
HOUSE BILL 1716

State of Washington 61st Legislature 2009 Regular Session

By Representatives Miloscia, Appleton, Morrell, Moeller, and Conway

Read first time 01/27/09. Referred to Committee on Commerce & Labor.

1 AN ACT Relating to providing living wages on public contracts;
2 adding a new section to chapter 43.19 RCW; adding a new section to
3 chapter 47.28 RCW; and adding a new chapter to Title 39 RCW.

4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

5 NEW SECTION. **Sec. 1.** The legislature finds that the state
6 annually awards contracts to private contractors and vendors, and that
7 such expenditures should be spent in a manner that promotes the
8 creation of jobs that allow residents to support themselves and their
9 families with dignity. The legislature further finds that the present
10 federal and state minimum wages generate income at a level below the
11 amount required to support a family at a basic level and that jobs that
12 do not pay living wages result in families who have greater need of
13 social services provided by the state and paid for by state taxpayers.
14 The payment of adequate wages to workers employed by private
15 contractors and vendors that contract with the state will promote
16 stability and reduced turnover, resulting in a higher quality of
17 service.

1 NEW SECTION. **Sec. 2.** The definitions in this section apply
2 throughout this chapter unless the context clearly requires otherwise.

3 (1) "Contract" means public works contracts, personal services
4 contracts, and purchasing contracts for goods and services.

5 (2) "Contractor" means any person, firm, or corporation that, in
6 the pursuit of an independent business, undertakes a contract with a
7 state agency.

8 (3) "Department" means the department of labor and industries.

9 (4) "Employee" has the meaning set forth in RCW 49.46.010. In
10 addition to the individuals excluded under RCW 49.46.010, "employee"
11 does not include an individual:

12 (a) Seventeen years old or younger;

13 (b) In a position that is designated for a trainee, apprentice, or
14 is otherwise part of a training program; and

15 (c) In a work study position, internship, or who is in a position
16 that requires student status as a prerequisite to being employed in
17 that position.

18 (5) "Employer" means a contractor or a subcontractor that employs
19 an employee.

20 (6) "State agency" means the department of community, trade, and
21 economic development or the department of ecology.

22 (7) "Subcontractor" means any person, firm, or corporation that, in
23 the pursuit of an independent business, undertakes a contract with
24 another person, firm, or corporation who holds a contract with the
25 state.

26 NEW SECTION. **Sec. 3.** (1) All contractors and subcontractors
27 covered under this chapter shall pay employees performing work under
28 contracts or subcontracts a living wage no less than nine dollars and
29 seventy cents per hour if health benefits are paid for in whole or in
30 substantial part by the employer, or eleven dollars and fifty-five
31 cents per hour if health benefits are not so provided.

32 (2)(a) Beginning January 1, 2010, and each following January 1st as
33 set forth under (b) of this subsection, every contractor and
34 subcontractor shall pay each of his or her employees performing work
35 under contracts or subcontracts at a rate of not less than the amount
36 established under (b) of this subsection.

1 (b) Beginning September 30, 2009, and on each following September
2 30th, the department shall calculate an adjusted living wage rate as
3 specified under this subsection (2)(b). Each adjusted living wage rate
4 shall be calculated to the nearest cent, and shall take effect on the
5 following January 1st.

6 (i) If the per capita personal income for the prior calendar year
7 for Washington is equal to or greater than the per capita personal
8 income for the prior calendar year for the United States, the adjusted
9 living wage rate shall be calculated using the percentage increase in
10 the consumer price index for urban wage earners and clerical workers,
11 CPI-W, or a successor index, for the twelve months prior to each
12 September 1st as calculated by the United States department of labor
13 plus three percent.

14 (ii) If the per capita personal income for the prior calendar year
15 for Washington is less than the per capita personal income for the
16 prior calendar year for the United States, the adjusted living wage
17 rate shall be calculated to the nearest cent using the percentage
18 increase in the consumer price index for urban wage earners and
19 clerical workers, CPI-W, or a successor index, for the twelve months
20 prior to each September 1st as calculated by the United States
21 department of labor.

22 NEW SECTION. **Sec. 4.** (1) In circumstances where a contract also
23 requires the contractor or subcontractor to pay its employees
24 prevailing wages, the contractor or subcontractor shall pay its
25 employees at the contractually prescribed prevailing wage rate or the
26 minimum living wage payable under this chapter, whichever is higher.

27 (2) The contractor or subcontractor also shall pay its employees at
28 the minimum wage rate under chapter 49.46 RCW or the minimum living
29 wage payable under this chapter, whichever is higher.

30 NEW SECTION. **Sec. 5.** No contractor or subcontractor shall
31 retaliate or discriminate against an employee in his or her terms and
32 conditions of employment for:

33 (1) Participating in any legal proceeding in respect to this
34 chapter;

35 (2) Seeking civil remedies to enforce his or her rights conferred
36 by this chapter; or

1 (3) Otherwise asserting his or her rights under this chapter.

2 NEW SECTION. **Sec. 6.** If a contractor or subcontractor violates
3 section 3 of this act, the state agency may withhold payment, or
4 suspend or terminate the contract. If the contractor or subcontractor
5 willfully violates section 3 of this act more than once in a two-year
6 period, the state agency may disqualify the contractor or subcontractor
7 from further contracts for a period of up to two years.

8 NEW SECTION. **Sec. 7.** Nothing contained in this chapter may be
9 construed to limit in any way the remedies, legal or equitable, that
10 are available for violations of this chapter.

11 NEW SECTION. **Sec. 8.** If any provision of this act or its
12 application to any person or circumstance is held invalid, the
13 remainder of the act or the application of the provision to other
14 persons or circumstances is not affected.

15 NEW SECTION. **Sec. 9.** (1) The living wage requirement imposed by
16 this chapter applies to all contracts and related subcontracts entered
17 into, renewed, or extended by either the department of community,
18 trade, and economic development or the department of ecology on or
19 after January 1, 2010.

20 (2) This act does not apply to any contracts entered into before
21 January 1, 2010.

22 NEW SECTION. **Sec. 10.** A new section is added to chapter 43.19 RCW
23 to read as follows:

24 All contracts entered into under this chapter by either the
25 department of community, trade, and economic development or the
26 department of ecology on or after January 1, 2010, are subject to the
27 requirements established under chapter 39.-- RCW (sections 1 through 9
28 of this act).

29 NEW SECTION. **Sec. 11.** A new section is added to chapter 47.28 RCW
30 to read as follows:

31 All contracts entered into under this chapter by either the
32 department of community, trade, and economic development or the

1 department of ecology on or after January 1, 2010, are subject to the
2 requirements established under chapter 39.-- RCW (sections 1 through 9
3 of this act).

4 NEW SECTION. **Sec. 12.** Sections 1 through 9 of this act constitute
5 a new chapter in Title 39 RCW.

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