

FINAL BILL REPORT

HB 1138

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Synopsis as Enacted

Brief Description: Depositing wage fines in the public works administration account.

Sponsors: By Representatives Cairnes, Conway, Campbell, Dunshee, O'Brien, Cooper, Simpson, Roach, Kenney, D. Schmidt, Kirby and Keiser.

House Committee on Commerce & Labor

House Committee on Appropriations

Senate Committee on Labor, Commerce & Financial Institutions

Background:

Contractors and subcontractors on public works projects must comply with the state prevailing wage law. They must file statements of intent to pay prevailing wages and affidavits of wages paid. They also must pay prevailing wages to employees on public works projects.

The Department of Labor and Industries administers and enforces the state prevailing wage law. The department charges contractors and subcontractors fees for approving statements of intent, certifying affidavits of wages paid, and arbitrating prevailing wage disputes. The fees must be set at a level that generates revenue "as near as practicable" to the amount of the appropriation made to carry out these activities. The fees for approving statements of intent and certifying affidavits may not exceed \$25. The fees for arbitrating disputes are not limited. All fees are deposited in the public works administration account.

The department also assesses civil penalties against contractors and subcontractors for filing false statements of intent, failing to file statements of intent, or failing to pay prevailing wages. The civil penalty for filing a false statement or failing to file is \$500. The civil penalty for failing to pay prevailing wages is \$1,000, or 20 percent of the total prevailing wage violation, whichever is greater. All civil penalties are deposited in the state general fund.

Each quarter, an amount equaling 30 percent of the revenues received into the public works administration account is transferred into the state general fund. Except for money transferred into the state general fund, the money in the public works administration account may be appropriated only to administer the state prevailing wage law.

Summary:

Civil penalties for prevailing wage law violations are deposited in the public works administration account, rather than the state general fund.

Votes on Final Passage:

House 94 0

Senate 43 4

Effective: July 22, 2001