

## Sen. Michael Noland

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LRB097 18678 JLS 67659 a

1 AMENDMENT TO SENATE BILL 2943 AMENDMENT NO. \_\_\_\_\_. Amend Senate Bill 2943 by replacing 2 everything after the enacting clause with the following: 3 "Section 5. The Prevailing Wage Act is amended by changing 4 Sections 2 and 4 as follows: 5 (820 ILCS 130/2) (from Ch. 48, par. 39s-2) 6 7 Sec. 2. This Act applies to the wages of laborers, mechanics and other workers employed in any public works, as 8 hereinafter defined, by any public body and to anyone under 9 10 contracts for public works. This includes any maintenance, repair, assembly, or disassembly work performed on equipment 11 12 whether owned, leased, or rented. 13 As used in this Act, unless the context indicates 14 otherwise: 15 "Public works" means all fixed works constructed or

demolished by any public body, or paid for wholly or in part

1 out of public funds. "Public works" as defined herein includes all projects financed in whole or in part with bonds, grants, 2 3 loans, or other funds made available by or through the State or 4 any of its political subdivisions, including but not limited 5 to: bonds issued under the Industrial Project Revenue Bond Act 6 (Article 11, Division 74 of the Illinois Municipal Code), the Industrial Building Revenue Bond Act, the Illinois Finance 7 8 Authority Act, the Illinois Sports Facilities Authority Act, or 9 the Build Illinois Bond Act; loans or other funds made 10 available pursuant to the Build Illinois Act; or funds from the 11 Fund for Illinois' Future under Section 6z-47 of the State Finance Act, funds for school construction under Section 5 of 12 13 the General Obligation Bond Act, funds authorized under Section 14 3 of the School Construction Bond Act, funds for school 15 infrastructure under Section 6z-45 of the State Finance Act, 16 and funds for transportation purposes under Section 4 of the General Obligation Bond Act. "Public works" also includes (i) 17 18 all projects financed in whole or in part with funds from the Department of Commerce and Economic Opportunity under the 19 20 Illinois Renewable Fuels Development Program Act for which 21 there is no project labor agreement; (ii) all work performed 22 pursuant to a public private agreement under the Public Private 23 Agreements for the Illiana Expressway Act; and (iii) all 24 projects undertaken under a public-private agreement under the 25 Public-Private Partnerships for Transportation Act. "Public 26 works" also includes all projects at leased facility property

used for airport purposes under Section 35 of the Local Government Facility Lease Act. "Public works" also includes the construction of a new wind power facility by a business designated as a High Impact Business under Section 5.5(a)(3)(E) of the Illinois Enterprise Zone Act. "Public works" does not include work done directly by any public utility company, whether or not done under public supervision or direction, or paid for wholly or in part out of public funds. "Public works" does not include projects undertaken by the owner at an owner-occupied single-family residence or at an owner-occupied unit of a multi-family residence.

"Construction" means all work on public works involving laborers, workers or mechanics. This includes any maintenance, repair, assembly, or disassembly work performed on equipment whether owned, leased, or rented.

"Locality" means the county where the physical work upon public works is performed, except (1) that if there is not available in the county a sufficient number of competent skilled laborers, workers and mechanics to construct the public works efficiently and properly, "locality" includes any other county nearest the one in which the work or construction is to be performed and from which such persons may be obtained in sufficient numbers to perform the work and (2) that, with respect to contracts for highway work with the Department of Transportation of this State, "locality" may at the discretion of the Secretary of the Department of Transportation be

construed to include two or more adjacent counties from which workers may be accessible for work on such construction.

"Public body" means the State or any officer, board or commission of the State or any political subdivision or department thereof, or any institution supported in whole or in part by public funds, and includes every county, city, town, village, township, school district, irrigation, utility, reclamation improvement or other district and every other political subdivision, district or municipality of the state whether such political subdivision, municipality or district operates under a special charter or not.

The terms "general prevailing rate of hourly wages",

"general prevailing rate of wages" or "prevailing rate of

wages" when used in this Act mean the hourly cash wages plus

fringe benefits for training and apprenticeship programs

approved by the U.S. Department of Labor, Bureau of

Apprenticeship and Training, health and welfare, insurance,

vacations and pensions paid generally, in the locality in which

the work is being performed, to employees engaged in work of a

similar character on public works.

