leave Act**, for employees to take 12 weeks of leave (unpaid) to care for family members.
  - RCW 49.12.265, **Family Care Act**, for employees to utilize earned leave to care for their children and other family members.
  - Chapter 49.76 RCW, **Leave for Domestic Violence, Sexual Assault or Stalking** for victims or family members.
  - Chapter 49.77, **Spousal Military Leave** when a military person is about to be deployed or is on leave from deployment.



## Closed Complaints

- All Employee Standards Complaints.....3,855
- Wage Claims.....3,424
  - WPA Determinations of Compliance.....175
  - WPA Notices of Assessment.....1,097
  - WPA Otherwise Resolved.....2,152
    - Bankruptcy.....78
    - Employee Withdrew.....344
    - Employer Paid.....988
    - Employer Payment Plan.....86
    - Not Accepted.....656



# Closed Wage Claim Complaints (by Violation)

■ Total.....	4,864*
– Final Paycheck.....	2,020
– Agreed Wages.....	1,190
– Minimum Wage.....	348
– Overtime.....	888
– Unauthorized Deductions.....	418

– \*A complaint can have multiple violations



# Recordkeeping

- Recordkeeping duty
  - Estimated audits
  
  - Under Wage Payment Act, employer barred from using records in any appeal where failure to provide records within a reasonable time period during investigation



# Training time is compensable, unless:

- Attendance is **voluntary**; and
- The employee performs **no productive work** during the meeting or lecture; and
- The meeting takes place **outside** of regular working hours; and
- The meeting or lecture is **not directly related** to the employee's current work, as distinguished from teaching the employee another job or a new, or additional, skill outside of skills necessary to perform job.
  - Exception for when training is for the benefit of the employee and corresponds to courses offered by independent bona fide institutions of learning.



# Trainees and Interns

- The training, even though it includes actual operation of the facilities of the employer, is similar to that which would be given in a vocational school;
- The training is for the benefit of the trainees or students;
- The trainees or students do not displace regular employees, but work under close supervision;



## Trainees and Interns con't

- The employer that provides the training receives no immediate advantage from the activities of the trainees or students and, on occasion, his operations may even be impeded;
- The trainees or students are not necessarily entitled to a job at the conclusion of the training period; and
- The employer and the trainees or students understand that the trainees or students are not entitled to wages for the time spent in training



# Independent Contractors vs. Employees

- The Economic Realities Test considers six factors:
  - 1) The **degree of control** that the business has over the worker.
  - 2) The worker's **opportunity for profit or loss** dependent on the worker's managerial skill.
  - 3) The worker's **investment** in equipment or material.





# Independent Contractors vs. Employees con't

- 4) The degree of **skill** required for the job.
- 5) The degree of **permanence** of the working relationship.
- 6) The degree to which the services rendered by the worker are an **integral part** of the business.



# Employing Minors

- Minimum wage must be paid for all workers 16 years old or older.
  - 14- & 15-year-old workers may be paid 85% of state minimum wage.
- Restrictions on hours of work and prohibited duties; additional restrictions for 14 and 15 year olds.



# Employing Minors

- An employer must have:
  - Proof of age
  - Personal data (name, address, date of birth, SSN)
  - Employment description (hours of work per week, description of duties)
  - A valid parent/school authorization form for each minor worker



# Variations for minor workers

- Prohibited duties
- Hours of work



# Subminimum wages

- **Minor worker and Learner Wages**
  - Cannot be less than 85% of minimum wage (or no less than \$7.92)
  
- **Student learner/worker and disabled workers**
  - Wage cannot be less than 75% of minimum wage (or no less than \$6.99)
  
- **Apprentices on prevailing wage projects**



## For more information...

- L&I Website

<http://www.lni.wa.gov/>

- L&I Workplace Rights website:

<http://www.lni.wa.gov/WorkplaceRights/default.asp>

- Sign up on our listserve to receive future e-mails about this or other subjects:

<http://www.lni.wa.gov/Main/Listservs/WRWageHour.asp>