
THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 838 Session of
2019

INTRODUCED BY PHILLIPS-HILL, FOLMER, AUMENT, DiSANTO, J. WARD,
STEFANO AND REGAN, AUGUST 28, 2019

REFERRED TO LABOR AND INDUSTRY, AUGUST 28, 2019

AN ACT

1 Amending 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," providing for optional application of act.

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 amended by
10 adding a section to read:

11 Section 15.1. Optional Application of Act.--(a)
12 Notwithstanding any provision of this act to the contrary, a
13 school entity or municipality may choose not to follow the
14 requirements of this act regarding prevailing minimum wages for
15 workmen employed on public work under any contract for a project
16 of public work which the school entity or municipality enters
17 into on or after the effective date of this subsection.

18 (b) The Legislative Budget and Finance Committee shall
19 conduct a five-year study of the economic and public policy

1 effects of the opt-out provision under subsection (a). The
2 following apply:

3 (1) The study shall monitor the effects of the opt-out
4 provisions on an annual basis and shall include all of the
5 following:

6 (i) The extent to which school entities and municipalities
7 have availed themselves of the opt-out provision.

8 (ii) The financial advantages and other benefits associated
9 with the opt-out provision, including any cost savings realized
10 by the school entities and municipalities.

11 (iii) Any disadvantages associated with the opt-out
12 provision.

13 (iv) Any recommendations regarding the operation of the opt-
14 out provision.

15 (v) Other information which the Legislative Budget and
16 Finance Committee deems necessary or appropriate.

17 (2) During the period in which the study is being conducted,
18 each school entity or municipality that avails itself of the
19 opt-out provision shall periodically provide information to the
20 Legislative Budget and Finance Committee regarding its
21 participation, including the information specified under
22 paragraph (1). The Legislative Budget and Finance Committee may
23 request additional information from each participating school
24 entity or municipality.

25 (3) The Legislative Budget and Finance Committee shall
26 submit a report containing its findings and recommendations to
27 the General Assembly not later than 60 days after the date which
28 is five years after the effective date of this section.

29 (c) As used in this section, the following words and phrases
30 shall have the meanings given to them in this subsection unless

1 the context clearly indicates otherwise:

2 "Municipality." A county, city, borough, incorporated town,
3 township or home rule municipality.

4 "School entity." Any of the following:

5 (1) A school district.

6 (2) An intermediate unit.

7 (3) A charter school or regional charter school, as those
8 terms are defined in section 1703-A of the act of March 10, 1949
9 (P.L.30, No.14), known as the Public School Code of 1949.

10 (4) An area vocational-technical school, as defined in
11 section 1841 of the Public School Code of 1949.

12 (5) An institution of higher education, as defined in
13 section 1901-F of the Public School Code of 1949.

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