THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

1147 Session of

INTRODUCED BY ROBINSON, GEBHARD, BAKER, PITTMAN, MENSCH, YUDICHAK AND J. WARD, MARCH 17, 2022

REFERRED TO LABOR AND INDUSTRY, MARCH 17, 2022

AN ACT

- Amending the act of July 5, 2012 (P.L.1086, No.127), entitled "An act requiring public works contractors and subcontractors 2 to verify employment eligibility; providing for the powers 3 and duties of the Department of General Services; prescribing sanctions; and establishing good faith immunity under certain 5 circumstances," further providing for verification form and 6 for enforcement and sanctions; and establishing the Public Works Employment Verification Account. 8 9 The General Assembly of the Commonwealth of Pennsylvania hereby enacts as follows:
- 10
- 11 Section 1. Section 4(a) and (b) of the act of July 5, 2012
- 12 (P.L.1086, No.127), known as the Public Works Employment
- 13 Verification Act, are amended to read:
- Section 4. Verification form. 14
- 15 General rule for public works contractors. -- As a
- precondition of being awarded a contract for a public work, or 16
- 17 with respect to a contract that was awarded prior to the
- 18 effective date of this subsection but has not yet been executed,
- 19 prior to the execution of the contract, a public works
- contractor shall provide the public body with a verification 20
- form described in subsection (c), acknowledging its 21

- 1 responsibilities under and its compliance with section 3 and
- 2 <u>stating that the contractor is enrolled in EVP</u>. Contracts
- 3 between a public works contractor and its subcontractors shall
- 4 contain information about the requirements of this act.
- 5 (b) General rule for subcontractors. -- Prior to commencing
- 6 work on a public works project, a subcontractor shall provide
- 7 the public body with a verification form described in subsection
- 8 (c) acknowledging its responsibilities and its compliance with
- 9 section 3 and stating that the contractor is enrolled in EVP.
- 10 Contracts between a subcontractor and its subcontractors shall
- 11 contain information about the requirements of this act.
- 12 * * *
- 13 Section 2. Section 6(d) and (e) of the act are amended and
- 14 the section is amended by adding a subsection to read:
- 15 Section 6. Enforcement and sanctions.
- 16 * * *
- 17 (c.1) Reimbursement of department.--The department may
- 18 require a public works contractor or subcontractor to reimburse
- 19 the department for the cost of an audit, if the public works
- 20 contractor or subcontractor:
- 21 (1) is debarred from public work under subsection (d);
- 22 <u>or</u>
- 23 (2) is subject to a civil penalty under subsection (e).
- 24 (d) Sanctions. -- The following sanctions shall apply only to
- 25 a violation under section 5(1):
- 26 (1) For a first violation, a public works contractor or
- 27 subcontractor shall receive a warning letter from the
- department detailing the violation. The letter shall be
- posted on the department's Internet website.
- 30 (2) For a second violation, a public works contractor or

- subcontractor shall be debarred from public work for [30] 60 days.
 - (3) For a third violation and subsequent violations, a public works contractor or subcontractor shall be debarred from public work for not less than [180 days] one year and not more than [one year] two years.
 - (4) In the case of an alleged willful violation, the secretary shall file a petition in Commonwealth Court seeking to have the court issue a rule to show cause why a public works contractor or subcontractor did not engage in the willful violation. If the court finds that the public works contractor or subcontractor engaged in a willful violation, the court shall order that the public works contractor or subcontractor be debarred from public work for a period of [three] five years.
 - (5) Notwithstanding the provisions of paragraph (1), (2) or (3), a violation by a public works contractor or subcontractor that occurs ten years or more after a prior violation shall be deemed to be a first violation.
 - (6) For the purposes of assessing sanctions, violations committed by a contractor or subcontractor subject to this act involving a single public works contract shall be considered a single violation despite the number of employees that are the subject of the violations.
- 25 (e) Civil penalty <u>and sanctions</u>.--<u>The following sanctions</u>
- 26 <u>shall apply only to a violation of section 5(2):</u>
- 27 (1) A public works contractor or subcontractor that
 28 violates section 5(2) shall be subject to a civil penalty of
 29 not less than [\$250] \$2,500 and not more than [\$1,000]
 30 \$25,000 for each violation, to be imposed by the

- 1 department[.] based on the duration and severity of the
- 2 violation.
- 3 (2) In addition to the penalty under paragraph (1), in
- 4 <u>the event of a willful violation of section 5(2), a public</u>
- 5 works contractor or subcontractor shall be subject to
- 6 <u>debarment for not less than 60 days nor more than five years,</u>
- depending on the duration and severity of the violation.
- 8 * * *
- 9 Section 3. The act is amended by adding a section to read:
- 10 <u>Section 6.1. Public Works Employment Verification Account.</u>
- 11 (a) Establishment. -- The Public Works Employment Verification
- 12 Account is established as a restricted revenue, interest-bearing
- 13 <u>account in the General Fund.</u>
- 14 (b) Deposits. -- The department shall deposit penalties
- 15 collected under section 6(e) into the account.
- 16 (c) Use of account. -- Money in the account and interest
- 17 <u>earned on the account is appropriated on a continuing basis to</u>
- 18 the department for the purposes of administering and enforcing
- 19 the provisions of this act.
- 20 Section 4. This act shall take effect in 60 days.