
SUBSTITUTE HOUSE BILL 2742

State of Washington 65th Legislature 2018 Regular Session

By House Labor & Workplace Standards (originally sponsored by Representatives Doglio, Tarleton, Fey, Appleton, Bergquist, and Tharinger)

READ FIRST TIME 02/01/18.

1 AN ACT Relating to establishing maritime Puget Sound regional
2 prevailing wages; adding a new section to chapter 39.12 RCW; and
3 creating a new section.

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

5 NEW SECTION. **Sec. 1.** The legislature finds that the state of
6 Washington amended the prevailing wage statute in 2003 to require
7 that the prevailing rate of wage be determined on a county basis.
8 After the 2003 legislation, prevailing wage data collected by the
9 department of labor and industries may be used only in the county for
10 which the work was performed.

11 This standard is appropriate for land-based public works
12 construction projects; however, it is not suitable for determining
13 the shipbuilding and ship repair rates. The performance of
14 shipbuilding and ship repair public works is not site-specific.
15 Vessels may be built or repaired in a shipyard in one county and put
16 into service in another county. The maritime industry was an
17 oversight when RCW 39.12.026 was enacted. In fact, the last
18 prevailing wage survey for shipbuilding and ship repair was conducted
19 in 1996, which predated the 2003 changes.

20 The legislature further finds that this methodology is not
21 appropriate and that a regional maritime prevailing wage rate,

1 instead of a county rate, is the most proper standard for the two
2 categories of shipbuilding and ship repair.

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

5 (1) For the purposes of determining whether a maritime Puget
6 Sound regional prevailing wage rate for shipbuilding and ship repair
7 should be established, the department of labor and industries shall
8 collect data from Clallam, Jefferson, Kitsap, Mason, Thurston,
9 Pierce, King, Snohomish, Skagit, Whatcom, Island, and San Juan
10 counties and shall determine what a regional rate would be using the
11 collective data from these counties calculated as follows:

12 (a) If the majority of hours reported is paid at the same wage
13 rate, then that rate would be the prevailing wage rate if a maritime
14 Puget Sound regional rate were established.

15 (b) If the same wage rate is not reported to have been paid for
16 the majority of hours for the Puget Sound regional rate, then the
17 average wage rate would be the prevailing wage rate based on a
18 weighted average of the hours, wages, and benefits.

19 (2) The department shall report what the maritime Puget Sound
20 regional prevailing wage rate for shipbuilding and ship repair would
21 be to the appropriate committees of the legislature by December 1,
22 2018.

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