

---

**Commerce & Labor Committee**

---

**SSB 5236**

**Brief Description:** Providing additional funding to the prevailing wage program of the department of labor and industries by discontinuing the transfer of moneys from the public works administration account to the general fund-state account.

**Sponsors:** Senate Committee on Ways & Means (originally sponsored by Senators Kohl-Welles, Parlette, Keiser, Fraser, Honeyford and Kline; by request of Department of Labor & Industries).

**Brief Summary of Substitute Bill**

- Discontinues the quarterly transfer of 30 percent of the Public Works Administration Account to the General Fund.

**Hearing Date:**

**Staff:** Jill Reinmuth (786-7134).

**Background:**

The state prevailing wage law requires prevailing wages to be paid to employees on public works construction projects. Public works contracts must contain a provision requiring the payment of prevailing wages.

The Department of Labor and Industries (Department) administers the prevailing wage law, including acting as the final arbitrator in prevailing wage disputes. The Department charges fees of contractors working on public works projects. Similarly, the Department charges fees of parties for arbitrating prevailing wage disputes.

The fees collected by the Department are deposited in the Public Works Administration Account. Each quarter, 30 percent of the funds in the account are transferred to the state General Fund. Appropriations from the account, other than the money transferred, may be used only for administration of the prevailing wage law. The transfer of General Fund revenue to a non-general fund account lowers the "601 limit."

**Summary of Bill:**

The quarterly transfer of 30 percent of the Public Works Administration Account to the General Fund is discontinued.

**Rulemaking Authority:** The bill does not contain provisions addressing the rule-making powers of an agency.

**Appropriation:** None.

**Fiscal Note:** Available for Senate Bill 5236.

**Effective Date:** The bill takes effect on July 1, 2007.