21 <u>"Responsible bidder" means those individuals or firms</u>
22 <u>meeting the requirements of Section 30-22 of the Illinois</u>
23 Programment Galls

## 23 Procurement Code.

- 24 (Source: P.A. 96-28, eff. 7-1-09; 96-58, eff. 1-1-10; 96-186,
- 25 eff. 1-1-10; 96-913, eff. 6-9-10; 96-1000, eff. 7-2-10; 97-502,
- 26 eff. 8-23-11.)

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1 (820 ILCS 130/4) (from Ch. 48, par. 39s-4)

Sec. 4. Ascertaining prevailing wage.

(a) The public body awarding any contract for public work or otherwise undertaking any public works, shall ascertain the general prevailing rate of hourly wages in the locality in which the work is to be performed, for each craft or type of worker or mechanic needed to execute the contract, and where the public body performs the work without letting a contract therefor, shall ascertain the prevailing rate of wages on a per hour basis in the locality, and such public body shall specify in the resolution or ordinance and in the call for bids for the contract, that the general prevailing rate of wages in the locality for each craft or type of worker or mechanic needed to execute the contract or perform such work, also the general prevailing rate for legal holiday and overtime work, as ascertained by the public body or by the Department of Labor shall be paid for each craft or type of worker needed to execute the contract or to perform such work, and it shall be mandatory upon the contractor to whom the contract is awarded and upon any subcontractor under him, and where the public body performs the work, upon the public body, to pay not less than the specified rates to all laborers, workers and mechanics employed by them in the execution of the contract or such work; provided, however, that if the public body desires that the Department of Labor ascertain the prevailing rate of wages, it

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shall notify the Department of Labor to ascertain the general prevailing rate of hourly wages for work under contract, or for work performed by a public body without letting a contract as required in the locality in which the work is to be performed, for each craft or type of worker or mechanic needed to execute the contract or project or work to be performed. Upon such notification the Department of Labor shall ascertain such general prevailing rate of wages, and certify the prevailing wage to such public body.

(a-0.5) To effectuate the purpose and policy of this Act, a public body awarding a contract for public work or otherwise undertaking any public works shall specify in the call for bids and shall require that each contractor and each subcontractor be a responsible bidder.

(a-0.7) A public body awarding a contract for public work or otherwise undertaking any public works shall require that each contractor and each subcontractor include in each bid a total number of straight-time work hours, identified as either "journeyperson" or "apprentice", for each craft or type of worker or mechanic needed to execute the contract.

(a-1) The public body or other entity awarding the contract shall cause to be inserted in the project specifications and the contract a stipulation to the effect that not less than the prevailing rate of wages as found by the public body or Department of Labor or determined by the court on review shall be paid to all laborers, workers and mechanics performing work under the contract.

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(a-2) When a public body or other entity covered by this Act has awarded work to a contractor without a public bid, contract or project specification, such public body or other entity shall comply with subsection (a-1) by providing the contractor with written notice on the purchase order related to the work to be done or on a separate document indicating that not less than the prevailing rate of wages as found by the public body or Department of Labor or determined by the court on review shall be paid to all laborers, workers, and mechanics performing work on the project.

(a-3) Where a complaint is made and the Department of Labor determines that a violation occurred, the Department of Labor shall determine if proper written notice under this Section 4 was given. If proper written notice was not provided to the contractor by the public body or other entity, the Department of Labor shall order the public body or other entity to pay any interest, penalties or fines that would have been owed by the contractor if proper written notice were provided. The failure by a public body or other entity to provide written notice does not relieve the contractor of the duty to comply with the prevailing wage rate, nor of the obligation to pay any back wages, as determined under this Act. For the purposes of this subsection, back wages shall be limited to the difference between the actual amount paid and the prevailing rate of wages required to be paid for the project. The failure of a public

