



# Prevailing Wage Compliance for Government Contracts

This video is made possible by:



# Agenda

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- Introduction to the law
- Prevailing Wage Requirements
  - Who is Required to Pay Prevailing Wage?
  - What wage do you need to pay?
  - What paperwork is needed?
- Resources

# The Law



- Enacted 1945 under the Prevailing Wage on Public Works Act (RCW 39.12)
- Applied liberally for “Public Works” projects funded by **public** dollars
- Enforced by WA Department of Labor & Industries

# The Law



- WA State Supreme Court Decision in 2022 sets prevailing wages at the Highest Collective Bargaining Agreement (CBA) in a given trade in each County.
- L&I will survey trades and occupations for which there are no CBAs in a county
- Wage determinations are no longer based on average
- Updated every 6 months



# Who is Required to Pay Prevailing Wage?

# Who is Required to Pay Prevailing Wage?

Any construction, reconstruction, maintenance or repair project funded by public dollars must pay prevailing wage.

Includes:

- Janitorial Services
- Landscape construction, grounds maintenance
- Small projects for maintenance and repairs
- Off site work such as custom fabrication for the public works project
- Contractors subcontracting out all work

What about owner/operators? Owner/operators are exempt from paying themselves the prevailing wage rate, but they are still required to complete all necessary paperwork including intent and affidavit form. Read the definition of an owner at WAC 596-127-026.



# Determining the Prevailing Wage

Prevailing Wage Rates on a Project are determined by three factors:

1. The type of work being done (not the title of the employee, but work performed)
2. Where the work is taking place
3. The effective date of the contract

The screenshot shows the Washington State Department of Labor & Industries website. The header includes the department logo, navigation links for Contact, My L&I, Sign In, and a Search L&I box. A secondary navigation bar lists Safety & Health, Claims, Patient Care, Insurance, Workers' Rights, and Licensing & Permits. The breadcrumb trail is Home > Licensing & Permits > PUBLIC WORKS PROJECTS >. The main heading is 'Prevailing Wage Rates'. A sidebar on the left contains a 'PUBLIC WORKS PROJECTS' section with dropdown menus for 'Awarding Agencies' and 'Contractors / Employers', and a 'Prevailing Wage' section. The main content area is titled 'Find Prevailing Wage Rates by Classifications' and includes a note about determining worker classifications, followed by links for 'Look up journey level rates' and 'Look up apprentice rates'.

Washington State Department of Labor & Industries

Contact My L&I Sign In Search L&I

Safety & Health Claims Patient Care Insurance Workers' Rights Licensing & Permits

Home > Licensing & Permits > PUBLIC WORKS PROJECTS >

## Prevailing Wage Rates

**PUBLIC WORKS PROJECTS**

Awarding Agencies ▾

Contractors / Employers ▾

Prevailing Wage

### Find Prevailing Wage Rates by Classifications

Choosing the *correct* worker classifications depends upon **determinations** published by L&I. [Review our determinations.](#)

**Look up journey level rates**

[Look up journey level rates](#) for multiple trades in multiple counties.

**Look up apprentice rates**

[Look up apprentice rates](#) by trade, county and program.

# Determining the Prevailing Wage

- Understanding the Effective Date is critical to your long-term success in the marketplace.
- The Effective date is Prime Contractor's Bid Due Date unless...
  - Contract is not awarded within 6 months of the bid due date: Use the award date.
  - Contracts was awarded outside a bid process: Use the date contract was signed
  - Job Order Contracts: Use the issue date of each work order
  - City and Port unit priced contracts: Use the beginning date for each contract year and expect an update in future contracts
  - Design Build Contracts: Use the award date of the construction contract
  - See full list of exceptions on LNI's website

\*Note this is accurate as of August 2024.  
The Legislature may update prevailing wage law in 2025 Legislative Session.





# Payment Considerations

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## Apprenticeships

- May or may not be required. Check the Request for Proposal and your Contract

## Overtime & Holidays?

- Overtime and Double-time (Holiday) rates kick in at different times for different trades.

## Example of Painter Classification:

Overtime Calculations are based on the hourly rate actually paid to the worker. On public works projects, the hourly rate must be not less than the prevailing rate of wage minus the hourly rate of the cost of fringe benefits actually provided for the worker.

ALL HOURS WORKED IN EXCESS OF EIGHT (8) HOURS PER DAY OR FORTY (40) HOURS PER WEEK SHALL BE PAID AT ONE AND ONE-HALF TIMES THE HOURLY RATE OF WAGE.

All hours worked on holidays shall be paid at double the hourly rate of wage.

# Payment Considerations

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## Fringe Benefits

Example:

\$51.71/hour

or

\$37.80/hour + \$13.91 Fringe = \$51.71/hour

## **PUBLIC WORKS PAPERWORK**

- ✓ Intent
- ✓ Affidavites
- ✓ Certified Payroll Report
- ✓ Check Your Subs



WASHINGTON  
**APEX**  
ACCELERATOR

# The Paperwork

# Filing an Intent - <https://secure.ini.wa.gov/>

## Intent:

- A document filed by general contractors and subcontractors before starting work on public works jobs
- Includes basic project information and prevailing wage for each trade

<a href="#">County</a>	<a href="#">Trade</a>	<a href="#">Job Classification</a>	<a href="#">Wage</a>	Holiday	Overtime	Note	*Risk Class
Thurston	<a href="#">Painters</a>	Journey Level	\$51.71	<a href="#">6Z</a>	<a href="#">11J</a>		<a href="#">View</a>

## Filing Process:

- Contractors and subcontractors can file through the Contractor Portal in My L&I

## Filing Requirements:

- Should be filed as soon as a public works project is awarded
- Subcontractors need the General Contractor's intent number to file
- Intent/effective date and project information are populated from the General Contractor's intent



# Filing an Affidavit

- Affidavit Purpose
  - Reports work done on a public works project
  - Includes total hours worked and wage rates paid

Washington State Department of Labor & Industries

Contact My L&I: Sign In Search L&I

Safety & Health Claims Patient Care Insurance Workers' Rights Licensing & Permits

### Search Prevailing Wage Intents and Affidavits

Intent Id:  [Get Intent](#) Affidavit Id:  [Get Affidavit](#) Combined Form Id:  [Get Combined Form](#)

OR

Enter your search criteria in one or more values below

# Certified Payroll Report (CPR)

**Certified Payroll Report (CPR)** - CPR records are necessary to provide documentation that supports workers receiving fair wages on public works projects and prevailing wage laws are satisfied

Submitted monthly to L&I:

- CPR must show worker's classifications, hours, wage rates, fringe rates, and deductions.
- Certified payroll reports will match your payroll records.
- Manually entered or uploaded from various payroll solutions. Example: LCP Tracker
- Statement of Compliance is the certification component you attest to when you submit your CPR

Keep records for 3 years from date of acceptance of public works project





# Summary & Resources

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Washington State Labor & Industries offers several resources for your small firm:

- Mandatory online contractor training
- In-Person L&I Contractor Training Days
- Email: [pw1@lni.wa.gov](mailto:pw1@lni.wa.gov)
- Phone: 855-545-8163

<https://lni.wa.gov/licensing-permits/contractors/training-workshops>

Washington APEX Accelerators offer no-cost advising to businesses seeking government contracts and subcontracts. Learn more at [www.washingtonapex.org](http://www.washingtonapex.org) or [info@washingtonapex.org](mailto:info@washingtonapex.org)

## PUBLIC WORKS

## PAPERWORK

- ✓ Intent
- ✓ Affidavites
- ✓ Certified Payroll Report
- ✓ Check Your Subs