CERTIFICATION OF ENROLLMENT

SECOND ENGROSSED SENATE BILL 5993

Chapter 40, Laws of 2015

64th Legislature 2015 3rd Special Session

PUBLIC WORKS--CONTRACTS AND PROJECTS

EFFECTIVE DATE: 7/14/2015

Passed by the Senate June 28, 2015 Yeas 43 Nays 2

BRAD OWEN

President of the Senate

Passed by the House June 30, 2015 Yeas 97 Nays 1

FRANK CHOPP

Speaker of the House of Representatives

Approved July 14, 2015 3:36 PM

CERTIFICATE

I, Pablo G. Campos, Secretary of the Senate of the State of Washington, do hereby certify that the attached is **SECOND ENGROSSED SENATE BILL 5993** as passed by Senate and the House of Representatives on the dates hereon set forth.

PABLO G. CAMPOS

Deputy Secretary

FILED

July 14, 2015

JAY INSLEE

Governor of the State of Washington

Secretary of State State of Washington

SECOND ENGROSSED SENATE BILL 5993

Passed Legislature - 2015 3rd Special Session

State of Washington 64th Legislature 2015 Regular Session

By Senators King, Fain, Litzow, Braun, Schoesler, Parlette, Warnick, Sheldon, Hewitt, Becker, and Brown

Read first time 02/16/15. Referred to Committee on Transportation.

1 AN ACT Relating to public works contracts and projects; amending 2 RCW 39.04.320 and 39.12.026; and declaring an emergency.

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

4 Sec. 1. RCW 39.04.320 and 2015 c 225 s 36 are each amended to 5 read as follows:

6 (1)(a) Except as provided in (b) through (d) of this subsection, 7 from January 1, 2005, and thereafter, for all public works estimated 8 to cost one million dollars or more, all specifications shall require 9 that no less than fifteen percent of the labor hours be performed by 10 apprentices.

(b)(i) This section does not apply to contracts advertised for bid before July 1, 2007, for any public works by the department of transportation.

14 (ii) For contracts advertised for bid on or after July 1, 2007, 15 and before July 1, 2008, for all public works by the department of 16 transportation estimated to cost five million dollars or more, all 17 specifications shall require that no less than ten percent of the 18 labor hours be performed by apprentices.

(iii) For contracts advertised for bid on or after July 1, 2008, and before July 1, 2009, for all public works by the department of transportation estimated to cost three million dollars or more, all specifications shall require that no less than twelve percent of the
 labor hours be performed by apprentices.

3 (iv) For contracts advertised for bid on or after July 1, 4 ((2009)) 2015, and before July 1, 2020, for all public works by the 5 department of transportation estimated to cost ((two)) three million 6 dollars or more, all specifications shall require that no less than 7 fifteen percent of the labor hours be performed by apprentices.

8 (v) For contracts advertised for bid on or after July 1, 2020, 9 for all public works by the department of transportation estimated to 10 cost two million dollars or more, all specifications shall require 11 that no less than fifteen percent of the labor hours be performed by 12 apprentices.

13 (c)(i) This section does not apply to contracts advertised for 14 bid before January 1, 2008, for any public works by a school 15 district, or to any project funded in whole or in part by bond issues 16 approved before July 1, 2007.

17 (ii) For contracts advertised for bid on or after January 1, 18 2008, for all public works by a school district estimated to cost 19 three million dollars or more, all specifications shall require that 20 no less than ten percent of the labor hours be performed by 21 apprentices.

(iii) For contracts advertised for bid on or after January 1, 2009, for all public works by a school district estimated to cost two million dollars or more, all specifications shall require that no less than twelve percent of the labor hours be performed by apprentices.

(iv) For contracts advertised for bid on or after January 1, 28 2010, for all public works by a school district estimated to cost one 29 million dollars or more, all specifications shall require that no 30 less than fifteen percent of the labor hours be performed by 31 apprentices.

32 (d)(i) For contracts advertised for bid on or after January 1, 33 2010, for all public works by a four-year institution of higher 34 education estimated to cost three million dollars or more, all 35 specifications must require that no less than ten percent of the 36 labor hours be performed by apprentices.

