HOUSE BILL REPORT HB 1370

As Reported by House Committee On:

Commerce & Labor

Title: An act relating to public workers excluded from prevailing wages on public works provisions.

Brief Description: Regarding public workers excluded from prevailing wages on public works provisions.

Sponsors: Representatives Green, Conway, Hasegawa, Chase, Simpson, Morrell and Wood.

Brief History:

Committee Activity:

Commerce & Labor: 1/26/07, 2/1/07 [DP].

Brief Summary of Bill

• Excludes public employees from prevailing wage requirements and surveys to determine prevailing wages.

HOUSE COMMITTEE ON COMMERCE & LABOR

Majority Report: Do pass. Signed by 8 members: Representatives Conway, Chair; Wood, Vice Chair; Condotta, Ranking Minority Member; Chandler, Assistant Ranking Minority Member; Crouse, Green, Moeller and Williams.

Staff: Joan Elgee (786-7106).

Background:

State law requires employers to pay workers on all public works contracts and public building service maintenance contracts at least the prevailing wage. The prevailing wage is the rate of hourly wage, usual benefits, and overtime paid to the majority of workers in the same trade or occupation in the largest city in the county where the work is performed. The Department of Labor and Industries determines the prevailing wage by periodically surveying the trades.

Public employees paid a "monthly or per diem salary" are excluded from the prevailing wage laws, meaning they are also not included in the surveys. Some private sector workers brought

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suit, claiming that since public employees paid hourly are not excluded, their wages should be included in a survey.

Summary of Bill:

Public employees, regardless of how they are paid, are excluded from prevailing wage laws and are therefore not included in prevailing wage surveys.

Rules Authority: The bill does not address the rule-making powers of an agency.

Appropriation: None.

Fiscal Note: Not requested.

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

passed.

Staff Summary of Public Testimony:

(In support) This bill maintains the status quo. Public employees have not ever been included in prevailing wage laws. When the prevailing wage law was passed, all employees were paid on a monthly or per diem basis. A dispute showed this law needed to be changed. Public employees work under different conditions and including them would not provide an accurate prevailing wage rate. The Prevailing Wage Advisory Committee voted unanimously to support this change.

(Opposed) None.

Persons Testifying: Representative Green, prime sponsor; Patrick Woods, Department of Labor & Industries; Dave Johnson, Building and Construction Trades Council; and Miriam Israel Moses, Rebound.

Persons Signed In To Testify But Not Testifying: None.