

SENATE BILL REPORT

SB 5927

As Reported By Senate Committee On:
Labor, Commerce & Financial Institutions, January 29, 2002

Title: An act relating to civil penalties for prevailing wage settlements.

Brief Description: Requiring monetary penalties for prevailing wage settlements.

Sponsors: Senators Costa, Prentice, Fairley and Kohl-Welles.

Brief History:

Committee Activity: Labor, Commerce & Financial Institutions: 2/20/01, 2/22/01 [DP, DNP]; 1/17/02, 1/29/02 [DP, DNP].

SENATE COMMITTEE ON LABOR, COMMERCE & FINANCIAL INSTITUTIONS

Majority Report: Do pass.

Signed by Senators Prentice, Chair; Keiser, Vice Chair; Fairley, Franklin, Gardner, Rasmussen, Regala and Winsley.

Minority Report: Do not pass.

Signed by Senators Benton, Hochstatter and Honeyford.

Staff: Jack Brummel (786-7428)

Background: The Department of Labor and Industries administers and enforces the state prevailing wage law. The department investigates complaints and conducts hearings concerning nonpayment of the prevailing wage. Upon a finding of a violation of the prevailing wage payment requirement, the department assesses civil penalties against contractors and subcontractors for failure to pay. The civil penalty for failing to pay prevailing wages is \$1,000, or 20 percent of the total prevailing wage violation, whichever is greater.

Summary of Bill: A contractor or subcontractor that settles a wage claim with the Department of Labor and Industries for failure to pay the prevailing rate of wage is subject to a civil penalty of not less than \$1,000 or 20 percent of the total prevailing wage violation, whichever is greater.

Appropriation: None.

Fiscal Note: Available.

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

Testimony For: Violators should not be getting off without a penalty. The current system is an incentive to defraud. The mandatory penalty will fix this.

Testimony Against: None.

Testified: PRO: Roger Boatright, WA State Building and Construction Trades Council;
Dick King, IBEW.