
THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2739 Session of
2018

INTRODUCED BY RABB, McCLINTON, DONATUCCI, YOUNGBLOOD, SCHWEYER,
DALEY AND ROEBUCK, OCTOBER 17, 2018

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, OCTOBER 17, 2018

AN ACT

1 Providing for a living wage for employees and contractors of
2 institutions of higher education in this Commonwealth; and
3 imposing duties on the Department of Labor and Industry.

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

6 Section 1. Short title.

7 This act shall be known and may be cited as the Higher
8 Education Living Wage Act.

9 Section 2. Findings and declarations.

10 The General Assembly finds and declares as follows:

11 (1) This Commonwealth is home to many institutions of
12 higher education that hold high ideals and play a vital role
13 in serving the educational needs of its citizens and, in so
14 doing, help to strengthen this Commonwealth's economy.

15 (2) Institutions of higher education in this
16 Commonwealth that receive taxpayer funding should reflect in
17 their policies relating to employees and contractors the high
18 ideals of the institutions and the core values of this

1 Commonwealth's taxpaying citizens who believe that employees
2 and contractors serving institutions of higher education
3 deserve the dignity and fairness of earning, at minimum, a
4 living wage.

5 (3) Taxpayers should only subsidize institutions of
6 higher education that choose to honor their employees and
7 contractors with the dignity, respect and fairness that comes
8 with the opportunity to earn a living wage.

9 (4) According to Pathways PA, a wage of \$15 per hour
10 would meet the sufficiency standard for many, but not all,
11 counties of this Commonwealth for an employee with one child
12 to provide for the employee and child without the need for
13 public assistance.

14 (5) Institutions of higher education that are paying a
15 living wage of \$15 per hour should be recognized with an
16 accreditation from the Commonwealth that can be prominently
17 displayed onsite and on their publicly accessible Internet
18 websites.

19 Section 3. Purposes.

20 The purposes of this act are as follows:

21 (1) Create a living wage accreditation program for each
22 institution of higher education that provides a base hourly
23 wage of at least \$15 per hour for each directly employed or
24 contracted employee of the institution of higher education.

25 (2) Encourage the provision of a living wage to each
26 employee of an institution of higher education and each
27 individual who provides contracted labor or other services by
28 providing information to students enrolled at the institution
29 of higher education and the public on the wage rates being
30 paid to the employees and contractors.

1 Section 4. Definitions.

2 The following words and phrases when used in this act shall
3 have the meanings given to them in this section unless the
4 context clearly indicates otherwise:

5 "Base hourly wage." The hourly wage of an employee or
6 contractor that is exclusive of:

7 (1) Deductions for payroll taxes, benefits or other
8 employment charges.

9 (2) Adjustments for overtime compensation.

10 "Employee." An individual who is employed directly or
11 contracted by an institution of higher education to provide
12 labor or other services on a full-time, part-time, temporary or
13 seasonal basis.

14 "Institution of higher education." Any of the following:

15 (1) An institution of the State System of Higher
16 Education under Article XX-A of the act of March 10, 1949
17 (P.L.30, No.14), known as the Public School Code of 1949.

18 (2) The Pennsylvania State University, the University of
19 Pittsburgh, Temple University, Lincoln University and their
20 branch campuses.

21 (3) A community college under Article XIX-A of the
22 Public School Code of 1949.

23 (4) An accredited institution that offers postsecondary
24 education providing an associate degree program or an
25 undergraduate degree program that receives taxpayer funding
26 from the Commonwealth.

27 "Living wage accreditation standard." The base hourly wage
28 of \$15, which shall be adjusted annually by the Department of
29 Human Services in consultation with the Department of Labor and
30 Industry to reflect:

1 (1) an increase in the appropriate regional Consumer
2 Price Index; or

3 (2) the adequate living wage standard set by the
4 Department of Labor and Industry.

5 Section 5. Institutions of higher education living wage
6 accreditation.

7 (a) Reporting requirements.--Beginning 90 days after the
8 effective date of this section, each institution of higher
9 education that receives taxpayer funding from the Commonwealth
10 shall provide the following information on an annual basis to
11 the Department of Labor and Industry:

12 (1) The minimum base hourly wage paid for each job
13 classification at the institution of higher education,
14 categorized by full-time, part-time, temporary and seasonal
15 employee or contractor and including total numbers for each
16 category.