- 1 body or other entity to provide written notice under this
- 2 Section 4 does not diminish the right of a laborer, worker, or
- 3 mechanic to the prevailing rate of wages as determined under
- 4 this Act.
- 5 (b) It shall also be mandatory upon the contractor to whom
- 6 the contract is awarded to insert into each subcontract and
- 7 into the project specifications for each subcontract a written
- 8 stipulation to the effect that not less than the prevailing
- 9 rate of wages shall be paid to all laborers, workers, and
- 10 mechanics performing work under the contract. It shall also be
- 11 mandatory upon each subcontractor to cause to be inserted into
- 12 each lower tiered subcontract and into the project
- 13 specifications for each lower tiered subcontract a stipulation
- 14 to the effect that not less than the prevailing rate of wages
- 15 shall be paid to all laborers, workers, and mechanics
- 16 performing work under the contract. A contractor or
- 17 subcontractor who fails to comply with this subsection (b) is
- in violation of this Act.
- 19 (b-1) When a contractor has awarded work to a subcontractor
- 20 without a contract or contract specification, the contractor
- 21 shall comply with subsection (b) by providing a subcontractor
- 22 with a written statement indicating that not less than the
- 23 prevailing rate of wages shall be paid to all laborers,
- 24 workers, and mechanics performing work on the project. A
- 25 contractor or subcontractor who fails to comply with this
- subsection (b-1) is in violation of this Act.

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(b-2) Where a complaint is made and the Department of Labor determines that a violation has occurred, the Department of Labor shall determine if proper written notice under this Section 4 was given. If proper written notice was not provided to the subcontractor by the contractor, the Department of Labor shall order the contractor to pay any interest, penalties, or fines that would have been owed by the subcontractor if proper written notice were provided. The failure by a contractor to provide written notice to a subcontractor does not relieve the subcontractor of the duty to comply with the prevailing wage rate, nor of the obligation to pay any back wages, as determined under this Act. For the purposes of this subsection, back wages shall be limited to the difference between the actual amount paid and the prevailing rate of wages required for the project. However, if proper written notice was not provided to the contractor by the public body or other entity under this Section 4, the Department of Labor shall order the public body or other entity to pay any interest, penalties, or fines that would have been owed by the subcontractor if proper written notice were provided. The failure by a public body or other entity to provide written notice does not relieve the subcontractor of the duty to comply with the prevailing wage rate, nor of the obligation to pay any back wages, as determined under this Act. For the purposes of this subsection, back wages shall be limited to the difference between the actual amount paid and the prevailing rate of wages required

- for the project. The failure to provide written notice by a public body, other entity, or contractor does not diminish the right of a laborer, worker, or mechanic to the prevailing rate
- 4 of wages as determined under this Act.
  - (c) A public body or other entity shall also require in all contractor's and subcontractor's bonds that the contractor or subcontractor include such provision as will guarantee the faithful performance of such prevailing wage clause as provided by contract or other written instrument. All bid specifications shall list the specified rates to all laborers, workers and mechanics in the locality for each craft or type of worker or mechanic needed to execute the contract.
  - (d) If the Department of Labor revises the prevailing rate of hourly wages to be paid by the public body, the revised rate shall apply to such contract, and the public body shall be responsible to notify the contractor and each subcontractor, of the revised rate.
  - (e) Two or more investigatory hearings under this Section on the issue of establishing a new prevailing wage classification for a particular craft or type of worker shall be consolidated in a single hearing before the Department. Such consolidation shall occur whether each separate investigatory hearing is conducted by a public body or the Department. The party requesting a consolidated investigatory hearing shall have the burden of establishing that there is no existing prevailing wage classification for the particular craft or type

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of worker in any of the localities under consideration.

- be mandatory upon the contractor (f) Ιt shall construction manager to whom a contract for public works is awarded to post, at a location on the project site of the public works that is easily accessible to the workers engaged on the project, the prevailing wage rates for each craft or type of worker or mechanic needed to execute the contract or project or work to be performed. In lieu of posting on the project site of the public works, a contractor which has a business location where laborers, workers, and mechanics regularly visit may: (1) post in a conspicuous location at that business the current prevailing wage rates for each county in which the contractor is performing work; or (2) provide such laborer, worker, or mechanic engaged on the public works project a written notice indicating the prevailing wage rates for the public works project. A failure to post or provide a prevailing wage rate as required by this Section is a violation of this Act.
- 19 (Source: P.A. 95-331, eff. 8-21-07; 96-437, eff. 1-1-10.)".