

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL
No. 1591 Session of
2011

INTRODUCED BY MATZIE, BRADFORD, BRIGGS, CALTAGIRONE, D. COSTA,
DAVIS, DEASY, DePASQUALE, GERBER, GIBBONS, GOODMAN, HALUSKA,
HORNAMAN, JOHNSON, JOSEPHS, KORTZ, M. O'BRIEN, SABATINA,
K. SMITH, STABACK, STURLA, THOMAS AND WAGNER, MAY 25, 2011

REFERRED TO COMMITTEE ON COMMERCE, MAY 25, 2011

AN ACT

1 Amending Title 12 (Commerce and Trade) of the Pennsylvania
2 Consolidated Statutes, providing for economic development
3 responsibility by requiring standard wages on certain
4 projects receiving State subsidies.

5 The General Assembly of the Commonwealth of Pennsylvania
6 hereby enacts as follows:

7 Section 1. Title 12 of the Pennsylvania Consolidated
8 Statutes is amended by adding a chapter to read:

9 CHAPTER 55

10 ECONOMIC DEVELOPMENT RESPONSIBILITY

11 Sec.

12 5501. Scope of chapter.

13 5502. Purpose.

14 5503. Definitions.

15 5504. Standard wages required.

16 5505. Recordkeeping.

17 5506. Investigation, enforcement, penalties and civil action.

18 5507. Regulations.

1 § 5501. Scope of chapter.

2 This chapter relates to economic development responsibility.

3 § 5502. Purpose.

4 The purpose of this chapter is to further ensure that

5 Commonwealth-supported economic development projects meet their

6 goals for community redevelopment by expanding State and local

7 communities' tax bases through an assurance that service jobs

8 created by such projects provide the wages and benefits

9 necessary for workers to contribute to local economies and

10 support their families without relying on public assistance

11 programs. This chapter is designed to ensure that the service

12 jobs created at subsidized developments do not undermine local

13 wage standards and requires that building and food service

14 workers employed on projects that receive Commonwealth subsidies

15 be paid certain wage rates.

16 § 5503. Definitions.

17 The following words and phrases when used in this chapter

18 shall have the meanings given to them in this section unless the

19 context clearly indicates otherwise:

20 "Building service employee." A person who performs work in

21 connection with the care and maintenance of property, including,

22 but not limited to, watchman, security officer, concierge,

23 doorperson, cleaner, janitor, custodian, superintendent, porter,

24 engineer, maintenance person, handyperson, elevator operator,

25 elevator starter, window cleaner and groundskeeper.

26 "Covered employer." An employer that receives a State

27 subsidy and uses building service employees or food service

28 employees to perform services on a project.

29 "Food service employee." A person who performs work in

30 connection with the preparation and service of food and

1 beverages, including, but not limited to, cafeteria attendant,
2 line attendant, cook, preparatory cook, butcher, baker, server,
3 cashier, catering worker, dining attendant, dishwasher, food or
4 merchandise vendor, pantry worker, waiter and waitress. The term
5 does not include an employee directly employed by an
6 independently owned restaurant, other than a cafeteria.

7 "Project." Any of the following:

8 (1) A commercial office building of at least 100,000
9 square feet or a commercial office complex totaling at least
10 100,000 square feet.

11 (2) A residential building of at least 50 units.

12 (3) A building of at least 100,000 square feet
13 containing commercial office space and residential units.

14 (4) A hotel or motel of at least 100,000 square feet.

15 (5) A building of at least 100,000 square feet
16 containing hotel or motel units and residential units.

17 (6) A building of at least 100,000 square feet
18 containing hotel or motel units and commercial office space.

19 (7) A shopping mall of at least 100,000 square feet.

20 (8) A sports stadium, performance hall or amphitheater
21 of at least 100,000 square feet.

22 (9) An airport.

23 "Secretary." The Secretary of Labor and Industry of the
24 Commonwealth and any authorized agent of the secretary.

25 "Standard wage." The highest of the following:

26 (1) The wage rate, including supplemental benefits,
27 determined by the Secretary of Labor and Industry for the job
28 classification under the Service Contract Act of 1965 (41
29 U.S.C. § 351 et seq.).

30 (2) The wage rate equal to 150% of the minimum wage as

1 defined in section 4 of the act of January 17, 1968 (P.L.11,
2 No.5), known as The Minimum Wage Act of 1968.

3 (3) The wage rate established pursuant to any city,
4 county or other local prevailing wage or similar law.

5 "State." The Commonwealth and any State agency, department
6 and authority.

7 "State subsidy." A grant, discounted or forgiven loan, bond
8 financing, infrastructure improvement related to a project,
9 below-market sale or lease of property, tax increment financing,
10 job creation incentive, including tax credit, tax abatement and
11 other form of financial assistance, with an aggregate value of
12 at least \$25,000 that is paid, awarded or otherwise provided to
13 an entity. For purposes of determining whether the value
14 threshold is met, all affiliates, controlled organizations,
15 controlling organizations and organizations having an identity
16 of interest with an entity shall be treated as a single entity.
17 § 5504. Standard wages required.

18 Building service and food service employees shall be paid not
19 less than the standard wage for all work performed on or related
20 to projects that receive a State subsidy.

21 § 5505. Recordkeeping.

22 Covered employers shall comply with the recordkeeping
23 provisions set forth in section 8 of the act of January 17, 1968
24 (P.L.11, No.5), known as The Minimum Wage Act of 1968.

25 § 5506. Investigation, enforcement, penalties and civil action.

26 Any employee who has not been paid the standard wage as
27 provided in this chapter, or the employee's representative, may
28 utilize the investigation, enforcement, penalty and civil action
29 sections of the act of January 17, 1968 (P.L.11, No.5), known as
30 The Minimum Wage Act of 1968, and the regulations adopted

1 pursuant to that act.

2 § 5507. Regulations.

3 The Department of Labor and Industry, in consultation with
4 the Department of Community and Economic Development, may issue
5 regulations to implement the provisions of this chapter.

6 Section 2. This act shall take effect in 60 days.