Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Labor & Workforce Development Committee

HB 2210

Brief Description: Improving the accuracy of the prevailing rate of wage.

Sponsors: Representatives Manweller and Vick.

Brief Summary of Bill

• Requires the Department of Labor and Inudstries to use a stratified random sampling methodology to establish the prevailing rate of wage.

Hearing Date: 1/28/14

Staff: Trudes Tango (786-7384).

Background:

State law requires that prevailing wages be paid to laborers, workers, and mechanics on all public works and under all public building service maintenance contracts. 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.

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. The Department of Labor and Industries (Department) establishes the prevailing wage for each trade and occupation by conducting wage surveys of employers, contractors, and labor unions. If the majority of workers in a trade or occupation in the largest city of a county are paid at the same wage rate for the same work, that wage becomes the prevailing wage for that work. If no single wage rate is paid to a majority of workers in the same trade or occupation in the largest city in a county, an average wage is calculated and established as the prevailing wage.

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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.

When the rate calculated in the survey process matches the rate of a collective bargaining agreement during the survey period, the prevailing wage rate will be derived from the collective bargaining agreement. A prevailing wage based on a collective bargaining agreement may be adjusted based on changes to the collective bargaining agreement.

The Public Records Act requires that all state and local government agencies make available for public inspection and copying all public records, unless the requested records fall within certain statutory exemptions.

A stratified random sampling is a statistical methodology that involves dividing a survey population into subgroups (strata) and taking a random sample of each subgroup.

Summary of Bill:

The Department shall use a stratified random sampling methodology to establish the prevailing rate of wage.

Data collected by the Department in establishing the prevailing rate of wage is exempt from the Public Records Act.

Appropriation: None.

Fiscal Note: Requested on January 22, 2014.

Effective Date: The bill takes effect 90 days after adjournment of the session in which the bill is passed.