37 (ii) For contracts advertised for bid on or after January 1,
 38 2011, for all public works by a four-year institution of higher
 39 education estimated to cost two million dollars or more, all

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specifications must require that no less than twelve percent of the
 labor hours be performed by apprentices.

3 (iii) For contracts advertised for bid on or after January 1, 4 2012, for all public works by a four-year institution of higher 5 education estimated to cost one million dollars or more, all 6 specifications must require that no less than fifteen percent of the 7 labor hours be performed by apprentices.

8 (2) Awarding entities may adjust the requirements of this section 9 for a specific project for the following reasons:

10 (a) The demonstrated lack of availability of apprentices in 11 specific geographic areas;

(b) A disproportionately high ratio of material costs to labor hours, which does not make feasible the required minimum levels of apprentice participation;

15 (c) Participating contractors have demonstrated a good faith 16 effort to comply with the requirements of RCW 39.04.300 and 39.04.310 17 and this section; or

(d) Other criteria the awarding entity deems appropriate, whichare subject to review by the office of the governor.

20 (3) The secretary of the department of transportation shall 21 adjust the requirements of this section for a specific project for 22 the following reasons:

(a) The demonstrated lack of availability of apprentices inspecific geographic areas; or

(b) A disproportionately high ratio of material costs to labor hours, which does not make feasible the required minimum levels of apprentice participation.

(4) This section applies to public works contracts awarded by the state, to public works contracts awarded by school districts, and to public works contracts awarded by state four-year institutions of higher education. However, this section does not apply to contracts awarded by state agencies headed by a separately elected public official.

34 (5)(a) The department of enterprise services must provide 35 information and technical assistance to affected agencies and collect 36 the following data from affected agencies for each project covered by 37 this section:

38 (i) The name of each apprentice and apprentice registration 39 number;

40 (ii) The name of each project;

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(iii) The dollar value of each project;

2 (iv) The date of the contractor's notice to proceed;

3 (v) The number of apprentices and labor hours worked by them,
4 categorized by trade or craft;

5 (vi) The number of journey level workers and labor hours worked 6 by them, categorized by trade or craft; and

7 (vii) The number, type, and rationale for the exceptions granted 8 under subsection (2) of this section.

9 (b) The department of labor and industries shall assist the 10 department of enterprise services in providing information and 11 technical assistance.

12 The secretary of transportation shall establish (6) an apprenticeship utilization advisory committee, which shall include 13 statewide geographic representation and consist of equal numbers of 14 representatives of contractors and labor. The committee must include 15 16 at least one member representing contractor businesses with less than 17 thirty-five employees. The advisory committee shall meet regularly 18 with the secretary of transportation to discuss implementation of 19 section the department of transportation, this by including development of the process to be used to adjust the requirements of 20 this section for a specific project. ((The committee shall provide a 21 report to the legislature by January 1, 2008, on the effects of the 22 apprentice labor requirement on transportation projects and on the 23 24 availability of apprentice labor and programs statewide.))

25 (7) At the request of the senate labor, commerce, research and 26 development committee, the house of representatives commerce and labor committee, or their successor committees, and the governor, the 27 department of enterprise services and the department of labor and 28 29 industries shall compile and summarize the agency data and provide a both committees. The 30 joint report to report shall include 31 recommendations on modifications or improvements to the apprentice 32 utilization program and information on skill shortages in each trade or craft. 33

34 **Sec. 2.** RCW 39.12.026 and 2003 c 363 s 206 are each amended to 35 read as follows:

36 (1) In establishing the prevailing rate of wage under RCW 37 39.12.010, 39.12.015, and 39.12.020, all data collected by the 38 department <u>of labor and industries</u> may be used only in the county for 39 which the work was performed. 1 (2) ((This section applies only to prevailing wage surveys 2 initiated on or after August 1, 2003.)) The department of labor and 3 industries must provide registered contractors with the option of 4 completing a wage survey electronically.

5 <u>NEW SECTION.</u> Sec. 3. This act is necessary for the immediate 6 preservation of the public peace, health, or safety, or support of 7 the state government and its existing public institutions, and takes 8 effect immediately.

> Passed by the Senate June 28, 2015. Passed by the House June 30, 2015. Approved by the Governor July 14, 2015. Filed in Office of Secretary of State July 14, 2015.