
Commerce & Labor Committee

HB 1992

Brief Description: Concerning the application of chapter 39.12 RCW to construction projects that involve tax incentives, loans, or public land or property that is sold or leased.

Sponsors: Representatives Conway, Simpson, Wood, Moeller, Williams, Liias, Sullivan and Chase.

Brief Summary of Bill

- Extends application of the prevailing wage requirements to construction projects that involve tax incentives, loans provided by a public entity, or public land or property that is sold or leased.

Hearing Date: 2/10/09

Staff: Alison Hellberg (786-7152)

Background:

Employers must pay workers on all public works contracts and public building service maintenance contracts at least the prevailing wage. The prevailing wage is the rate of hourly wage, usual benefits, and overtime paid to the majority of workers in the same trade or occupation in the largest city in the county where the work is performed. The Department of Labor and Industries determines the prevailing wage by periodically surveying the trades.

A public work is defined as all work, construction, alteration, repair or improvement that is executed at the cost of the state or any other local public agency. This includes demolition, remodeling, renovation, road construction, building construction, ferry construction, and utilities construction.

Prevailing wages must also be paid on projects that the state or a municipality causes to be performed by a private party through a contract to rent, lease, or purchase at least 50 percent of the project by one or more state agencies or municipalities.

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Summary of Bill:

Prevailing wage must be paid on any work, construction, alteration, repair, or improvement other than ordinary maintenance that involves:

- tax incentives established by the state or a local government;
- loans provided by the state or a local government;
- sales of public land or property to a private entity for less than fair market value by the state or a local government; or
- leases of public land or property to a private entity by the state or a local government.

Rules Authority: The bill does not address the rule-making powers of an agency.

Appropriation: None.

Fiscal Note: Requested on 2/7/09.

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