



WASHINGTON STATE LOGGER SAFETY INITIATIVE

Keeping Washington loggers safe.

Prime Contract Liability

June 16, 2014

If you use subcontractors to complete any phase of your logging operations, there are some things you need to know. By law, you can be held liable for any unpaid workers' comp premiums that your subcontractor fails to pay. How is that possible? In the Revised Code of Washington (RCW 51.12.070), there is a section that makes a prime contractor liable for any premiums accrued on work that they "let a contract." In this industry, with a base rate of \$20 per hour for manual logging, that can be a lot of financial exposure.

What can you do to ensure that you don't get caught up in this situation? Well, that takes a little bit of homework. The Labor & Industries' website has a look-up tool that allows you to make sure that a contractor is playing above board. Go to www.Lni.wa.gov and simply use the "Verify a Contractor" tool located right on the front page.

The ability to search out companies is not limited to just construction contractors. You can get information about your subcontractor, such as their risk classifications, experience factor, approximate number of workers, if their workers' comp account is paid up and if they have been cited for safety violations.

Be sure to check that the firm you hire is properly classified and has been reporting hours to L&I. **For example if you are hiring a sub to do the manual cutting, they need to report in risk class 5001 (and if they are an LSI participant, they may report manual cutting hours in 5551, 5552 or 5553).** Are they a safe company? Look for safety violations and check their experience factor. Accidents on your job site can cost you production time, so you want to hire a company that is committed to safety!! We encourage you to consider a firm enrolled in the **Logger Safety Initiative** .

Once you've checked them out, print a copy of the information from the website and keep it in your records. Then we suggest that you check back on a regular basis to make sure they are staying on top of their responsibilities and paying workers' compensation premiums on their covered workers.