

SENATE BILL REPORT

SB 6480

As of January 29, 2012

Title: An act relating to employers who pay the prevailing wage on public works.

Brief Description: Protecting employers who pay the prevailing wage on public works.

Sponsors: Senators King, Schoesler and Holmquist Newbry.

Brief History:

Committee Activity: Labor, Commerce & Consumer Protection: 1/30/12.

SENATE COMMITTEE ON LABOR, COMMERCE & CONSUMER PROTECTION

Staff: Mac Nicholson (786-7445)

Background: Employers on public works projects must pay prevailing wages. The prevailing wage is the hourly wage, usual benefits, and overtime paid to the majority of workers in the largest city of the county where the work is being performed. The prevailing wage is determined by the industrial statistician at the Department of Labor and Industries (L&I). Contractors on a public works project must submit a statement of intent to pay prevailing wages after the contract is awarded but before work begins. After all of the work is complete, employers must submit an affidavit of wages paid (affidavit). The forms are filed with L&I and, when certified by the industrial statistician, are submitted by the employer to the agency administering the contract. A contractor who submits a false affidavit, or fails to submit an affidavit, is subject to civil penalty and can be disqualified from bidding on any public works projects for one year.

A complaint concerning nonpayment of prevailing wage can be filed by any interested party and must be filed with L&I within 30 days of the acceptance date of the public works project. Failure to file a complaint within 30 days does not preclude a claimant from pursuing a private right of action for unpaid prevailing wages, and the statute of limitations for such causes of action is three years.

Under the Wage Payment Act (WPA), L&I can investigate wage complaints filed by workers and collect wages owed from the employer. The wage complaint must be filed within three years of the alleged violation of a wage payment requirement. L&I generally has 60 days to complete its investigation and determine whether the employer owes wages. Workers and employers can appeal L&I's decision to superior court.

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.

Summary of Bill: The bill as referred to committee not considered.

Summary of Bill (Proposed Substitute): An employer who pays an employee a prevailing wage based on a previous written determination by the industrial statistician is not subject to a wage complaint under the WPA alleging an incorrect rate of wage.

A contractor who has paid prevailing wages pursuant to a certified affidavit is not subject to L&I action for paying an incorrect rate of wage, or to a wage complaint under the WPA alleging an incorrect rate of wage if the contractor has a history of paying prevailing wages under a specific work classification and a history of receiving certification of affidavits of wages paid for that specific work classification.

Appropriation: None.

Fiscal Note: Requested on January 25, 2012.

Committee/Commission/Task Force Created: No.

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