

AN ACT

1 Repealing the act of August 15, 1961 (P.L.987, No.442), entitled
2 "An act relating to public works contracts; providing for
3 prevailing wages; imposing duties upon the Secretary of Labor
4 and Industry; providing remedies, penalties and repealing
5 existing laws."

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

8 Section 1. The act of August 15, 1961 (P.L.987, No.442),
9 known as the Pennsylvania Prevailing Wage Act, is repealed:

10 [AN ACT

11 Relating to public works contracts; providing for prevailing
12 wages; imposing duties upon the Secretary of Labor and
13 Industry; providing remedies, penalties and repealing
14 existing laws.

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16 Section 1. Short Title.--This act shall be known and may be
17 cited as the "Pennsylvania Prevailing Wage Act."

18 Section 2. Definitions.--As used in this act--

19 (1) "Department" means Department of Labor and Industry of
20 the Commonwealth of Pennsylvania.

21 (2) "Locality" means any political subdivision, or
22 combination of the same, within the county in which the public
23 work is to be performed. When no workmen for which a prevailing
24 minimum wage is to be determined hereunder are employed in the
25 locality, the locality may be extended to include adjoining
26 political subdivisions where such workmen are employed in those
27 crafts or trades for which there are no workmen employed in the
28 locality as otherwise herein defined.

29 (3) "Maintenance work" means the repair of existing
30 facilities when the size, type or extent of such facilities is

1 not thereby changed or increased.

2 (4) "Public body" means the Commonwealth of Pennsylvania,
3 any of its political subdivisions, any authority created by the
4 General Assembly of the Commonwealth of Pennsylvania and any
5 instrumentality or agency of the Commonwealth of Pennsylvania.

6 (5) "Public work" means construction, reconstruction,
7 demolition, alteration and/or repair work other than maintenance
8 work, done under contract and paid for in whole or in part out
9 of the funds of a public body where the estimated cost of the
10 total project is in excess of twenty-five thousand dollars
11 (\$25,000), but shall not include work performed under a
12 rehabilitation or manpower training program.

13 (6) "Secretary" means the Secretary of Labor and Industry or
14 his duly authorized deputy or representative.

15 (7) "Workman" includes laborer, mechanic, skilled and semi-
16 skilled laborer and apprentices employed by any contractor or
17 subcontractor and engaged in the performance of services
18 directly upon the public work project, regardless of whether
19 their work becomes a component part thereof, but does not
20 include material suppliers or their employes who do not perform
21 services at the job site.

22 (8) "Work performed under a rehabilitation program," means
23 work arranged by and at a State institution primarily for
24 teaching and upgrading the skills and employment opportunities
25 of the inmates of such institutions.

26 (9) "Advisory Board" means the board created by section 2.1
27 of this act.

28 (10) "Appeals Board" means the board created by section 2.2
29 of this act.

30 Section 3. Specifications.--The specifications for every

1 contract for any public work to which any public body is a
2 party, shall contain a provision stating the minimum wage rate
3 that must be paid to the workmen employed in the performance of
4 the contract.

5 Section 4. Duty of Public Body.--It shall be the duty of
6 every public body which proposes the making of a contract for
7 any project of public work to determine from the secretary the
8 prevailing minimum wage rates which shall be paid by the
9 contractor to the workmen upon such project. Reference to such
10 prevailing minimum rates shall be published in the notice issued
11 for the purpose of securing bids for such project of public
12 work. Whenever any contract for a project of public work is
13 entered into, the prevailing minimum wages as determined by the
14 secretary shall be incorporated into and made a part of such
15 contract and shall not be altered during the period such
16 contract is in force.

17 Section 5. Prevailing Wage.--Not less than the prevailing
18 minimum wages as determined hereunder shall be paid to all
19 workmen employed on public work.

20 Section 6. Duty of Contractor.--Every contractor and
21 subcontractor shall keep an accurate record showing the name,
22 craft and the actual hourly rate of wage paid to each workman
23 employed by him in connection with public work, and such record
24 shall be preserved for two years from date of payment. The
25 record shall be open at all reasonable hours to the inspection
26 of the public body awarding the contract and to the secretary.

27 Section 7. Duty of Secretary.--The secretary shall, after
28 consultation with the advisory board, determine the general
29 prevailing minimum wage rate in the locality in which the public
30 work is to be performed for each craft or classification of all

1 workmen needed to perform public work contracts during the
2 anticipated term thereof: Provided, however, That employer and
3 employe contributions for employe benefits pursuant to a bona
4 fide collective bargaining agreement shall be considered an
5 integral part of the wage rate for the purpose of determining
6 the minimum wage rate under this act. Nothing in this act,
7 however, shall prohibit the payment of more than the general
8 prevailing minimum wage rate to any workman employed on public
9 work. The secretary shall forthwith give notice by mail of all
10 determinations of general prevailing minimum wage rates made
11 pursuant to this section to any representative of any craft, any
12 employer or any representative of any group of employers, who
13 shall in writing request the secretary so to do.

