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HOUSE BILL 2742

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State of Washington

65th Legislature

2018 Regular Session

By Representatives Doglio, Tarleton, Fey, Appleton, Bergquist, and Tharinger

Read first time 01/15/18. Referred to Committee on Labor & Workplace Standards.

1 AN ACT Relating to establishing maritime Puget Sound regional  
2 prevailing wages; amending RCW 39.12.026; adding a new section to  
3 chapter 39.12 RCW; and creating a new section.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that the state of  
6 Washington amended the prevailing wage statute in 2003 to require  
7 that the prevailing rate of wage be determined on a county basis.  
8 After the 2003 legislation, prevailing wage data collected by the  
9 department of labor and industries may be used only in the county for  
10 which the work was performed.

11 This standard is appropriate for land-based public works  
12 construction projects; however, it is not suitable for determining  
13 the shipbuilding and ship repair rates. The performance of  
14 shipbuilding and ship repair public works is not site-specific.  
15 Vessels may be built or repaired in a shipyard in one county and put  
16 into service in another county. The maritime industry was an  
17 oversight when RCW 39.12.026 was enacted. In fact, the last  
18 prevailing wage survey for shipbuilding and ship repair was conducted  
19 in 1996, which predated the 2003 changes.

20 The legislature further finds that this methodology is not  
21 appropriate and that a regional maritime prevailing wage rate,

1 instead of a county rate, is the most proper standard for the two  
2 categories of shipbuilding and ship repair.

3 **Sec. 2.** RCW 39.12.026 and 2015 3rd sp.s. c 40 s 2 are each  
4 amended to read as follows:

5 (1) In establishing the prevailing rate of wage under RCW  
6 39.12.010, 39.12.015, and 39.12.020, all data collected by the  
7 department of labor and industries may be used only in the county for  
8 which the work was performed, except as is provided in subsection (3)  
9 of this section.

10 (2) The department of labor and industries must provide  
11 registered contractors with the option of completing a wage survey  
12 electronically.

13 (3) For establishing the shipbuilding and ship repair prevailing  
14 rate of wage under RCW 39.12.010, 39.12.015, and 39.12.020, all data  
15 collected by the department of labor and industries in Clallam,  
16 Jefferson, Kitsap, Mason, Thurston, Pierce, King, Snohomish, Skagit,  
17 Whatcom, Island, and San Juan counties must be used to establish the  
18 maritime Puget Sound regional rate using the collective data from  
19 these counties and shall be calculated as follows:

20 (a) If the majority of hours reported is paid at the same wage  
21 rate, then that rate shall be established as the prevailing wage  
22 rate.

23 (b) If the same wage rate is not reported to have been paid for  
24 the majority of hours for the Puget Sound regional rate, then the  
25 average wage rate shall be established as the prevailing wage rate  
26 based on a weighted average of the hours, wages, and benefits.

27 NEW SECTION. **Sec. 3.** A new section is added to chapter 39.12  
28 RCW to read as follows:

29 (1) For any newly established rates for shipbuilding and ship  
30 repair established prior to the effective date of this section, the  
31 survey data will be recalculated in accordance with section 2 of this  
32 act and republished in the next semiannual wage publication.

33 (2) Beginning on the effective date of this section, the  
34 shipbuilding and ship repair rates shall be surveyed and recalculated  
35 on a biennial basis.

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