Introduced: 01/14/83

Referred to Committee on Labor & employment Relations: 01/14/83 Hearing: 2/8/83 Report: 02/08/83, Do Pass, As Amended

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2nd Reading: 02/14/83
2nd Reading: 2/14/83, Indefinitely Postponed
Bill Killed.

LC 0617/01

LC 0617/01

INTRODUCED BY AHLESTHO, Marchan, Villing, Seles access M. Compton North 1 2 3 A BILL FOR AN : ACT : ENTITLEDT - PAN : ACT TO EXEMPT - LOCAL 4 GOVERNMENTS FROM THE REQUIREMENT OF PAYING THE STANDARD 5 6 PREVAILING RATE OF WAGES ON LOCAL PROJECTS WHEN ONLY LOCAL 7 FUNDS ARE USED ON THE PROJECT: AMENDING SECTIONS 18-2-402. 8 18-2-403, 18-2-407, AND 18-2-422, NCA: AND PROVIDING AN

9 EFFECTIVE DATE."

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11 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA: 12 Section 1. Section 18-2-402. MCA. is amended to read: 13 exceptions. (1) Exception drawland in subsection (2), the 14 15 The Nontana commissioner of labor may determine the standard prevailing rate of wages in the county or Tocsilty in which 16 17 the contract is to be performed. The commissioner shall 18 undertake to keep and maintain copies of collective bargaining agreements and other information from which rates 19 jurisdictional areas applicable to public works 20 and 21 contracts under this part may be ascertained.

22 (2) The provisions of this part do not apply:

23 (a) in those instances where the standard prevailing
24 rate of wages is determined pursuant to federal laws or

25 (b) to local government units in these instances when

only local overprest funds are used to fund local projects. 2 (3) In no instances where this part is applicable shall the standard prevailing rate of wage be determined to 3 be greater than the applicable rate of wage in the area: for S the particular work in question as negotiated under existing and current collective bargaining agreements." 6 Section 2. Section: 18-2-403, MCA, is amended to read: 7 ٠ #18-2-403. Preference of Montana Tabor in mublic works 9 -- wages -- federal exception. (1) In any contract data for 10 state, county, a municipal, a school, a or cheavy shighway - 11 construction, services, repairs or maintenance, work under 12 any law of this state, there shall be inserted in the bid 13 specification and the contract a provision requiring the 14 contractor to give preference to the employment of bone fide . 15 Nontana residents in the performance of the work and except as corovided with 18-2-402/21/this to pay the standard 16 17 prevailing rate of wages, including fringe benefits for 18 health and welfare and pension contributions and travel 19 allowance provisions, in effect and applicable to the county 20 or locality in which the work is being performed. 21 (2) No contract may be let to any persons firms **Z**2 association, or corporation refusing to execute an agreement 23 with the above-mentioned provisions in it, provided that in 24 contracts involving the expenditure of federal-aid funds 25 this part may not be enforced in such a manner as to -2- INTRODUCED BILL

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conflict with or be contrary to the federal statutes 1 2 prescribing a labor preference to honorably discharged 3 veterans of the armed forces and prohibiting as unlawful any 4 other preference or discrimination among citizens of the 5 United States.

6 (3) Failure to include the provisions required by 7 18-2-422 in a public works contract relieves the contractor 8 from his oblightion to pay the standard prevailing wave rate 9 and places such obligation on the public contracting 10 agency."

Section 3. Section 10-2-407. NCA: is amended to reads 11 *18-2-407. Forfeiture for failure to pay prevailing 12 13 wages. (1) Any contractor, subcontractor, or employer who shall pay workers or employees at less than the standard 14 15 prevailing wage as established under the public works 16 Contract - whenever such a contract provision is required. . 17 shall forfeit to the contracting agency the sum of \$25 a day 18 for each worker so underpaida

(2) Whenever It shall appear to the contracting agency 19 20 or to the Montana commissioner of Jabor that there are 21 insufficient moneys due to the contractor or the employer 22 under the terms of the contract to cover such penalties, the Nontana commissioner of labor may, within 90 days after withe 23 filing of notice of completion of the project and its 24 25 acceptance by the contracting agency, maintain an action in

district court to recover all such penalties and forfeitures due. Nothing in this part shall prevent the individual 2 3 worker who has been underpaid from maintaining an action for recovery of the wages due under the contract as provided in 4 Title 39% chapter 3% part 2.* 5 Section 4. Section 18-2-422, NCA, is amended to read: 6 #18-2-422. Bid specification and contract to contain 7 prevailing wage rate. Except as provided in 18-2-402(2)(b). R

9 all with bid specifications and contracts for public works projects must contain a provision stating for each job 10 classification the prevailing wave "rate, including fringe 11 12 benefits, that the contractors and subcontractors must pay during construction of the project." 13

NEW SECTION. Section 5. Effective date. This act is 14

15 effective July 1, 1983.

