

SENATE BILL REPORT

SB 5904

As of February 16, 2009

Title: An act relating to defining independent contractor for purposes of prevailing wage.

Brief Description: Defining independent contractor for purposes of prevailing wage.

Sponsors: Senators Kohl-Welles, Prentice, Keiser, Franklin, Hobbs and Kline.

Brief History:

Committee Activity: Labor, Commerce & Consumer Protection: 2/17/09.

SENATE COMMITTEE ON LABOR, COMMERCE & CONSUMER PROTECTION

Staff: Mac Nicholson (786-7445)

Background: Laborers, workers, and mechanics on all public works and public building service maintenance contracts must be paid prevailing wages. Prevailing wage is the rate of hourly wage, usual benefits, and overtime paid in the locality, or largest city in the county where the work is being performed. The prevailing wage is determined by the industrial statistician at the Department of Labor and Industries.

Summary of Bill: Independent contractor is defined for prevailing wage purposes. An individual employed on a public works project is not considered to be a laborer, worker, or mechanic when:

- the individual has been and will continue to be free from control or direction over the performance of services;
- the service is outside the usual course of business for which the service is performed;
- the individual is customarily engaged in an independently established trade;
- the individual is responsible for filing paperwork with the Internal Revenue Service;
- the individual has an active and valid certificate of registration with the Department of Revenue for the business the individual is conducting;
- the individual maintains separate books and records; and
- the individual has a valid contractor registration or license.

Appropriation: None.

Fiscal Note: Not requested.

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.

Committee/Commission/Task Force Created: No.

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