17 (2) The number of employees and contractors for each job
18 classification at the institution of higher education,
19 categorized by full-time, part-time, temporary and seasonal
20 employee or contractor and including the total number of
21 employees and contractors.

22 (3) The total number of employees and contractors who
23 receive a base hourly wage at, above and below the living
24 wage accreditation standard at the institution of higher
25 education, categorized by full-time, part-time, temporary and
26 seasonal employee or contractor and including the total
27 number of employees and contractors.

28 (b) Verification.--Information provided under subsection (a)
29 shall be based on payroll records and other data in a uniform
30 format that is verifiable and able to be audited.

1 (c) Time for submission.--An institution of higher education
2 shall provide the information under this section within 90 days
3 of the end of the fiscal year for the institution of higher
4 education.

5 Section 6. Determination and accreditation.

6 (a) Analysis of submitted information.--The Department of
7 Labor and Industry shall determine whether an institution of
8 higher education qualifies for a living wage accreditation by
9 comparing the information received under section 5 to the living
10 wage accreditation standard for the corresponding period.

11 (b) Issuance of accreditation document.--The Department of
12 Labor and Industry shall issue an accreditation document to each
13 institution of higher education whose employees and contractors
14 all earn the living wage accreditation standard. The document
15 shall detail the institution of higher education's accreditation
16 as an employer that provides wages to its employees and
17 contractors that meet the living wage accreditation standard.

18 (c) Annual analysis and issuance.--The analysis of
19 information provided and the issuance of an accreditation
20 document under this section shall occur annually.

21 Section 7. Inspection of records and data.

22 The Department of Labor and Industry shall annually inspect
23 payroll records and other data under section 5 to verify that
24 the information provided under section 5 is complete and
25 accurate.

26 Section 8. Posting of information.

27 (a) Posting by Department of Labor and Industry.--The
28 Department of Labor and Industry shall post the following on its
29 publicly accessible Internet website or other appropriate
30 websites of the Commonwealth:

1 (1) The information provided under section 5.

2 (2) The list of institutions of higher education that
3 receive an accreditation document under section 6 for the
4 current year.

5 (b) Posting by institution of higher education.--Each
6 institution of higher education shall post the following in a
7 publicly accessible area of the institution of higher education:

8 (1) The information provided under section 5.

9 (2) The accreditation document under section 6 that the
10 institution of higher education received for the current
11 year.

12 Section 9. Effect of accreditation.

13 Nothing in this act shall require an institution of higher
14 education to provide wages to some or all of its employees or
15 contractors in an amount exceeding the living wage accreditation
16 standard.

17 Section 10. Administration by Department of Labor and Industry.

18 The Department of Labor and Industry shall promulgate rules
19 and regulations necessary to administer this act.

20 Section 11. Civil penalties.

21 (a) Imposition of penalty.--The Department of Labor and
22 Industry shall impose a civil penalty upon an institution of
23 higher education that fails to:

24 (1) provide complete, accurate, timely or properly
25 formatted information as required under section 5; or

26 (2) submit the information under section 5 for
27 inspection as required by section 7.

28 (b) Amount.--The Department of Labor and Industry shall
29 determine the appropriate amount of the penalty imposed under
30 subsection (a).

1 Section 12. Withholding of State appropriation.

2 Notwithstanding any other provision of law to the contrary,
3 an institution of higher education that receives financial
4 support in the form of an annual appropriation from the General
5 Assembly shall not receive the appropriation unless the
6 institution of higher education has been issued an accrediting
7 document from the Department of Labor and Industry under section
8 6.

9 Section 13. Applicability.

10 This act shall apply to contracts entered into, renewed or
11 extended on or after the effective date of this section.

12 Section 14. Construction.

13 Nothing in this act shall be construed to supersede or
14 preempt the rights, remedies and procedures afforded to school
15 employees or labor organizations under the following:

16 (1) the act of July 23, 1970 (P.L.563, No.195), known as
17 the Public Employe Relations Act, or any other Federal or
18 State law; or

19 (2) any provision of a collective bargaining agreement
20 negotiated between an institution of higher education and an
21 exclusive representative of employees in accordance with the
22 Public Employe Relations Act.

23 Section 15. Effective date.

24 This act shall take effect in 90 days.