



## PREVAILING WAGE POLICY MEMORANDUM

**DATE:** November 29, 2011

**TO:** All Interested Parties

**FROM:** L. Ann Selover, Industrial Statistician, Prevailing Wage Program Manager

**SUBJECT:** Social Security Number Requirements for Certified Payroll Record Reports

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### Policy Disclaimer

This policy is designed to provide general information in regard to the current opinions of the Department of Labor & Industries on the subject matter covered. This policy is intended as a guide in the interpretation and application of the relevant statutes, regulations, and policies, and may not be applicable to all situations. This policy does not replace applicable RCW or WAC standards. If additional clarification is required, the Prevailing Wage Industrial Statistician/Program Manager should be consulted.

This document is effective as of the date of print and supersedes all previous interpretations and guidelines. Changes may occur after the date of print due to subsequent legislation, administrative rule, or judicial proceedings. The user is encouraged to notify the Prevailing Wage Industrial Statistician/Program Manager to provide or receive updated information. This document will remain in effect until rescinded, modified, or withdrawn by the Director or his or her designee.

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[WAC 296-127-320](#) requires each contractor to keep accurate payroll records for three years from the date of acceptance of a public works project by the contract awarding agency. Those records must include, among other items, the Social Security number for each laborer, worker, and mechanic employed by the contractor on a public works project.

The rule also requires a contractor to file a certified copy of the payroll records with the agency that awarded the contract and with the Department of Labor & Industries (L&I) within 10 days after it receives a written request from L&I or from any interested party. "Interested party" is defined in RCW [39.12.010\(4\)](#).<sup>1</sup> A contractor's failure to comply with such request constitutes a violation of RCW [39.12.050](#) and may subject the contractor to penalties.<sup>2</sup>

When an interested party requests certified payroll records directly from a contractor and the contractor fails to provide the records, the interested party may request them from either L&I or from the awarding agency through a public records request. When that request is made to L&I, L&I may request the records from the contractor on behalf of the interested party if the interested party provides documentation that it first tried to obtain the records directly from the contractor and from the contract awarding agency.

L&I is aware of the sensitive nature of employee Social Security numbers, and has routinely taken careful measures to protect this information by redacting the numbers prior to providing records to an interested party. As an added measure in ensuring such protection, effective immediately, when a contractor provides certified payroll records *to satisfy an interested party request for public records*, the contractor is requested to include only the last four digits of the Social Security number for each employee. L&I will redact this number and certain other employee information before it releases any records to an interested party. L&I's requests for certified payroll records to contractors will identify when they are sought by interested parties so that contractors may include only the last four digits of Social Security numbers.

However, when a contractor provides certified payroll records to L&I as part of L&I's own investigation into potential violation of the prevailing wage law, the contractor must include the complete Social Security number for each employee. L&I's requests for certified payroll records to contractors will identify when they are sought as part of an L&I investigation and will state that the contractor must include the full Social Security numbers for all employees listed on the report.

If you have questions about a specific request for certified payroll records, please contact L&I for assistance. You may contact the department by phone, (360) 902-5335 or e-mail [PW1@Lni.wa.gov](mailto:PW1@Lni.wa.gov).

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<sup>1</sup> If the contractor does not comply with the request because it doesn't respond or provides incomplete or inaccurate records, the department may, pursuant to [RCW 39.12.050](#), issue a Notice of Violation (NOV) against the contractor. For the violation of [RCW 39.12.050](#), the department may assess a civil penalty of up to \$500 for each false filing or failure to file. Upon issuance of an NOV the affected contractor will be prohibited from bidding or having a bid considered on any public work contract until the requested records are provided and all penalties are paid in full. More than one violation of RCW 39.12.050 within a five-year period may also subject the contractor to further sanctions, including a prohibition from bidding on any public works contract for one year.

<sup>2</sup> An "interested party" for the purposes of this chapter shall include a contractor, subcontractor, an employee of a contractor or subcontractor, an organization whose members' wages, benefits, and conditions of employment are affected by this chapter, and the director of labor and industries or the director's designee. [[RCW 39.12.010\(4\)](#)]

## SUMMARY

- A contractor, in responding to L&I's request for certified payroll records **on behalf of an interested party**, need provide only the **last four digits of employee Social Security numbers**, along with the other required information.
- A contractor, in responding to a request for certified payroll records as part of L&I's investigation of a potential violation of prevailing wage law, must provide **complete employee Social Security numbers**, along with the other required information