14 Section 8. Review of Rates, Petition and Hearing.--Any
15 prospective bidder or his representative, any representative of
16 any group of employers engaged in the particular type of
17 construction, reconstruction, alteration and demolition or
18 repair work involved, any representative of any craft or
19 classification of workmen or the public body may, within ten
20 days after the publication and issue of the specifications
21 covering the particular contract for public work involved, file
22 with the secretary a verified petition to review the
23 determination of any such rate or rates. Within two days
24 thereafter a copy of such petition shall be filed with the
25 public body authorizing the public work. The petition shall set
26 forth the facts upon which it is based. The secretary shall,
27 upon notice to the petitioner, the public body authorizing the
28 public work and the recognized collective bargaining
29 representatives for the particular crafts and classifications
30 involved, and also to all persons entitled to receive notice

1 pursuant to subsection (a) of section 7 hereof, institute an
2 investigation and hold a public hearing within twenty days after
3 the filing of such petition. Within ten days thereafter, the
4 secretary shall make a determination and transmit it, in
5 writing, to the public body and to the interested parties. Such
6 determination shall be final unless within ten days an appeal is
7 filed with the Appeals Board.

8 Upon receipt by the public body of the notice of the filing
9 of such petition, the public body awarding the contract or
10 authorizing the public work shall extend the closing date for
11 the submission of bids until five days after the final
12 determination of the general prevailing minimum wage rates
13 pursuant to this section and the publication of such findings.

14 Upon the filing of any such petition, notice thereof and of
15 the extension of the closing date for submission of bids, shall
16 be given forthwith by the awarding public body in a special
17 bulletin to all interested parties as defined herein, notice
18 shall also be given to the bidders by the awarding body of the
19 final determination of the secretary or Appeals Board which
20 shall also be included in the contract. The determination of the
21 secretary or Appeals Board shall be included in the contract.

22 Section 9. Posting of Rates.--Contractors and sub-
23 contractors performing public work for a public body subject to
24 the provisions of this act shall post the general prevailing
25 minimum wage rates for each craft and classification involved,
26 as determined by the secretary, including the effective date of
27 any changes thereof, in prominent and easily accessible places
28 at the site of the work, or at such place or places as are used
29 by them to pay workmen their wages.

30 Section 10. Duty of Public Body.--(a) Before final payment

1 is made by, or on behalf of any public body of any sum or sums
2 due on public work, it shall be the duty of the treasurer of the
3 public body or other officer or person charged with the custody
4 and disbursement of the funds of the public body to require the
5 contractor and subcontractor to file statements, in writing, in
6 form satisfactory to the secretary, certifying to the amounts
7 then due and owing from such contractor and subcontractor,
8 filing such statement to any and all workmen for wages due on
9 account of public work, setting forth therein the names of the
10 persons whose wages are unpaid and the amount due to each
11 respectively, which statement so to be filed shall be verified
12 by the oath of the contractor and subcontractor, as the case may
13 be, that he has read such statement subscribed by him, knows the
14 contents thereof and that the same is true of his own knowledge:
15 Provided, nevertheless, That nothing herein shall impair the
16 right of a contractor to receive final payment because of the
17 failure of any subcontractor to comply with provisions of this
18 act.

19 (b) In case any workman shall have filed a protest, in
20 writing, within three months from the date of the occurrence of
21 the incident complained of, with the secretary, objecting to the
22 payment to any contractor to the extent of the amount or amounts
23 due or to become due to the said workman for wages or for labors
24 performed on public works, the secretary shall direct the fiscal
25 or financial officer of the public body, or other person charged
26 with the custody and disbursements of the funds of the public
27 body, to deduct from the whole amount of any payment on account
28 thereof the sum or sums admitted by any contractor in such
29 statement or statements so filed, to be due and owing by him on
30 account of wages earned on such public work before making

1 payment of the amount certified for payment and may withhold the
2 amount so deducted for the benefit of the workmen whose wages
3 are unpaid, as shown by the verified statement filed by any
4 contractor, and may pay directly to any workmen the amount shown
5 to be due to him for such wages by the statements filed as
6 hereinbefore required, thereby discharging the obligation of the
7 contractor to the person receiving such payment to the extent of
8 the amount thereof.

9 (c) Any contractor or subcontractor who shall, under oath,
10 verify the statement required to be filed under this section,
11 which is known to him to be false, shall be guilty of a
12 misdemeanor, and shall, upon conviction, be sentenced to pay a
13 fine of not exceeding two thousand five hundred dollars (\$2,500)
14 or to undergo imprisonment not exceeding five years, or both.

15 Section 11. Remedies and Penalties.--(a) The fiscal or
16 financial officer, or any public body having public work
17 performed under which any workman shall have been paid less than
18 the prevailing wage, shall forthwith notify the secretary, in
19 writing, of the name of the person or firm failing to pay the
20 prevailing wages.

