

SENATE BILL REPORT

SHB 1219

AS REPORTED BY COMMITTEE ON LABOR & COMMERCE, MARCH 26, 1993

Brief Description: Creating the public works administration account.

SPONSORS: House Committee on Appropriations (originally sponsored by Representatives Orr, Locke, Heavey, Basich, Jones, Dellwo, Dunshee, Bray, Wang, Jacobsen, R. Meyers, Springer, Veloria, G. Cole, King, Johanson and Franklin)

HOUSE COMMITTEE ON COMMERCE & LABOR

HOUSE COMMITTEE ON APPROPRIATIONS

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: Do pass as amended.

Signed by Senators Moore, Chairman; Prentice, Vice Chairman; Fraser, McAuliffe, Pelz, Sutherland, and Vognild.

Minority Report: Do not pass.

Signed by Senators Amondson, Barr, Newhouse, and Prince.

Staff: Jonathan Seib (786-7427)

Hearing Dates: March 22, 1993; March 26, 1993

BACKGROUND:

Under the prevailing wage law, the Department of Labor and Industries charges agencies which award public works contracts fees for the approval of statements of intent to pay prevailing wages and the certification of wages paid. The department also charges fees of persons or organizations requesting the arbitration of disputes under the prevailing wage act. The fee level is set by rule to cover the cost of the approval process and arbitration. All fees are deposited into the general fund.

SUMMARY:

The public works administration account is created. All fees collected under the prevailing wage law are to be deposited into this account. Thirty percent of the revenue collected is to be transferred to the general fund on a quarterly basis. The moneys left in the account may only be appropriated for administration and investigations under the prevailing wage law, including doing adequate wage surveys.

The fees are set by rule at a level that generates revenue as near as practicable to the amount of the appropriation made from the account. At no time is the fee charged for either

the approval of a statement of intent to pay prevailing wage or for the certification of an affidavit of wages paid to be greater than \$25.

SUMMARY OF PROPOSED SENATE AMENDMENT:

The prevailing wage law holding a public agency liable for violating the law only when it does so willfully is changed. It is provided that an agency is liable if the agency knowingly fails to comply with the law.

Appropriation: none

Revenue: yes

Fiscal Note: available

Effective Date: The bill contains an emergency clause and takes effect July 1, 1993.

TESTIMONY FOR:

This bill will have at least three desirable effects: it will allow the department to process prevailing wage paperwork in a more timely fashion, it will allow wage surveys to be done on a regular basis, and it will allow for better enforcement of the prevailing wage law. It is identical to the bill previously passed by the Senate.

TESTIMONY AGAINST: None

TESTIFIED: Duke Schaub, Associated General Contractors; Bob Dilger, WA Building and Construction Trades; Otto Herman, REBOUND; Nickie Moran, Dept. of Labor and Industries