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## SENATE BILL 5746

62nd Legislature

2011 Regular Session

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By Senators Kline and King

State of Washington

Read first time 02/09/11. Referred to Committee on Labor, Commerce & Consumer Protection.

- 1 AN ACT Relating to prevailing wage affidavits; amending RCW
- 2 39.12.040; and prescribing penalties.

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- 3 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 4 **Sec. 1.** RCW 39.12.040 and 2009 c 219 s 2 are each amended to read 5 as follows:
  - (1) Except as provided in subsection (2) of this section, before payment is made by or on behalf of the state, or any county, municipality, or political subdivision created by its laws, of any sum or sums due on account of a public works contract, it shall be the duty of the officer or person charged with the custody and disbursement of public funds to require the contractor and each and every subcontractor from the contractor or a subcontractor to submit to such officer a "Statement of Intent to Pay Prevailing Wages". For a contract in excess of ten thousand dollars, the statement of intent to pay prevailing wages shall include:
    - (a) The contractor's registration certificate number; and
- 17 (b) The prevailing rate of wage for each classification of workers 18 entitled to prevailing wages under RCW 39.12.020 and the estimated 19 number of workers in each classification.

p. 1 SB 5746

Each statement of intent to pay prevailing wages must be approved 1 2 industrial statistician of the department of labor and industries before it is submitted to said officer. Unless otherwise 3 4 authorized by the department of labor and industries, each voucher claim submitted by a contractor for payment on a project estimate shall 5 state that the prevailing wages have been paid in accordance with the 6 7 prefiled statement or statements of intent to pay prevailing wages on 8 file with the public agency. Following the final acceptance of a public works project, it shall be the duty of the officer charged with 9 the disbursement of public funds, to require the contractor and each 10 11 and every subcontractor from the contractor or a subcontractor to 12 submit to such officer an "Affidavit of Wages Paid" before the funds 13 retained according to the provisions of RCW 60.28.011 are released to the contractor. If a subcontractor performing work on a public works 14 project fails to submit a statement of intent to pay prevailing wages 15 or an "Affidavit of Wages Paid" form, the contractor or subcontractor 16 with whom the subcontractor had a contractual relationship for the 17 project may file the forms on behalf of the nonresponsive 18 19 subcontractor, pursuant to rules adopted by the department of labor and 20 industries. Intent or affidavit forms may only be filed on behalf of 21 a subcontractor who has ceased operations or failed to file as required by this section. Filings made on behalf of a subcontractor may not be 22 accepted sooner than thirty-one days after the acceptance date of the 23 24 public works project pursuant to RCW 39.12.065. Intentionally filing a false affidavit on behalf of a subcontractor subjects the filer to 25 26 the same penalties as are provided in RCW 39.12.050. Each affidavit of 27 wages paid must be certified by the industrial statistician of the department of labor and industries before it is submitted to said 28 29 officer.

- (2) As an alternate to the procedures provided for in subsection (1) of this section, for public works projects of two thousand five hundred dollars or less and for projects where the limited public works process under RCW 39.04.155(3) is followed:
- (a) An awarding agency may authorize the contractor or subcontractor to submit the statement of intent to pay prevailing wages directly to the officer or person charged with the custody or disbursement of public funds in the awarding agency without approval by

SB 5746 p. 2

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the industrial statistician of the department of labor and industries. The awarding agency shall retain such statement of intent to pay prevailing wages for a period of not less than three years.

- (b) Upon final acceptance of the public works project, the awarding agency shall require the contractor or subcontractor to submit an affidavit of wages paid. Upon receipt of the affidavit of wages paid, the awarding agency may pay the contractor or subcontractor in full, including funds that would otherwise be retained according to the provisions of RCW 60.28.011. Within thirty days of receipt of the affidavit of wages paid, the awarding agency shall submit the affidavit of wages paid to the industrial statistician of the department of labor and industries for approval.
- (c) A statement of intent to pay prevailing wages and an affidavit of wages paid shall be on forms approved by the department of labor and industries.
- (d) In the event of a wage claim and a finding for the claimant by the department of labor and industries where the awarding agency has used the alternative process provided for in subsection (2) of this section, the awarding agency shall pay the wages due directly to the claimant. If the contractor or subcontractor did not pay the wages stated in the affidavit of wages paid, the awarding agency may take action at law to seek reimbursement from the contractor or subcontractor of wages paid to the claimant, and may prohibit the contractor or subcontractor from bidding on any public works contract of the awarding agency for up to one year.
- (e) Nothing in this section shall be interpreted to allow an awarding agency to subdivide any public works project of more than two thousand five hundred dollars for the purpose of circumventing the procedures required by ((RCW-39.12.040(1))) subsection (1) of this section.

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p. 3 SB 5746