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It's that time again: Sweeping for unregistered contractors

Inspectors are hitting construction sites to root out illegal construction activity in L&I's fifth year of surprise sweeps.

The sweeps are a stepped-up twist on inspectors' daily enforcement efforts. Instead of an inspector working alone to find violators, construction compliance inspectors from throughout a region converge in selected communities to check as many construction sites as they can over one to two days, often including a weekend day.

Inspectors say the sweeps show crews they can expect a visit from L&I any day of the week. On a sweep during a recent Saturday in Kennewick, for instance, a contractor and four workers were caught installing a roof on a manufactured home – without building permits, current contractor registration or a workers' compensation insurance account to cover employees, said Steve Rushing, the construction compliance supervisor for Eastern Washington who checked the site.

"He was upset. He was convinced someone turned him in," Rushing said of the contractor. Actually, inspectors just happened to see the site and stopped. "He was surprised we were working on a weekend."

During the two-day Kennewick-area sweep, six inspectors visited 54 job sites, checking 93 contractors, eight plumbers and five electricians. They issued four contractor-related and six plumber infractions.

During a one-day sweep in the Kirkland-Bothell area in April, two inspectors visited 28 job sites, and checked 42 contractors. They issued two contractor-related infractions.

Inspectors at both sweeps spotted other possible violations, and made referrals to L&I collections, workers' comp audit, manufactured home, and safety programs, and to the state Employment Security Department.

Watch for sweeps to continue the rest of the year throughout the state.



Pilot project aims to crack down on L&I's worst violators

L&I and the state Attorney General's Office are joining forces to hold accountable employers that are the biggest violators of L&I laws.

The Coordinated Enforcement Pilot Project is identifying and tackling cases that are complicated to investigate, involve multiple incidents and often cross numerous L&I programs. The goal is to file criminal charges or major civil actions to stop violations.

The yearlong pilot is initially focusing on wage violators, and also includes contractor compliance, workers' comp premiums, safety and prevailing wage investigations.

Several positions have been created to help existing enforcement staff with the pilot. Former contractor compliance supervisor and auditor Scott Nielsen is now the project's detection specialist. He is analyzing data to find and track the most serious, repeat violators of L&I laws. The Attorney General has hired two investigators and two assistant attorney generals for the project.

The team is investigating several construction and non-construction firms.



Fraud blotter: Victimizing elders in the construction underground economy

Two recent prosecutions resulting from L&I investigations highlight a sad reality: Senior citizens too often fall prey to unregistered contractors.

The following two defendants pleaded guilty in King County District Court to unregistered contracting, a gross misdemeanor, in unrelated cases involving elderly victims.

Stephen B. Nelson, doing business as American Landscape, in Woodinville

Nelson, 50, convinced an 87-year-old Shoreline woman to hire him nine times in one month to do repairs and other work on her home and a rental house she owned.

In January, Nelson was sentenced in part to serve two years' probation and repay more than \$31,000 to the aging homeowner within two years. He also must undergo a drug and mental health evaluation and follow treatment recommendations.

In March 2013, the victim's son discovered his mother had written Nelson's wife nine checks to pay in advance for a series of jobs, according to charges filed by the Washington Attorney General's Office. The son unsuccessfully tried to get Nelson to repay his mother for three jobs that he hadn't yet started and two that weren't done, together totaling more than \$31,000.

He told L&I his mother hadn't sought the repairs, but that Nelson gained her sympathy by saying he had health problems.

Apart from the criminal case, Nelson and his business received two civil infractions for unregistered contracting in 2011 and 2013. In 2012, L&I fined his business \$35,800 for safety violations after an employee who was removing a tree was killed by high-voltage power lines. Nelson appealed, and as part of a settlement agreement in May 2013 – three months after he worked on the elderly woman's Shoreline home – L&I waived the fine on condition he never again do arborist or tree-trimming work.

L&I is pursuing Nelson to collect more than \$329,000 in unpaid workers' comp premiums, penalties and interest, and more than \$3,600 for the contractor infractions.

Diona Brady, owner of Renaissance A-Z LLC, of Kent

Brady, 53, was sentenced in April in a case that left an elderly couple with a ripped-up driveway and a half-dozen unfinished projects.

Brady was ordered to serve two years' probation and pay the surviving victim \$17,310 – the amount the homeowners paid other firms to finish the work they originally paid Brady's company to do. If Brady works as an unregistered contractor or breaks other laws during probation, she faces up to 364 days in jail and a \$5,000 fine.

Brady's company was hired to replace a driveway, build a carport and make other improvements to the elderly couple's home south of Seattle in 2010. Unknown to the homeowners, L&I had suspended Brady's contractor registration four months earlier.

The three-week job stretched into five months, ending in mid-January 2011 even though no projects were completed and the homeowners had already paid \$31,400.

Acting on a referral from L&I, the King County Prosecutor's office charged Brady and her husband, Rodney Brady in the case in 2011, but they both failed to appear at arraignment that year. Diona Brady appeared in court to answer her charge in 2015.

An arrest warrant remains for Rodney Brady, 60.