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Approved by Committee on Labor & Employment Relations

1	SENATE BILL NO. 152
2	INTRODUCED BY AKLESTAD, JACOBSEN,
3	VINGER, SALES, COMPTON, DEVLIN
4	
5	A BILL FOR AN ACT ENTITLED: "AN ACT TO EXEMPT LOCAL
6	GOVERNMENTS FROM THE REQUIREMENT OF PAYING THE STANDARD
7	PREVAILING RATE OF WAGES ON LOCAL PROJECTS WHEN ONLY LOCAL

8 FUNDS ARE USED ON THE PROJECT; AMENDING SECTIONS 18-2-402,
9 18-2-403, 18-2-407, AND 18-2-422, MCA; AND PROVIDING AN
10 EFFECTIVE DATE."

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12 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MONTANA:

13 Section 1. Section 18-2-402, MCA, is amended to read: 14 #18-2-402. Standard prevailing rate of wages == exceptions. (1) Except_as_provided_in_subsection_(2). the 15 16 The Montana commissioner of labor may determine the standard 17 prevailing rate of wages in the county or locality in which 18 the contract is to be performed. The commissioner shall 19 undertake to keep and maintain copies of collective bargaining agreements and other information from which rates 20 21 and jurisdictional areas applicable to public works 22 contracts under this part may be ascertained.

(2) The provisions of this part do not apply:
(2) Lal in those instances where the standard prevailing

25 rate of wages is determined pursuant to federal lawing

1 (b)__to__local_government_units_in_those_instances_when only_local_government_funds_are_used_to_fund_local_projects. 2 3 (3) In no instances where this part is applicable shall the standard prevailing rate of wage be determined to 4 5 be greater than the applicable rate of wage in the area for the particular work in question as negotiated under existing 6 7 and current collective bargaining agreements." 8 Section 2. Section 18-2-403, MCA, is amended to read: 9 *18-2-403. Preference of Montana labor in public works --- wages -- federal exception. (1) In any contract let for 10 11 state, county, municipal, school, or heavy highway construction, services, repair, or maintenance work under 12 13 any law of this state, there shall be inserted in the bid specification and the contract a provision requiring the 14 15 contractor to give preference to the employment of bona fide 16 Montana residents in the performance of the work and except 17 as___provided___in__18-2-402(2)(b). to pay the standard 18 prevailing rate of wages, including fringe benefits for 19 health and welfare and pension contributions and travel 20 allowance provisions, in effect and applicable to the county 21 or locality in which the work is being performed. 22 (2) No contract may be let to any person, firm,

23 association, or corporation refusing to execute an agreement 24 with the above-mentioned provisions in it, provided that in 25 contracts involving the expenditure of federal-aid funds

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this part may not be enforced in such a manner as to
 conflict with or be contrary to the federal statutes
 prescribing a labor preference to honorably discharged
 veterans of the armed forces and prohibiting as unlawful any
 other preference or discrimination among citizens of the
 United States.

7 (3) Failure to include the provisions required by
8 18-2-422 in a public works contract relieves the contractor
9 from his obligation to pay the standard prevailing wage rate
10 and places such obligation on the public contracting
11 agency."

Section 3. Section 18-2-407. MCA. is amended to read: 12 *18-2-407. Forfeiture for failure to pay prevailing 13 14 wages. (1) Any contractor, subcontractor, or employer who 15 shall pay workers or employees at less than the standard 16 prevailing wage as established under the public works 17 contract___whenever__such__a_contract_provision_is_required. shall forfeit to the contracting agency the sum of \$25 a day 18 19 for each worker so underpaid.

20 (2) Whenever it shall appear to the contracting agency 21 or to the Montana commissioner of labor that there are 22 insufficient moneys due to the contractor or the employer 23 under the terms of the contract to cover such penalties, the 24 Montana commissioner of labor may, within 90 days after the 25 filing of notice of completion of the project and its

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acceptance by the contracting agency, maintain an action in
 district court to recover all such penalties and forfeitures
 due. Nothing in this part shall prevent the individual
 worker who has been underpaid from maintaining an action for
 recovery of the wages due under the contract as provided in
 Title 39, chapter 3, part 2.*

7 Section 4. Section 18-2-422, MCA, is amended to read:
8 #18-2-422. Bid specification and contract to contain

9 prevailing wage rate. Except as provided in 18:2:402(2)(b): all #H+ bid specifications and contracts for public works 11 projects must contain a provision stating for each job 12 classification the prevailing wage rate, including fringe 13 benefits, that the contractors and subcontractors must pay 14 during construction of the project."

15 <u>YEW_SECTION</u>, Section 5. Effective date. This act is

16 effective July MAY 1, 1983.

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