

SB 10 INTRODUCED BY AKLESTAD
NO STANDARD PREVAILING WAGE ON LOCALLY FUNDED LOCAL
GOVERNMENT PROJECTS

1/05	INTRODUCED		
1/05	REFERRED TO LABOR & EMPLOYMENT RELATIONS		
1/07	FISCAL NOTE REQUESTED		
1/09	FISCAL NOTE RECEIVED		
1/20	HEARING		
1/30	TAKEN FROM COMMITTEE	27	23
2/03	2ND READING PASSED	26	24
2/05	3RD READING PASSED	26	24
	TRANSMITTED TO HOUSE		
2/11	REFERRED TO BUSINESS & LABOR		
3/12	HEARING		
3/27	TABLED IN COMMITTEE		

1 this part may not be enforced in such a manner as to
 2 conflict with or be contrary to the federal statutes
 3 prescribing a labor preference to honorably discharged
 4 veterans of the armed forces and prohibiting as unlawful any
 5 other preference or discrimination among citizens of the
 6 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."

12 Section 3. Section 18-2-407, MCA, is amended to read:

13 "18-2-407. Forfeiture for failure to pay prevailing
 14 wages. (1) Any Except as provided in 18-2-402(2)(b), any
 15 contractor, subcontractor, or employer who ~~shall--pay~~ pays
 16 workers or employees at less than the standard prevailing
 17 wage ~~as~~ established under the a public works contract shall
 18 forfeit to the contracting agency the sum of \$25 a day for
 19 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

1 acceptance by the contracting agency, maintain an action in
 2 district court to recover all such penalties and forfeitures
 3 due. Nothing in this part shall prevent the individual
 4 worker who has been underpaid from maintaining an action for
 5 recovery of the wages due under the contract as provided in
 6 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. ~~At~~ Except as provided in
 10 18-2-402(2)(b), all bid specifications and contracts for
 11 public works projects must contain a provision stating for
 12 each job classification the prevailing wage rate, including
 13 fringe benefits, that the contractors and subcontractors
 14 must pay during construction of the project."

15 NEW SECTION. Section 5. Extension of authority. Any
 16 existing authority of the commissioner of labor and industry
 17 to make rules on the subject of the provisions of this act
 18 is extended to the provisions of this act.

19 NEW SECTION. Section 6. Effective date. This act is
 20 effective on passage and approval.

-End-

STATE OF MONTANA - FISCAL NOTE

Form BD-15

In compliance with a written request, there is hereby submitted a Fiscal Note for SB010, as introduced.

DESCRIPTION OF PROPOSED LEGISLATION:

This proposed bill would exempt local governments from the requirement of paying the standard prevailing rate of wages on local projects in which only local government funds are used.

ASSUMPTIONS:

There are no statewide data available on number of existing local government contracts financed solely by local government resources.

FISCAL IMPACT:

No fiscal impact is ascertainable.

EFFECT ON COUNTY OR OTHER LOCAL REVENUE OR EXPENDITURES:

Unknown fiscal impact.

LONG-RANGE EFFECTS OF PROPOSED LEGISLATION:

Unknown.

TECHNICAL OR MECHANICAL DEFECTS IN PROPOSED LEGISLATION OR CONFLICTS WITH EXISTING LEGISLATION:

N/A

David L. Hunter DATE 1/8/87

DAVID L. HUNTER, BUDGET DIRECTOR
Office of Budget and Program Planning

Gary C. Aklestad DATE 1-8-87

GARY C. AKLESTAD, PRIMARY SPONSOR

Fiscal Note for SB010, as introduced.

SB 10

ON MOTION MOVE FROM COMMITTEE
ON LABOR & EMPLOYMENT
RELATIONS PRINTED AND
PLACED ON SECOND READING

1 SENATE BILL NO. 10
2 INTRODUCED BY AKLESTAD

3
4 A BILL FOR AN ACT ENTITLED: "AN ACT TO EXEMPT LOCAL
5 GOVERNMENTS FROM THE REQUIREMENT OF PAYING THE STANDARD
6 PREVAILING RATE OF WAGES ON LOCAL PROJECTS IN WHICH ONLY
7 LOCAL GOVERNMENT FUNDS ARE USED; AMENDING SECTIONS 18-2-402,
8 18-2-403, 18-2-407, AND 18-2-422, MCA; AND PROVIDING AN
9 IMMEDIATE EFFECTIVE DATE."

10
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 "18-2-402. Standard prevailing rate of wages. (1) The
14 Montana commissioner of labor may determine the standard
15 prevailing rate of wages in the county or locality in which
16 the contract is to be performed. The commissioner shall
17 undertake to keep and maintain copies of collective
18 bargaining agreements and other information from which rates
19 and jurisdictional areas applicable to public works
20 contracts under this part may be ascertained.

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

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

24 (b) to counties, municipalities, school districts, or
25 other local government units in those instances in which

1 only local government funds are used to finance local
2 projects.

3 (3) In no instances where this part is applicable
4 shall the standard prevailing rate of wage be determined to
5 be greater than the applicable rate of wage in the area for
6 the particular work in question as negotiated under existing
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
10 -- wages -- federal exception. (1) In any contract let for
11 state, county, municipal, school, or heavy highway
12 construction, services, repair, or maintenance work under
13 any law of this state, there shall be inserted in the bid
14 specification and the contract a provision requiring the
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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 2 conflict with or be contrary to the federal statutes
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 4 veterans of the armed forces and prohibiting as unlawful any
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7 (3) Failure to include the provisions required by
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 24 Montana commissioner of labor may, within 90 days after the
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