

HB 1743 - S COMM AMD  
By Committee on Labor & Commerce

ADOPTED 03/27/2019

1 Strike everything after the enacting clause and insert the  
2 following:

3 "NEW SECTION. **Sec. 1.** The legislature intends that the  
4 methodology for establishing the prevailing rates of wages under this  
5 act applies only to affordable housing, homeless and domestic  
6 violence shelters, and low-income weatherization and home  
7 rehabilitation programs.

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

10 (1) All determinations of the prevailing rate of wage shall be  
11 made by the industrial statistician of the department of labor and  
12 industries.

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

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

24 ~~((4))~~ (b) For trades and occupations in which there are no  
25 collective bargaining agreements in the county, the industrial  
26 statistician shall establish the prevailing rate of wage as defined  
27 in RCW 39.12.010 by conducting wage and hour surveys. In instances  
28 when there are no applicable collective bargaining agreements and  
29 conducting wage and hour surveys is not feasible, the industrial  
30 statistician may employ other appropriate methods to establish the  
31 prevailing rate of wage.

1        NEW SECTION.    **Sec. 3.**    A new section is added to chapter 39.12

2    RCW to read as follows:

3        (1) For residential construction, the industrial statistician  
4 shall establish the prevailing rate of wage by conducting wage and  
5 hour surveys. If the industrial statistician determines that  
6 information received from a survey is insufficient to determine the  
7 prevailing rate of wage for a trade under this subsection, the  
8 industrial statistician shall employ other appropriate methods to  
9 establish the prevailing rate of wage.

10        (a) The industrial statistician shall conduct the initial surveys  
11 required by this subsection (1) as soon as feasible after the  
12 effective date of this section. These surveys shall cover fiscal year  
13 2018.

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

19        (2)(a) Until the industrial statistician has established a  
20 prevailing wage rate under subsection (1)(a) of this section and  
21 except as provided in (b) of this subsection, the industrial  
22 statistician shall establish the wage rate by:

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

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

28        (iii) Determining the percentage change in the annual average  
29 hourly wages reported for construction workers in Washington state,  
30 as calculated by the United States bureau of labor statistics' state  
31 and area employment, hours, and earnings estimates, from year A to  
32 2019;

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

35        (v) Multiplying rate A by percentage A.

36        (b) If the residential construction wage rate in effect for a  
37 trade on August 31, 2018, is the same as the wage rate in effect on  
38 August 30, 2018, the industrial statistician must adopt the wage rate  
39 in effect for the trade on August 31, 2018, until a wage rate is  
40 established under subsection (1)(a) of this section.

1 (3) For purposes of this section:

2 (a) "Residential construction" means construction, alteration,  
3 repair, improvement, or maintenance of single-family dwellings,  
4 duplexes, apartments, condominiums, and other residential structures  
5 not to exceed four stories in height, including the basement, in the  
6 following categories:

7 (i) Affordable housing, including permanent supportive housing  
8 and transitional housing, which may include common spaces, community  
9 rooms, recreational spaces, a management office, or offices for the  
10 purposes of service delivery;

11 (ii) Weatherization and home rehabilitation programs for low-  
12 income households; and

13 (iii) Homeless shelters and domestic violence shelters.

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

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

21 NEW SECTION. **Sec. 5.** This act is necessary for the immediate  
22 preservation of the public peace, health, or safety, or support of  
23 the state government and its existing public institutions, and takes  
24 effect immediately."

**HB 1743** - S COMM AMD  
By Committee on Labor & Commerce

**ADOPTED 03/27/2019**

25 On page 1, line 4 of the title, after "works;" strike the  
26 remainder of the title and insert "reenacting and amending RCW  
27 39.12.015; adding a new section to chapter 39.12 RCW; creating new  
28 sections; and declaring an emergency."

EFFECT: Changes the formula for calculating interim prevailing  
wage rates to adding the percentage change in annual hourly  
construction worker wages to one hundred percent and then multiplying

that percentage to the prevailing wage rate in effect prior to the 2018 rate adjustments.

--- END ---