THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 981

Session of 2017

INTRODUCED BY DELOZIER, BLOOM, GROVE, HELM, IRVIN, MACKENZIE, MARSICO, MENTZER, METCALFE, MOUL, PICKETT AND RYAN, MARCH 27, 2017

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, MARCH 27, 2017

AN ACT

Amending the act of August 15, 1961 (P.L.987, No.442), entitled 1 "An act relating to public works contracts; providing for 2 prevailing wages; imposing duties upon the Secretary of Labor 3 and Industry; providing remedies, penalties and repealing existing laws," raising the threshold for applicability. 5 6 The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows: 8 Section 1. Sections 7 and 15 of the act of August 15, 1961 9 (P.L.987, No.442), known as the Pennsylvania Prevailing Wage 10 Act, are amended to read: 11 Section 7. Duty of Secretary. -- [The secretary shall, after 12 consultation with the advisory board, determine the general 13 prevailing minimum wage rate in the locality in which the public 14 work is to be performed for each craft or classification of all 15 workmen needed to perform public work contracts during the anticipated term thereof: Provided, however, That employer and 16 17 employe contributions for employe benefits pursuant to a bona fide collective bargaining agreement shall be considered an 18

integral part of the wage rate for the purpose of determining

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- 1 the minimum wage rate under this act. Nothing in this act,
- 2 however, shall prohibit the payment of more than the general
- 3 prevailing minimum wage rate to any workman employed on public
- 4 work. The secretary shall forthwith give notice by mail of all
- 5 determinations of general prevailing minimum wage rates made
- 6 pursuant to this section to any representative of any craft, any
- 7 employer or any representative of any group of employers, who
- 8 shall in writing request the secretary so to do.] (a) After
- 9 consulting with the advisory board, the secretary shall
- 10 determine the general prevailing minimum wage rate in the county
- 11 where the public work is to be performed for a craft or
- 12 <u>classification of the workmen needed to perform public work</u>
- 13 contracts during the anticipated term as long as the employer
- 14 and employe contributions for bona fide employe benefits are
- 15 considered an integral part of the wage rate for the purpose of
- 16 <u>determining the minimum wage rate under this act.</u>
- 17 (b) Administration shall be as follows:
- 18 (1) The secretary shall conduct a continuing program for
- 19 obtaining and compiling wage rate information and shall
- 20 encourage the voluntary submission of wage rate data for
- 21 specified representative work weeks, from contractors,
- 22 <u>contractors' associations, labor organizations, public officials</u>
- 23 and other interested parties, which reflect wage rates paid to
- 24 workmen in the various types of construction in the locality
- 25 during the representative periods. Rates must be determined
- 26 annually for varying types of projects within the entire range
- 27 of work performed by the building and construction industry.
- 28 Information submitted must reflect not only the specified wage
- 29 rate paid to a particular craft in the locality but also the
- 30 type of projects on which the wage rate or rates were paid. At a

- 1 minimum, a submission must specify the type of project being
- 2 reported, including whether the project is commercial,
- 3 institutional, residential or for a highway or road and whether
- 4 the contracted project exceeded the threshold of this act.
- 5 (2) If the secretary deems the data at hand is insufficient
- 6 to make a determination regarding the crafts or classifications
- 7 <u>necessary to perform the proposed public work in a particular</u>
- 8 county, the secretary may:
- 9 <u>(i) utilize wage data from an adjoining county with a</u>
- 10 comparable labor market; or
- 11 (ii) have a field survey conducted by a staff representative
- 12 of the secretary for the purpose of obtaining additional
- 13 <u>information to make a determination of the wage rates and the</u>
- 14 customs, usages and practices as to the type of work applicable
- 15 to the wage rates.
- 16 (3) The identifying information, including names and
- 17 addresses of contractors or employes, submitted by parties
- 18 participating in a wage survey under this subsection must remain
- 19 confidential and not subject to the requirements of the act of
- 20 February 14, 2008 (P.L.6, No.3), known as the "Right-to-Know"
- 21 Law," or other law requiring public disclosure. If the
- 22 information must be disclosed in response to a subpoena, court
- 23 order or other lawful directive, the information must be
- 24 redacted in a way to ensure the confidentiality of the
- 25 <u>submitting contractor and the employes of the contractor.</u>
- 26 (4) The secretary shall:
- 27 <u>(i) ensure the wage rate data submitted under this</u>
- 28 subsection is accurate;
- 29 (ii) require statements signed by parties submitting data
- 30 certifying that the information is accurate; and

- 1 (iii) to the maximum extent possible, conduct random audits
- 2 to ensure accuracy of data.
- 3 (5) After notice and hearing, a party found to have
- 4 <u>intentionally submitted false wage data under this subsection is</u>
- 5 subject to debarment, for a period of up to three years as
- 6 determined by the secretary, from:
- 7 (i) public work as provided for under section 11(e), in the
- 8 case of a contractor; and
- 9 (ii) a submission of wage data, in the case of another
- 10 party.
- 11 (6) Wage rate data submitted under this subsection must
- 12 reflect the wages paid to workmen for work in the same trade or
- 13 <u>occupation on a project that is not subject to this act or a</u>
- 14 Federal or other state's prevailing wage law; however, if no
- 15 comparable project or covered job function similar in work type
- 16 to that needed by a public body exists, the secretary may
- 17 utilize a wage rate promulgated under 40 U.S.C. Ch. 31 Subch. IV
- 18 <u>(relating to wage rate requirements) for the work.</u>
- 19 (c) The secretary shall give notice electronically, or by
- 20 mail if requested, of a determination of a general prevailing
- 21 minimum wage rate made under this section to a representative of
- 22 a craft or an employer or representative of a group of
- 23 employers. The request must be made in writing.
- 24 Section 15. Application of Act.--This act shall have no
- 25 application to any public works subject to the Walsh-Healey Act,
- 26 the act of June 30, 1936, chapter 881, 49 Stat. 2036, 41 USCA
- 27 sections 35-45, or [the Davis Bacon Act, the act of March 3,
- 28 1931, 40 U. S. Code 276 (a)] 40 U.S.C. Ch. 31 Subch. IV
- 29 <u>(relating to wage rate requirements)</u>.
- 30 Section 2. This act shall take effect in 60 days.