

# SENATE BILL REPORT

## HB 1672

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As of March 15, 2017

**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:** Passed House: 2/27/17, 96-0.

**Committee Activity:** Commerce, Labor & Sports: 3/15/17.

### Brief Summary of Bill

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

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### SENATE COMMITTEE ON COMMERCE, LABOR & SPORTS

**Staff:** Jarrett Sacks (786-7448)

**Background:** Contractors on public works projects must pay prevailing wages. The prevailing wage is the hourly wage, usual benefits, and overtime paid to the majority of workers in the same trade or occupation in the largest city of the county where the work is being performed. The prevailing wage for each county and occupation is established by the industrial statistician for the Department of Labor and Industries (L&I). The prevailing wage requirement applies to all public works of the state or any county, municipality, or political subdivision. Workers regularly employed by the state or any political subdivision are exempt from the prevailing wage requirements.

The industrial statistician issues 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.

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*This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.*

If an employer fails to pay a worker owed, the worker may file a wage complaint with L&I. L&I must investigate and if a violation is found, may order the employer to pay back pay and interest. L&I applies a three year statute of limitations for wages owed. As an alternative to filing a complaint with L&I, a worker may also file a private right of action for unpaid prevailing wages.

**Summary of Bill:** The time period to recover any wages affected by a prevailing wage determination is tolled until the determination is final.

**Appropriation:** None.

**Fiscal Note:** Available.

**Creates Committee/Commission/Task Force that includes Legislative members:** No.

**Effective Date:** Ninety days after adjournment of session in which bill is passed.

**Staff Summary of Public Testimony:** PRO: This is a straightforward bill that ensures workers are not punished if the regulatory process of making a wage determination takes too long. The bill stops the clock on the statute of limitations if the wages are subject to a wage determination. Determinations are less adversarial and are the preferred method, but sometimes they can take over three years. When this happens, the worker is unable to claim those wages.

**Persons Testifying:** PRO: Representative Noel Frame, Prime Sponsor; Neil Hartman, Washington State Building & Construction Trades Council.

**Persons Signed In To Testify But Not Testifying:** No one.