

# HOUSE BILL REPORT

## HB 1672

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### As Reported by House Committee On: Labor & Workplace Standards

**Title:** An act relating to the time period for workers to recover wages under prevailing wage laws.

**Brief Description:** Concerning the time period for workers to recover wages under prevailing wage laws.

**Sponsors:** Representatives Frame, Sells, Gregerson, Doglio, Stambaugh, Ormsby, Manweller, Dent, Stonier, Steele, J. Walsh, Goodman, Bergquist and Pollet.

#### **Brief History:**

##### **Committee Activity:**

Labor & Workplace Standards: 2/2/17, 2/13/17 [DP].

#### **Brief Summary of Bill**

- Provides that the time period for recovery of wages owed to a worker affected by a prevailing wage determination is tolled until the determination is final.

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### HOUSE COMMITTEE ON LABOR & WORKPLACE STANDARDS

**Majority Report:** Do pass. Signed by 7 members: Representatives Sells, Chair; Gregerson, Vice Chair; Manweller, Ranking Minority Member; McCabe, Assistant Ranking Minority Member; Doglio, Frame and Pike.

**Staff:** Joan Elgee (786-7106).

#### **Background:**

##### Prevailing Wage Determinations.

State law requires that contractors pay prevailing wages to laborers, workers, and mechanics employed on all public works contracts and public building service maintenance contracts. The prevailing wage is the hourly wage, usual benefits, and overtime paid in the largest city in each county to the majority of individuals in the same trade or occupation. The prevailing

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wage for each county and occupation is established by the industrial statistician for the Department of Labor and Industries (Department).

The industrial statistician is authorized to issue determinations regarding the prevailing wage in response to requests by interested parties. These determinations may be sought to clarify how prevailing wage law applies to a specific project. For example, determinations may examine whether the prevailing wage is owed for work on a project or the appropriate scope of work governing the wage of a given group of workers.

#### Recovering Prevailing Wages Owed.

If an employer fails to pay a worker wages owed, the worker may file a wage complaint with the Department. The Department must investigate and if a violation is found, may order the employer to pay back-pay and interest. The Department applies a three-year statute of limitations and looks back three years for wages owed. As an alternative to collecting wages through the Department's complaint process, workers may file a private right of action for unpaid prevailing wages.

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#### **Summary of Bill:**

The time period to recover wages affected by a prevailing wage determination is tolled until the determination is final.

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**Appropriation:** None.

**Fiscal Note:** Available.

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

#### **Staff Summary of Public Testimony:**

(In support) The bill stops the clock while the Department of Labor and Industries makes a determination. It is a bipartisan, straightforward bill. The determination process is less adversarial than a wage claim.

(Opposed) None.

**Persons Testifying:** Representative Frame, prime sponsor; and Neil Hartman, Washington State Building and Construction Trades Council.

**Persons Signed In To Testify But Not Testifying:** None.