## HOUSE BILL 2669

62nd Legislature

2012 Regular Session

By Representatives Ormsby and Moscoso

State of Washington

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Read first time 01/23/12. Referred to Committee on Labor & Workforce Development.

- AN ACT Relating to enforcing the payment of prevailing wages; and amending RCW 39.12.010.
- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 39.12.010 and 1989 c 12 s 6 are each amended to read 5 as follows:
  - (1) The "prevailing rate of wage", for the intents and purposes of this chapter, shall be the rate of hourly wage, usual benefits, and overtime paid in the locality, as hereinafter defined, to the majority of workers, laborers, or mechanics, in the same trade or occupation. In the event that there is not a majority in the same trade or occupation paid at the same rate, then the average rate of hourly wage and overtime paid to such laborers, workers, or mechanics in the same trade or occupation shall be the prevailing rate. If the wage paid by any contractor or subcontractor to laborers, workers, or mechanics on any public work is based on some period of time other than an hour, the hourly wage for the purposes of this chapter shall be mathematically determined by the number of hours worked in such period of time.
    - (2) The "locality" for the purposes of this chapter shall be the

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1 largest city in the county wherein the physical work is being 2 performed.

- (3) The "usual benefits" for the purposes of this chapter shall include the amount of:
- (a) The rate of contribution irrevocably made by a contractor or subcontractor to a trustee or to a third person pursuant to a fund, plan, or program; and
- (b) The rate of costs to the contractor or subcontractor which may be reasonably anticipated in providing benefits to workers, laborers, and mechanics pursuant to an enforceable commitment to carry out a financially responsible plan or program which was communicated in writing to the workers, laborers, and mechanics affected, for medical or hospital care, pensions on retirement or death, compensation for injuries or illness resulting from occupational activity, or insurance to provide any of the foregoing, for unemployment benefits, life insurance, disability and sickness insurance, or accident insurance, for vacation and holiday pay, for defraying costs of apprenticeship or other similar programs, or for other bona fide fringe benefits, but only where the contractor or subcontractor is not required by other federal, state, or local law to provide any of such benefits.
- (4) An "interested party" for the purposes of this chapter shall include a contractor, subcontractor, an employee of a contractor or subcontractor, an organization whose members' wages, benefits, and conditions of employment are affected by this chapter, and the director of labor and industries or the director's designee.
- (5) A "contractor" or "subcontractor" includes a successor entity, however organized, that has a substantially identical business or operational structure to an entity that has violated the provisions of this chapter if the successor entity had actual or constructive notice of the violation. The department may consider the following factors in determining whether a contractor or subcontractor is a successor entity: Substantial continuity of the same business operation, use of the same machinery or equipment, similarity of jobs and types of working conditions, continuity of ownership or personnel, and similarity of products or services.

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