ESHB 2864 - S AMD 281 By Senator Kohl-Welles

1 Strike everything after the enacting clause and insert the 2 following:

- 3 "Sec. 1. RCW 39.12.030 and 1989 c 12 s 9 are each amended to read 4 as follows:
 - (1) The specifications for every contract for the construction, reconstruction, maintenance, or repair of any public work, to which the state or any county, municipality, or political subdivision created by its laws is a party, shall contain a provision stating the hourly minimum rate of wage, not less than the prevailing rate of wage, which may be paid to laborers, workers, or mechanics in each trade or occupation required for such public work employed in the performance of the contract either by the contractor, subcontractor or other person doing or contracting to do the whole or any part of the work contemplated by the contract, and the contract shall contain a stipulation that such laborers, workers, or mechanics shall be paid not less than such specified hourly minimum rate of wage.
 - (2) For purposes of compliance with this chapter, including identifying certified payroll records to be requested from a contractor or subcontractor, every contract and subcontract for the construction, reconstruction, maintenance, or repair of any public work, to which the state or any county, municipality, or political subdivision created by its laws is a party, must contain a provision requiring the contractor and all subcontractors to submit a certified list of any off-site prefabricated, nonstandard, project-specific products that are supplied under the terms of each respective contract. The list must identify:

 (a) The type of product produced; (b) the contractor or subcontractor's name; (c) the contractor or subcontractor's employer identification number; (d) the labor hours expended producing the product; and (e) the hourly rate of wages paid in each trade or occupation producing the product. The provision in the contract or subcontract must indicate

- 1 that the list requirement does not apply to a contractor or
- 2 subcontractor who submits a statement of intent to pay prevailing wages
- 3 under RCW 39.12.040(1).

- **Sec. 2.** RCW 39.12.040 and 2007 c 210 s 4 are each amended to read 5 as follows:
 - (1)(a) Except as provided in subsection (2) of this section, before payment is made by or on behalf of the state, or any county, municipality, or political subdivision created by its laws, of any sum or sums due on account of a public works contract, it shall be the duty of the officer or person charged with the custody and disbursement of public funds to require the contractor and each and every subcontractor from the contractor or a subcontractor to submit to such officer a "Statement of Intent to Pay Prevailing Wages". For a contract in excess of ten thousand dollars, the statement of intent to pay prevailing wages shall include:
 - (((a))) (i) The contractor's registration certificate number; and
 (((b))) (ii) The prevailing rate of wage for each classification of
 workers entitled to prevailing wages under RCW 39.12.020 and the
 estimated number of workers in each classification. Each statement of
 intent to pay prevailing wages must be approved by the industrial
 statistician of the department of labor and industries before it is
 submitted to said officer.
 - (b) Unless otherwise authorized by the department of labor and industries, each voucher claim submitted by a contractor for payment on a project estimate shall state that the prevailing wages have been paid in accordance with the prefiled statement or statements of intent to pay prevailing wages on file with the public agency.
- (c) For purposes of compliance with this chapter, including identifying certified payroll records to be requested from a contractor or subcontractor, for a public works project involving the off-site prefabrication of a nonstandard, project-specific product, before final acceptance of the project, the awarding agency must receive from the contractor or subcontractor of all such products a list certified by the contractor or subcontractor that identifies: (i) The contractor or subcontractor's name; (ii) the contractor or subcontractor's employer identification number; (iii) the labor hours expended producing the product; and (iv) the hourly rate of wages paid in each trade or

occupation producing the product. The contractor or subcontractor must also submit a copy of the list to the department of labor and industries. This subsection does not apply to a contractor or subcontractor who has submitted a statement of intent to pay prevailing wages under (a) of this subsection.

- (d) Following the final acceptance of a public works project, it shall be the duty of the officer charged with the disbursement of public funds, to require the contractor and each and every subcontractor from the contractor or a subcontractor to submit to such officer an "Affidavit of Wages Paid" before the funds retained according to the provisions of RCW 60.28.010 are released to the contractor. Each affidavit of wages paid must be certified by the industrial statistician of the department of labor and industries before it is submitted to said officer.
- (2) As an alternate to the procedures provided for in subsection (1) of this section, for public works projects of two thousand five hundred dollars or less and for projects where the limited public works process under RCW 39.04.155(3) is followed:
- (a) An awarding agency may authorize the contractor or subcontractor to submit the statement of intent to pay prevailing wages directly to the officer or person charged with the custody or disbursement of public funds in the awarding agency without approval by the industrial statistician of the department of labor and industries. The awarding agency shall retain such statement of intent to pay prevailing wages for a period of not less than three years.
- (b) Upon final acceptance of the public works project, the awarding agency shall require the contractor or subcontractor to submit an affidavit of wages paid. Upon receipt of the affidavit of wages paid, the awarding agency may pay the contractor or subcontractor in full, including funds that would otherwise be retained according to the provisions of RCW 60.28.010. Within thirty days of receipt of the affidavit of wages paid, the awarding agency shall submit the affidavit of wages paid to the industrial statistician of the department of labor and industries for approval.
- 35 (c) A statement of intent to pay prevailing wages and an affidavit 36 of wages paid shall be on forms approved by the department of labor and 37 industries.

- (d) In the event of a wage claim and a finding for the claimant by the department of labor and industries where the awarding agency has used the alternative process provided for in subsection (2) of this section, the awarding agency shall pay the wages due directly to the claimant. If the contractor or subcontractor did not pay the wages stated in the affidavit of wages paid, the awarding agency may take action at law to seek reimbursement from the contractor or subcontractor of wages paid to the claimant, and may prohibit the contractor or subcontractor from bidding on any public works contract of the awarding agency for up to one year.
- (e) Nothing in this section shall be interpreted to allow an awarding agency to subdivide any public works project of more than two thousand five hundred dollars for the purpose of circumventing the procedures required by ((RCW 39.12.040(1))) subsection (1) of this section.
- NEW SECTION. Sec. 3. A new section is added to chapter 39.12 RCW to read as follows:
 - If an interested party makes a written request of a contractor or subcontractor to file certified payroll records under rules regarding payroll which have been adopted by the department of labor and industries to enforce this chapter and the records requested are for the off-site prefabrication of a nonstandard, project-specific product, the contractor or subcontractor must file the certified copy of the payroll records with the awarding agency and the department of labor and industries."

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On page 1, line 2 of the title, after "projects;" strike the remainder of the title and insert "amending RCW 39.12.030 and 39.12.040; and adding a new section to chapter 39.12 RCW."

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