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**SUBSTITUTE SENATE BILL 5775**

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**State of Washington**

**64th Legislature**

**2015 Regular Session**

**By** Senate Commerce & Labor (originally sponsored by Senators Braun and Baumgartner)

READ FIRST TIME 02/19/15.

1 AN ACT Relating to improving the accuracy of the prevailing rate  
2 of wage; amending RCW 39.12.026, 39.12.070, and 39.12.080; and adding  
3 a new section to chapter 39.12 RCW.

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

5 **Sec. 1.** RCW 39.12.026 and 2003 c 363 s 206 are each amended to  
6 read as follows:

7 ~~((1))~~ In establishing the prevailing rate of wage under RCW  
8 39.12.010, 39.12.015, and 39.12.020~~((7))~~:

9 (1) The department of labor and industries shall use a stratified  
10 random sampling methodology; and

11 (2) All data collected by the department may be used only in the  
12 county for which the work was performed.

13 ~~((2) This section applies only to prevailing wage surveys~~  
14 ~~initiated on or after August 1, 2003.)~~

15 NEW SECTION. **Sec. 2.** A new section is added to chapter 39.12  
16 RCW to read as follows:

17 (1)(a) To conduct the stratified random sampling methodology as  
18 required under RCW 39.12.026, the department of labor and industries  
19 shall identify the contractors, employers, and labor unions eligible  
20 to receive wage surveys in specific trades or occupations. The

1 department shall send wage surveys to thirty percent of those  
2 eligible survey recipients in each trade or occupation. The  
3 department shall use a random method to select the recipients of the  
4 survey in each trade or occupation.

5 (b) The prevailing rate of wage for a trade or occupation may be  
6 established using a stratified random sampling methodology when the  
7 department has received survey responses from twenty-five percent of  
8 the recipients in that particular trade or occupation.

9 (2)(a) A recipient of a wage survey is required to respond to the  
10 survey within ninety days of receiving the survey.

11 (b) If a recipient has not responded within ninety days, the  
12 department shall contact the recipient by telephone. If after thirty  
13 days of the first telephone call the recipient has still not  
14 responded, the department shall contact the recipient by telephone  
15 and notify the recipient that it must respond to the survey.

16 **Sec. 3.** RCW 39.12.070 and 2014 c 148 s 1 are each amended to  
17 read as follows:

18 (1) The department of labor and industries may charge fees to  
19 awarding agencies on public works for the approval of statements of  
20 intent to pay prevailing wages and the certification of affidavits of  
21 wages paid. The department may also charge fees to persons or  
22 organizations requesting the arbitration of disputes under RCW  
23 39.12.060. The amount of the fees shall be established by rules  
24 adopted by the department under the procedures in the administrative  
25 procedure act, chapter 34.05 RCW. Except as provided in subsection  
26 (3) of this section, the fees shall apply to all approvals,  
27 certifications, and arbitration requests made after the effective  
28 date of the rules. All fees shall be deposited in the public works  
29 administration account. The department may refuse to arbitrate for  
30 contractors, subcontractors, persons, or organizations which have not  
31 paid the proper fees. The department may, if necessary, request the  
32 attorney general to take legal action to collect delinquent fees.

33 (2) The department shall set the fees permitted by this section  
34 at a level that generates revenue that is as near as practicable to  
35 the amount of the appropriation to administer this chapter((~~7~~))  
36 including, but not limited to, ~~((the performance of adequate wage  
37 surveys))~~ collecting data to establish the prevailing rate of wage,  
38 and to investigate and enforce all alleged violations of this  
39 chapter((~~7~~)) including, but not limited to, incorrect statements of

1 intent to pay prevailing wage, incorrect certificates of affidavits  
2 of wages paid, and wage claims, as provided for in this chapter and  
3 chapters 49.48 and 49.52 RCW. However, the fees charged for the  
4 approval of statements of intent to pay prevailing wages and the  
5 certification of affidavits of wages paid shall be forty dollars.

6 (3) If, at the time an individual or entity files an affidavit of  
7 wages paid, the individual or entity is exempt from the requirement  
8 to pay the prevailing rate of wage under RCW 39.12.020, the  
9 department of labor and industries may not charge a fee to certify  
10 the affidavit of wages paid.

11 **Sec. 4.** RCW 39.12.080 and 2006 c 230 s 2 are each amended to  
12 read as follows:

13 The public works administration account is created in the state  
14 treasury. The department of labor and industries shall deposit in the  
15 account all moneys received from fees or civil penalties collected  
16 under RCW 39.12.050, 39.12.065, and 39.12.070. Appropriations from  
17 the account may be made only for the purposes of administration of  
18 this chapter, including, but not limited to, ~~((the performance of  
19 adequate wage surveys))~~ collecting data to establish the prevailing  
20 rate of wage, and for the investigation and enforcement of all  
21 alleged violations of this chapter as provided for in this chapter  
22 and chapters 49.48 and 49.52 RCW.

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