
HOUSE BILL 2213

State of Washington

57th Legislature

2001 Regular Session

By Representatives Mitchell and Mastin

Read first time . Referred to Committee on .

1 AN ACT Relating to prevailing wages in public contracts; amending
2 RCW 39.12.010; adding a new section to chapter 47.28 RCW; adding a new
3 section to chapter 35.21 RCW; adding a new section to chapter 36.75
4 RCW; adding a new section to chapter 39.12 RCW; and creating a new
5 section.

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

7 NEW SECTION. **Sec. 1.** The legislature finds that transportation
8 projects should be provided at the lowest cost possible to achieve the
9 maximum benefits to the citizens of Washington state. Projects and
10 services must be delivered by the most safe, efficient, and effective
11 means available. Prior to imposing tax increases upon Washington's
12 citizens in order to fund new transportation projects, the legislature
13 owes Washington's citizens a duty to make every current dollar stretch
14 as far as possible in the provision of transportation services, always
15 keeping in mind that quality results should not be sacrificed in
16 pursuit of cost savings. To this end, the legislature finds that the
17 use of cost/benefit analysis can assist in decisions regarding all
18 facets of transportation project delivery.

1 NEW SECTION. **Sec. 2.** A new section is added to chapter 47.28 RCW
2 to read as follows:

3 (1) Except as provided in subsection (2) of this section, the
4 projects and services contracted for by the department of
5 transportation shall be exempt from the provisions of chapter 39.12
6 RCW. Nothing in this section shall be construed to affect or alter
7 federal requirements regarding the payment of prevailing wages under
8 the Davis-Bacon act or other federal statutes.

9 (2) The department of transportation, in preparing the
10 specifications for projects to be put out to bid under this chapter,
11 shall analyze the costs and benefits of paying the "prevailing rate of
12 wage," as defined in RCW 39.12.010(1), and shall only require
13 contractors to pay prevailing wages when the benefits of paying such
14 wages exceed the costs. The department may share information developed
15 in analyzing the costs and benefits of paying prevailing wages on
16 transportation projects within a given county with the county or with
17 cities and towns located in the county in order to assist them with
18 their own analysis under sections 3 and 4 of this act.

19 NEW SECTION. **Sec. 3.** A new section is added to chapter 35.21 RCW
20 to read as follows:

21 (1) Except as provided in subsection (2) of this section, the
22 transportation projects and services contracted for by cities, towns,
23 and transportation benefit districts regulated under this title shall
24 be exempt from the provisions of chapter 39.12 RCW. Nothing in this
25 section shall be construed to affect or alter federal requirements
26 regarding the payment of prevailing wages under the Davis-Bacon act or
27 other federal statutes.

28 (2) Cities, towns, and transportation benefit districts regulated
29 under this title, in preparing the specifications for transportation
30 projects to be put out to bid, shall analyze the costs and benefits of
31 paying the "prevailing rate of wage," as defined in RCW 39.12.010(1),
32 and shall only require contractors to pay prevailing wages when the
33 benefits of paying such wages exceed the costs.

34 NEW SECTION. **Sec. 4.** A new section is added to chapter 36.75 RCW
35 to read as follows:

36 (1) Except as provided in subsection (2) of this section, the
37 transportation projects and services contracted for by counties and

1 transportation benefit districts regulated under this title shall be
2 exempt from the provisions of chapter 39.12 RCW. Nothing in this
3 section shall be construed to affect or alter federal requirements
4 regarding the payment of prevailing wages under the Davis-Bacon act or
5 other federal statutes.

6 (2) Counties and transportation benefit districts regulated under
7 this title, in preparing the specifications for transportation projects
8 to be put out to bid, shall analyze the costs and benefits of paying
9 the "prevailing rate of wage," as defined in RCW 39.12.010(1), and
10 shall only require contractors to pay prevailing wages when the
11 benefits of paying such wages exceed the costs.

12 **Sec. 5.** RCW 39.12.010 and 1989 c 12 s 6 are each amended to read
13 as follows:

14 (1) The "prevailing rate of wage", for the intents and purposes of
15 this chapter, shall be the rate of hourly wage, usual benefits, and
16 overtime paid in the locality, as hereinafter defined, to the majority
17 of workers, laborers, or mechanics, in the same trade or occupation.
18 In the event that there is not a majority in the same trade or
19 occupation paid at the same rate, then the average rate of hourly wage
20 and overtime paid to such laborers, workers, or mechanics in the same
21 trade or occupation shall be the prevailing rate. If the wage paid by
22 any contractor or subcontractor to laborers, workers, or mechanics on
23 any public work is based on some period of time other than an hour, the
24 hourly wage for the purposes of this chapter shall be mathematically
25 determined by the number of hours worked in such period of time.

26 (2) The "locality" for the purposes of this chapter shall be the
27 (~~largest city in the~~) county wherein the physical work is being
28 performed.

29 (3) The "usual benefits" for the purposes of this chapter shall
30 include the amount of:

31 (a) The rate of contribution irrevocably made by a contractor or
32 subcontractor to a trustee or to a third person pursuant to a fund,
33 plan, or program; and

34 (b) The rate of costs to the contractor or subcontractor which may
35 be reasonably anticipated in providing benefits to workers, laborers,
36 and mechanics pursuant to an enforceable commitment to carry out a
37 financially responsible plan or program which was communicated in
38 writing to the workers, laborers, and mechanics affected, for medical

1 or hospital care, pensions on retirement or death, compensation for
2 injuries or illness resulting from occupational activity, or insurance
3 to provide any of the foregoing, for unemployment benefits, life
4 insurance, disability and sickness insurance, or accident insurance,
5 for vacation and holiday pay, for defraying costs of apprenticeship or
6 other similar programs, or for other bona fide fringe benefits, but
7 only where the contractor or subcontractor is not required by other
8 federal, state, or local law to provide any of such benefits.

9 (4) An "interested party" for the purposes of this chapter shall
10 include a contractor, subcontractor, an employee of a contractor or
11 subcontractor, an organization whose members' wages, benefits, and
12 conditions of employment are affected by this chapter, and the director
13 of labor and industries or the director's designee.

14 NEW SECTION. **Sec. 6.** A new section is added to chapter 39.12 RCW
15 to read as follows:

16 Public works projects and public building service maintenance
17 contracts of the state or any county, municipality, or political
18 subdivision created by its laws, that are under one hundred thousand
19 dollars in total project costs, are exempt from this chapter.

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