
Labor Committee

ESB 5993

Brief Description: Concerning public works contracts and projects.

Sponsors: Senators King, Fain, Litzow, Braun, Schoesler, Parlette, Warnick, Sheldon, Hewitt, Becker and Brown.

Brief Summary of Engrossed Bill

- Provides that the apprentice utilization requirement for Department of Transportation public works applies to projects estimated to cost \$3 million or more, rather than \$2 million or more, for five years beginning July 1, 2015.
- Establishes a state coordinator for the Helmets to Hardhats program in the Department of Transportation.

Hearing Date: 3/17/15

Staff: Joan Elgee (786-7106).

Background:

Apprentice Utilization.

Bid specifications for public works estimated to cost \$1 million or more must require that at least 15 percent of the labor hours be performed by apprentices. For public works by the Department of Transportation (DOT), however, the requirement applies to public works estimated to cost \$2 million or more.

The DOT (and other awarding agencies) may adjust the apprentice utilization requirement for a specific project if the contractors have demonstrated a good faith effort to comply. The DOT must adjust the requirement if there is a demonstrated lack of availability of apprentices in specific geographic areas or a disproportionately high ratio of material costs to labor hours.

"Public work" means all work, construction, alteration, repair, or improvement other than ordinary maintenance that is executed at the cost of the state or any municipality.

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.

Prevailing Wage.

State law requires that prevailing wages be paid to laborers, workers, and mechanics employed upon all public works and under all public building service maintenance contracts. The prevailing wage is the hourly wage, usual benefits, and overtime paid in the largest city in each county, to the majority of workers, laborers, or mechanics in the same trade or occupation.

To establish the prevailing wage for the various trades and occupations, the industrial statistician of the Department of Labor and Industries (L&I) conducts wage surveys. Surveys are sent to businesses that employ workers within the trade or occupation being surveyed and labor unions representing workers in those trades and occupations. Interested parties may also submit survey forms.

Helmets to Hardhats.

Helmets to Hardhats is a national program sponsored by building and construction trades organizations and their employer associations. It is administered by a not-for-profit trust directed by a joint labor-management construction industry committee. The program connects former and transitioning military personnel with apprenticeship and other training opportunities in the construction industry.

Summary of Bill:

Apprentice Utilization.

For DOT contracts advertised for bid from July 1, 2015 until June 30, 2020, the 15 percent apprentice utilization requirement applies to contracts estimated to cost \$3 million, rather than \$2 million, or more. Beginning July 1, 2020, the apprentice utilization requirement again applies to contracts of \$2 million or more.

Prevailing Wage.

The L&I must provide registered contractors with the option of completing a wage survey electronically.

Helmets to Hardhats.

A state coordinator for the Helmets to Hardhats program is created in the DOT, subject to amounts appropriated for this specific purpose. The DOT must establish procedures, in consultation with the Department of Veterans Affairs and applicable veterans and labor organizations, for coordination with the Helmets to Hardhats program and other opportunities for veterans to obtain skilled training and employment in the construction industry.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill contains an emergency clause and takes effect on July 1, 2015.