



Washington State Department of
Labor & Industries

Prevailing Wage Determinations

2020 Annual Report

December 2020

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Introduction

The Department of Labor & Industries (L&I) provides this report annually as requested by members of the prevailing wage community. The report summarizes the department's review of and response to requests for prevailing wage determinations and modifications, or requests for reconsideration of previous determinations, during Fiscal Year (FY) 2020. The goal of the report is to provide interested parties one place to review determinations made during the course of the year.

Washington's prevailing wage law (Chapter 39.12 RCW) was passed by the legislature in 1945. The law is partly modeled after the federal Davis-Bacon Act, passed by Congress in 1931 to preserve the local wages of workers hired for federal public works projects. It protects local workers from substandard wages and preserves local wage standards by ensuring workers receive a standard rate of wages and benefits established for the same work in their locality.

Any interested party can request a determination, which is a formal decision by L&I's Industrial Statistician. A determination decides the classification, called a "scope of work," that applies to particular job tasks, and the wage that workers in the classification earn. Determinations can also address questions of whether prevailing wages are required and under what circumstances. Should the industrial statistician decide to make a formal determination, determinations are appealable agency orders. After an initial determination is issued, a party may seek a modification. A party may also make a request for reconsideration of a determination or modification. Ultimately, formal disputes of prevailing wage determinations are decided by the Director of L&I.

2020 Actions

Requests for determinations or modifications regarding prevailing wage often require significant research and input from various sources to assist in making decisions. The Department of Labor & Industries (L&I) considers information about impacts and Prevailing Wage Program operations when making these decisions.

In Fiscal Year (FY) 2020, L&I's Prevailing Wage Program received three formal requests for determinations or modifications regarding prevailing wage. L&I has not yet responded to those three requests, but provided responses to two requests from FY 2019. Information about L&I's response to the three pending requests received in FY 2020 will be provided in the agency's 2021 report.

PREVAILING WAGE DETERMINATION OR MODIFICATION REQUESTS L&I RESPONDED TO IN FY 2020

Determination: Requirements for Third Party Vendors – On-Site Equipment Repair

An attorney representing a construction equipment vendor who operates in Washington state requested a determination on whether certain services provided to contractors working on public works projects are subject to prevailing wages. The services included:

- Repair work on leased construction equipment currently situated on a public works project
- Warranty work on purchased construction equipment currently situated on a public works project
- Repair work on purchased construction equipment currently situated on a public works project
- Repair work on leased and purchased construction equipment currently situated at client's shop
- Delivery of leased or purchased construction equipment to a contractor currently working on a public works project

The Industrial Statistician determined that prevailing wages are required for repair of equipment being used on a public works project that is performed on a public works construction site. The statistician determined that prevailing wages are not required for the off-site repair of construction equipment at the vendor's shop. The statistician also determined that prevailing wages are not required for the supply and delivery of leased or purchased equipment to a public works project in a drop and depart delivery, if no other work is performed.

Determination: Valve Actuator Repair at Columbia Generating Station

The affiliates of the Washington State Association of Plumbers, Pipefitters, and Steamfitters requested a *de novo* review of the July 15, 2013 prevailing wage determination, which concluded, in

part, that a Millwright wage applied to some valve actuator repair tasks and a Pipefitters wage applied to others. After a detailed analysis, the Industrial Statistician determined that on a public works project, control valves are repaired, assembled and installed at the Pipefitter prevailing wage, including the actuator portions of those valves.

PREVAILING WAGE DETERMINATION REQUESTS L&I RECEIVED IN FY 2020, BUT HAS NOT YET COMPLETED

Determination Request: Shipbuilding

The Metal Trades Council sent a letter to the Industrial Statistician requesting that the Lake Union drydock collective bargaining agreement set the prevailing wage rates for shipbuilding. On October 7, 2019, Vigor Industrial requested a determination from the Industrial Statistician denying the Metal Trades Council's request.

Determination Request: Industry Practice

The Washington State Building and Construction Trades Council requested a determination on July 17, 2019 for the department to reconsider its use of industry practice when interpreting scope of work classifications.

Determination Request: On-Site Fueling

The Northwest Fair Contracting Association requested a determination on August 30, 2019 regarding prevailing wage requirements for on-site mobile fueling of various contractors' equipment on public works projects, performed by suppliers/vendors whose employees perform work directly on the public works project site.

Visit [L&I's website](http://www.lni.wa.gov/TradesLicensing/PrevWage/Policies/default.asp) at <http://www.lni.wa.gov/TradesLicensing/PrevWage/Policies/default.asp> for more detailed information about published prevailing wage determinations and policies.