

Transportation

HB 1677

Brief Description: *Adjusting prevailing wage laws.*

Sponsors: *Representatives Fisher, Mitchell and Poulsen; by request of The Blue Ribbon Commission on Transportation.*

Brief Summary of Bill

- *For purposes of setting prevailing wage, the definition of locality– is changed from meaning the largest city in the county,– to meaning the entire county.*
- *Public works projects and public building service maintenance contracts of the state, city or county under \$100,000 are exempt from prevailing wage provisions.*

Hearing Date: *2/5/01*

Staff: *Reema Griffith (786-7301).*

Background:

Within the Blue Ribbon Commission on Transportation’s recommendation to achieve construction and project delivery efficiencies– a specific sub-recommendation was to continue to assess prevailing wage survey techniques.– Under current law, the Department of Labor and Industries (L&I) sets the rate of prevailing wage on a county by county basis. The rate set by the department serves as the minimum wage to be paid on all public works and public building service maintenance contracts of the state, counties, and cities.

L&I conducts wage surveys of the various trades involved in the delivery of public works and service maintenance contracts, the findings of which provide the department with the raw data necessary to determine the appropriate rate of wage to be set for a certain trade. Per statutory requirements, the prevailing rate of wage for a given trade must be the rate of hourly wage, usual benefits, and overtime paid in the locality.....to the majority of workers, laborers, or mechanics in the same trade or occupation.– Locality– is defined

under statute as the largest city in the county wherein the physical work is being performed.– Therefore, the prevailing wage for a specific trade in a county is determined by the wages paid to the majority of those workers in the largest city of that county.

Summary of Bill:

For purposes of setting prevailing wage, the definition of locality– is changed from meaning the largest city in the county,– to meaning the entire county, thus allowing prevailing wage to be set according to the rate paid to the majority of workers county wide as opposed to the majority of workers in the largest city.

Public works projects and public building service maintenance contracts of the state, city or county under \$100,000 are exempt from prevailing wage provisions.

Appropriation: *None.*

Fiscal Note: *Requested on February 2, 2001.*

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