FINAL BILL REPORT SHB 1254

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Synopsis as Enacted

Brief Description: Prevailing wage filings.

Sponsors: House Committee on Labor & Workforce Development (originally sponsored by Representatives Manweller and Condotta).

House Committee on Labor & Workforce Development House Committee on Appropriations Subcommittee on Health & Human Services Senate Committee on Commerce & Labor

Background:

Prevailing wages must be paid to laborers, workers, and mechanics who work on public works projects in Washington. In addition, prevailing wages must be paid on public building service maintenance contracts of the state or of any county, municipality, or political subdivision.

Prevailing wage rates are the hourly wage, usual benefits, and overtime paid to laborers, workers, and mechanics in the same trade or occupation. These rates are established through analysis of survey data by the Industrial Statistician at the Department of Labor and Industries (Department). The rates are calculated to determine the majority rate paid in the locality.

Before the state or political subdivision pays a public works contract or public building service maintenance contract, the contractor is required to file a "Statement of Intent to Pay Prevailing Wages" (Intent) for approval by the Industrial Statistician.

The contract employer must file an "Affidavit of Wages Paid" (Affidavit) upon completion of the contracted work in order to receive final payment from the public entity. The Affidavit must list all subcontractors hired, the number of workers the employer used from each trade, and the total amount paid for the work. There is a statutorily required filing fee of \$40 for both the Intent and Affidavit.

Workers regularly employed by the state or any political subdivision are statutorily exempted from the prevailing wage requirements. Additionally, by rule the prevailing wage requirements do not apply to: sole owners and their spouses; any partner who owns at least

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30 percent of a partnership; or the president, vice president, and treasurer of a corporation if each one owns at least 30 percent of the corporation.

Summary:

The Department may not collect the certification fee for the Affidavit from individuals or entities that are exempt from the prevailing wage rate requirements.

Votes on Final Passage:

House 96 0 Senate 49 0

Effective: June 12, 2014