

Joint Committee on Ways and Means

Carrier – House: Rep. D. Edwards  
Carrier – Senate: Sen. Johnson

Revenue: No revenue impact

Fiscal: Fiscal Statement Issued

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Action: Do Pass the A-Engrossed Measure as Amended and Be Printed B-Engrossed

Vote: 18 – 3 – 1

House

Yeas: Buckley, C. Edwards, D. Edwards, Galizio, Gilman, Jenson, Kotek, Nathanson, Shields

Nays: Garrard, Richardson

Exc: G. Smith

Senate

Yeas: Bates, Carter, Johnson, Monroe, Nelson, Verger, Walker, Whitsett, Winters

Nays: Girod

Exc:

Prepared By: Steve Bender, Legislative Fiscal Office

Meeting Date: June 18, 2009

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**WHAT THE MEASURE DOES:** Prevents a scheduled decline in the fee amounts paid to the Bureau of Labor and Industries by public agencies awarding public works contracts to support the administration of the Prevailing Wage Rate program. Retains current minimum fee of \$250 and maximum fee of \$7,500, which otherwise are reduced to \$100 and \$5,000, respectively, in 2011. Declares emergency, effective upon passage.

**ISSUES DISCUSSED:**

- Current and future fee structures of the Prevailing Wage Rate program under current law
- Budget of the Prevailing Wage Rate program, fee revenues, and fund balances
- Impacts of reducing minimum and maximum fee amounts, and of changing the fee rate

**EFFECT OF COMMITTEE AMENDMENT:** Removes authorization granted in the A-engrossed bill to increase the fee rate up to 0.125% of the contract price. The B-engrossed bill retains the 0.1% rate in existing law.

**BACKGROUND:** Current law requires that public agencies awarding public works contracts pay a fee to the Bureau of Labor and Industries to pay costs of surveys, administration, and education relating to prevailing wage law. Under current temporary law, the fee is 0.1 percent of each contract, with a minimum of \$250 and a maximum of \$7,500. The minimum and maximum fee amounts are scheduled to decline to \$100 and \$5,000 respectively, in 2011. At these reduced levels, fee revenues will not cover the cost of administering the prevailing wage rate law.