

HOUSE BILL REPORT

HB 1850

As Reported By House Committee On:
Commerce & Labor

Title: An act relating to the establishment of state-wide prevailing wage rates for shipbuilding and ship repair on public works only.

Brief Description: Modifying the prevailing wage calculation for publicly contracted shipbuilding and ship repair.

Sponsors: Representatives King, Heavey, Jones and Conway.

Brief History:

Reported by House Committee on:
Commerce & Labor, March 3, 1993, DP.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 9 members: Representatives Heavey, Chair; G. Cole, Vice Chair; Lisk, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Conway; Horn; King; Springer; and Veloria.

Staff: Marc Greenough (786-5793) and Chris Cordes (786-7117).

Background: State law requires that the prevailing rate of wage be paid on all public works contracts. The prevailing rate is the rate paid in the largest city in the county where the physical work is being performed. Bidders on road and building construction contracts all use the same prevailing rate of wage in calculating their bids because the project is located in only one place. But for ship building projects, bidders may have to calculate their bids on different prevailing rates of wage because shipbuilders are located in different counties where the prevailing rate of wage may vary.

Summary of Bill: The prevailing rate of wage for shipbuilding and ship repair is the rate paid in the state, rather than in the largest city in the county where the physical work is being done.

Fiscal Note: Requested March 1, 1993.

Effective Date of Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: A single rate of wage throughout the state would simplify administration of wage rates on public works projects in the shipbuilding industry. Since ships may be moved during construction, wage rates may change over the life of a project. Wage rates on the average should not change as a result of this bill. The bill makes technical sense both to protect workers and to create a level playing field for bidders. Until 1988, a single rate prevailed. Afterward, the lack of a single rate led to lawsuits until the Department of Labor and Industries conducted wage surveys.

Testimony Against: None.

Witnesses: Gordon Baxter, Puget Sound Metal Trades Council; and Nickie Moran, Department of Labor and Industries.