21 (b) Any workman may, within three months from the date of
22 the occurrence of the incident complained of, file a protest, in
23 writing, with the secretary objecting to the amount of wages
24 paid for services performed by him on public work as being less
25 than the prevailing wages for such services.

26 (c) Whenever a fiscal or financial officer of any public
27 body shall notify the secretary that any person or firm required
28 to pay its workmen the prevailing wage under this act has failed
29 so to do, or whenever any workman employed upon public work
30 shall have filed a timely protest objecting that he has been

1 paid less than prevailing wages as required by this act, it
2 shall be the duty of and the secretary shall forthwith
3 investigate the matter and determine whether or not there has
4 been a failure to pay the prevailing wages and whether such
5 failure was intentional or otherwise. In any such investigation,
6 the secretary shall provide for an appropriate hearing upon due
7 notice to interested parties including the workmen, the employer
8 and their respective representative, if any.

9 (d) In the event that the secretary shall determine, after
10 notice and hearing as required by this section, that any person
11 or firm has failed to pay the prevailing wages and that such
12 failure was not intentional, he shall afford such person or firm
13 a reasonable opportunity to adjust the matter by making payment
14 or providing adequate security for the payment of the amounts
15 required to be paid under this act as prevailing wages to the
16 workmen affected on such terms and conditions as shall be
17 approved by the secretary.

18 (e) In the event that the secretary shall determine, after
19 notice and hearing as required by this section, that any person
20 or firm has failed to pay the prevailing wages and that such
21 failure was intentional, he shall thereupon notify all public
22 bodies of the name or names of such persons or firms and no
23 contract shall be awarded to such persons or firms or to any
24 firm, corporation or partnership in which such persons or firms
25 have an interest until three years have elapsed from the date of
26 the notice to the public bodies aforesaid. The secretary may in
27 addition thereto request the Attorney General to proceed to
28 recover the penalties for the Commonwealth of Pennsylvania which
29 are payable under subsection (f) of this section.

30 (f) Whenever it shall be determined by the secretary, after

1 notice and hearing as required by this section, that any person
2 or firm has failed to pay the prevailing wages and that such
3 failure was intentional, such persons or firm shall be liable to
4 the Commonwealth of Pennsylvania for liquidated damages, in
5 addition to damages for any other breach of the contract in the
6 amount of the underpayment of wages due any workman engaged in
7 the performance of such contract.

8 (g) It shall not constitute a failure to pay the prevailing
9 wage rates for the work of a particular craft or classification
10 where the prevailing wage rates determined for a specific craft
11 or classification has been paid, and it is asserted that one or
12 more bona fide craft unions contend that the work should have
13 been assigned to their members instead of the members of the
14 specific craft to whom it was assigned or by whom it was
15 performed.

16 (h) The following shall constitute substantial evidence of
17 intentional failure to pay prevailing wage rates:

18 (1) Any acts of omission or commission done wilfully or with
19 a knowing disregard of the rights of workmen resulting in the
20 payment of less than prevailing wage rates.

21 (2) After there has been a finding by the secretary in the
22 manner required by this section that any person or firm has
23 failed to pay the prevailing wages prescribed by this act and
24 thereafter there shall be a failure by such person or firm to
25 pay the prevailing wages prescribed by this act, or there shall
26 be a subsequent failure of such person or firm to comply with
27 any opportunity to adjust any differences which shall be
28 afforded him by the secretary.

29 Section 12. Failure to Comply, Termination.--In any case
30 where the secretary shall have determined that any person or

1 firm has failed to pay the prevailing wages under subsections
2 (e) and (f) of section 11 hereof, he may direct the public body
3 to terminate, and the public body may terminate, any such
4 contractor's right to proceed with the public work.

5 Section 13. Workmen's Rights.--Any workmen paid less than
6 the rates specified in the contract shall have a right of action
7 for the difference between the wage so paid and the wages
8 stipulated in the contract, which right of action shall be
9 instituted within six months from the occurrence of the event
10 creating such right.

11 Section 14. Rules and Regulations.--The secretary is hereby
12 authorized and empowered to prescribe, adopt, promulgate,
13 rescind and enforce rules and regulations pertaining to the
14 administration and enforcement of the provisions of this act.

15 Section 15. Application of Act.--This act shall have no
16 application to any public works subject to the Walsh-Healey Act,
17 the act of June 30, 1936, chapter 881, 49 Stat. 2036, 41 USCA
18 sections 35-45, or the Davis Bacon Act, the act of March 3,
19 1931, 40 U. S. Code 276 (a).

20 Section 16. Repealer.--All acts and parts of acts are
21 repealed in so far as they are inconsistent herewith.

22 Section 17. Effective Date.--This act shall take effect on
23 the first day of the sixth month following date of final
24 enactment.]

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

