
**Labor & Workforce Development
Committee**

HB 2527

Brief Description: Establishing the prevailing rate of wage based on collective bargaining agreements or other methods if collective bargaining agreements are not available.

Sponsors: Representatives Ormsby, Appleton, Moscoso, Sells, Stanford, Bergquist, Reykdal, S. Hunt, Roberts, Cody, Fey, Freeman, Riccelli and Pollet.

Brief Summary of Bill

- Requires the prevailing wage rate to be established by adopting the hourly wage, usual benefits, and overtime pay established in collective bargaining agreements for trades and occupations that have collective bargaining agreements.

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

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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.

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.

Alternative methods of establishing the prevailing wage rate may be used only under limited circumstances, such as when a survey is not immediately feasible in a new trade or occupation.

Summary of Bill:

The prevailing rate of wage must be established by adopting the hourly wage, usual benefits, and overtime pay established in collective bargaining agreements for those trades and occupations that have collective bargaining agreements. If there are no collective bargaining agreements, the prevailing wage must be established using wage and hour surveys. If wage and hour surveys are not feasible, the Department may employ other appropriate methods to establish the prevailing wage rate.

Appropriation: None.

Fiscal Note: Available.

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