

CERTIFICATION OF ENROLLMENT

**HOUSE BILL 1743**

Chapter 29, Laws of 2019

66th Legislature  
2019 Regular Session

PREVAILING RATE OF WAGES--CERTAIN RESIDENTIAL CONSTRUCTION

EFFECTIVE DATE: April 17, 2019

Passed by the House April 4, 2019  
Yeas 93 Nays 0

FRANK CHOPP

**Speaker of the House of Representatives**

Passed by the Senate March 27, 2019  
Yeas 44 Nays 1

KAREN KEISER

**President of the Senate**

Approved April 17, 2019 12:23 PM

JAY INSLEE

**Governor of the State of Washington**

CERTIFICATE

I, Bernard Dean, Chief Clerk of the House of Representatives of the State of Washington, do hereby certify that the attached is **HOUSE BILL 1743** as passed by House of Representatives and the Senate on the dates hereon set forth.

BERNARD DEAN

**Chief Clerk**

FILED

April 18, 2019

**Secretary of State  
State of Washington**

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HOUSE BILL 1743

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AS AMENDED BY THE SENATE

Passed Legislature - 2019 Regular Session

**State of Washington**                      **66th Legislature**                      **2019 Regular Session**

**By** Representatives Ormsby, Sells, Appleton, Fey, Tharinger, and Kloba

Read first time 01/30/19. Referred to Committee on Labor & Workplace Standards.

1            AN ACT Relating to the methodology for establishing the  
2 prevailing rate of wages for the construction of affordable housing,  
3 homeless and domestic violence shelters, and low-income  
4 weatherization and home rehabilitation public works; reenacting and  
5 amending RCW 39.12.015; adding a new section to chapter 39.12 RCW;  
6 creating new sections; and declaring an emergency.

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

8            NEW SECTION.            **Sec. 1.**            The legislature intends that the  
9 methodology for establishing the prevailing rates of wages under this  
10 act applies only to affordable housing, homeless and domestic  
11 violence shelters, and low-income weatherization and home  
12 rehabilitation programs.

13            **Sec. 2.**            RCW 39.12.015 and 2018 c 248 s 1 and 2018 c 242 s 1 are  
14 each reenacted and amended to read as follows:

15            (1) All determinations of the prevailing rate of wage shall be  
16 made by the industrial statistician of the department of labor and  
17 industries.

18            (2) The time period for recovery of any wages owed to a worker  
19 affected by the determination is tolled until the prevailing wage  
20 determination is final.

1       (3) (a) Except as provided in section 3 of this act, and  
2 notwithstanding RCW 39.12.010(1), the industrial statistician shall  
3 establish the prevailing rate of wage by adopting the hourly wage,  
4 usual benefits, and overtime paid for the geographic jurisdiction  
5 established in collective bargaining agreements for those trades and  
6 occupations that have collective bargaining agreements. For trades  
7 and occupations with more than one collective bargaining agreement in  
8 the county, the higher rate will prevail.

9       ~~((4))~~ (b) For trades and occupations in which there are no  
10 collective bargaining agreements in the county, the industrial  
11 statistician shall establish the prevailing rate of wage as defined  
12 in RCW 39.12.010 by conducting wage and hour surveys. In instances  
13 when there are no applicable collective bargaining agreements and  
14 conducting wage and hour surveys is not feasible, the industrial  
15 statistician may employ other appropriate methods to establish the  
16 prevailing rate of wage.

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

19       (1) For residential construction, the industrial statistician  
20 shall establish the prevailing rate of wage by conducting wage and  
21 hour surveys. If the industrial statistician determines that  
22 information received from a survey is insufficient to determine the  
23 prevailing rate of wage for a trade under this subsection, the  
24 industrial statistician shall employ other appropriate methods to  
25 establish the prevailing rate of wage.

26       (a) The industrial statistician shall conduct the initial surveys  
27 required by this subsection (1) as soon as feasible after the  
28 effective date of this section. These surveys shall cover fiscal year  
29 2018.

30       (b) The industrial statistician shall conduct a wage and hour  
31 survey following the initial survey or otherwise reestablish a  
32 prevailing rate of wage for each trade covered by this section at  
33 least every five years, and after the initial survey may stagger the  
34 surveys for workload purposes.

35       (2) (a) Until the industrial statistician has established a  
36 prevailing wage rate under subsection (1) (a) of this section and  
37 except as provided in (b) of this subsection, the industrial  
38 statistician shall establish the wage rate by:

1 (i) Identifying the residential prevailing wage rate in effect on  
2 August 30, 2018, for that trade (rate A);

3 (ii) Determining the year most recent to 2018, but not earlier  
4 than 2007, in which the wage rate for that trade was adjusted (year  
5 A);

6 (iii) Determining the percentage change in the annual average  
7 hourly wages reported for construction workers in Washington state,  
8 as calculated by the United States bureau of labor statistics' state  
9 and area employment, hours, and earnings estimates, from year A to  
10 2019;

11 (iv) Adding the percentage change from (a)(iii) of this  
12 subsection to one hundred percent (percentage A); and

13 (v) Multiplying rate A by percentage A.

14 (b) If the residential construction wage rate in effect for a  
15 trade on August 31, 2018, is the same as the wage rate in effect on  
16 August 30, 2018, the industrial statistician must adopt the wage rate  
17 in effect for the trade on August 31, 2018, until a wage rate is  
18 established under subsection (1)(a) of this section.

19 (3) For purposes of this section:

20 (a) "Residential construction" means construction, alteration,  
21 repair, improvement, or maintenance of single-family dwellings,  
22 duplexes, apartments, condominiums, and other residential structures  
23 not to exceed four stories in height, including the basement, in the  
24 following categories:

25 (i) Affordable housing, including permanent supportive housing  
26 and transitional housing, which may include common spaces, community  
27 rooms, recreational spaces, a management office, or offices for the  
28 purposes of service delivery;

29 (ii) Weatherization and home rehabilitation programs for low-  
30 income households; and

31 (iii) Homeless shelters and domestic violence shelters.

32 (b) "Residential construction" does not include the utilities  
33 construction, such as water and sewer lines, or work on streets, or  
34 work on other structures unrelated to the housing.

35 NEW SECTION. **Sec. 4.** The industrial statistician must establish  
36 and publish wage rates under section 3(2) of this act within thirty  
37 days after the effective date of this section. The wage rates take  
38 effect thirty days after publication.

1        NEW SECTION.    **Sec. 5.**    This act is necessary for the immediate  
2    preservation of the public peace, health, or safety, or support of  
3    the state government and its existing public institutions, and takes  
4    effect immediately.

Passed by the House April 4, 2019.

Passed by the Senate March 27, 2019.

Approved by the Governor April 17, 2019.

Filed in Office of Secretary of State April 18, 2019.

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