

SENATE BILL REPORT

ESSB 5701

As Passed Senate, March 5, 2025

Title: An act relating to expanding access to records for the purposes of enforcing prevailing wage laws.

Brief Description: Expanding access to records for the purposes of enforcing prevailing wage laws.

Sponsors: Senate Committee on Labor & Commerce (originally sponsored by Senators Ramos, Hasegawa, Nobles and Valdez).

Brief History:

Committee Activity: Labor & Commerce: 2/11/25, 2/21/25 [DPS, DNP, w/oRec].

Floor Activity: Passed Senate: 3/5/25, 30-19.

Brief Summary of Engrossed First Substitute Bill

- Requires the Department of Labor and Industries to provide, upon request, a copy of an employer's certified payroll records to an interested party.
- Restricts a joint labor management committee from using the records for any purpose other than filing complaints under specified law relating to wage complaints.

SENATE COMMITTEE ON LABOR & COMMERCE

Majority Report: That Substitute Senate Bill No. 5701 be substituted therefor, and the substitute bill do pass.

Signed by Senators Saldaña, Chair; Conway, Vice Chair; Alvarado, Ramos and Stanford.

Minority Report: Do not pass.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not part of the legislation nor does it constitute a statement of legislative intent.

Signed by Senators MacEwen and Schoesler.

Minority Report: That it be referred without recommendation.

Signed by Senator King, Ranking Member.

Staff: Marlon Llanes (786-7423)

Background: Payroll Records. State law requires contractors to pay prevailing wages to laborers, workers, and mechanics employed on all public works contracts. The prevailing wage is the hourly wage, usual benefits, and overtime paid in the largest city in the county to the majority of individuals in the same trade or occupation.

Each contractor, subcontractor, or employer is required to keep accurate payroll records for three years from the date of acceptance of the public works project by the contract awarding agency. The payroll records must include, among other things, the net wages paid for each worker.

A contractor, subcontractor, or employer is required to file a copy of its certified payroll records once per month using the Department of Labor and Industries' (L&I) online system.

Joint Labor Management Committees. A joint labor management committee (JLMC) is a forum for communication between workers and management to deal with matters of general concern between the parties. JLMCs typically function in an advisory capacity, and do not include any decision-making or collective bargaining authority.

Summary of Engrossed First Substitute Bill: L&I is required to provide, upon request, a copy of an employer's certified payroll records to an interested party. A JLMC may only use the records for filing complaints under specified law relating to wage complaints. A JLMC may not use the records for any other purpose, including union organizing or commercial activity.

The definition of interested party for the purposes of prevailing wage laws is modified to include a Taft-Hartley trust and JLMC.

Appropriation: None.

Fiscal Note: Available.

Creates Committee/Commission/Task Force that includes Legislative members: No.

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

Staff Summary of Public Testimony on Original Bill: *The committee recommended a different version of the bill than what was heard.* PRO: A JLMC may request payroll

records when there is a conflict between the employer and worker, but those records often redact payment or wage amounts. This bill would ensure that when a JLMC receives records, the information is useful and can help resolve any conflicts. Records are not being released to the public. It is difficult for a JLMC to verify that workers are being paid correctly.

CON: Some workers, like certain contractors, are not represented in organized labor workforces, but may work on public works contracts. These workers abide by all the rules and laws, retain records, and are subject to audits, but do not use JLMCs. This bill would allow people outside of their organization to directly access the workers' unredacted records from L&I. This change is not needed.

Persons Testifying: PRO: Senator Bill Ramos, Prime Sponsor; Boris Gresely, Carpenters and Contractors Cooperation Committee.

CON: Brandon Houskeeper, Associated Builders & Contractors - Western WA / SW Washington Contractors Assoc..

Persons Signed In To Testify But Not Testifying: No one.