
Commerce & Labor Committee

HB 2864

Brief Description: Requiring the filing of certified payroll records on public works projects.

Sponsors: Representatives Ormsby, Wood, Barlow, Hasegawa and Simpson.

Brief Summary of Bill

- Requires contractors and subcontractors for any off-site prefabrication of nonstandard, project-specific items on public works projects to submit certified payroll records to the Department of Labor and Industries and to the awarding agency.

Hearing Date: 1/29/08

Staff: Joan Elgee (786-7106).

Background:

Under Washington's prevailing wage law, wages paid to laborers, workers, or mechanics on all public works contracts of the state or political subdivisions must be not less than the prevailing rate of wage in the same trade or occupation in the locality within the state where the labor is performed. The "locality" is the largest city in the county where the physical work is being performed. If project-specific nonstandard items are produced off-site, the "locality" is the place where the prefabrication takes place.

The specifications for every public work contract must contain the minimum wage rate, not less than the prevailing wage, and the contract must contain a stipulation that the laborers, workers, and mechanics shall not be paid less than the specified rate.

Before payment is made under a public works contract, the responsible officer must require the contractor and subcontractors to submit a "Statement of Intent to Pay Prevailing Wages." After final acceptance of the project the responsible officer must require the contractor and subcontractors to submit an "Affidavit of Wages Paid" before the retainage is released. The industrial statistician with the Department of Labor and Industries (Department) approves the "Intents" and certifies the "Affidavits." Each claim submitted by a contractor must state that the prevailing wages have been paid.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

By rule, the Department requires contractors to keep accurate payroll records. Within 10 days after the contractor receives a written request from an interested party or the Department, the contractor must file a certified copy of the payroll records with the awarding agency and with the Department.

Contractors or subcontractors who file false statements or records or who fail to file required statements or records are subject to civil penalty and may not bid on any public works contract until the penalty is paid. A second violation within a five-year period bars the contractor or subcontractor from bidding on public works contracts for one year.

Summary of Bill:

On public works projects involving the off-site prefabrication of a nonstandard, project-specific item, before final acceptance of the project, the awarding agency must require the contractor and any subcontractor of the item to submit a certified copy of the payroll records to the Department and to the awarding agency. The records shall be on a form approved by the Department and must include a statement that no laborer, worker, or mechanic has been paid less than the prevailing wage.

All public works contracts must contain a provision that contractors and subcontractors for any off-site prefabrication of nonstandard, project-specific items, must submit certified payroll records.

Rules Authority: The bill does not directly address rule-making; however the Department may need to adopt rules to implement the provisions.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.