

# HOUSE BILL No. 6008

May 15, 2018, Introduced by Rep. Howrylak and referred to the Committee on Commerce and Trade.

A bill to amend 1965 PA 166, entitled

"An act to require prevailing wages and fringe benefits on state projects; to establish the requirements and responsibilities of contracting agents and bidders; and to prescribe penalties,"

by amending sections 1, 2, and 3 (MCL 408.551, 408.552, and 408.553); and to repeal acts and parts of acts.

**THE PEOPLE OF THE STATE OF MICHIGAN ENACT:**

1           Sec. 1. As used in this act:

2           (a) "Construction mechanic" means a skilled or unskilled  
3 mechanic, laborer, worker, helper, assistant, or apprentice working  
4 on a state project but ~~shall~~**DOES** not include executive,  
5 administrative, professional, office, or custodial employees.

6           (b) "State project" means new construction, alteration,

1 repair, installation, painting, decorating, completion, demolition,  
2 conditioning, reconditioning, or improvement of public buildings,  
3 schools, works, bridges, highways, or roads authorized by a  
4 contracting agent.

5 (c) "Contracting agent" means any officer, school board, board  
6 or commission of ~~the~~**THIS** state, or a state institution supported  
7 in whole or in part by state funds, authorized to enter into a  
8 contract for a state project or to perform a state project by the  
9 direct employment of labor.

10 (d) "Commissioner" means the department of ~~labor~~**LICENSING AND**  
11 **REGULATORY AFFAIRS.**

12 (e) "Locality" means the ~~county, city, village, township, or~~  
13 ~~school district~~**GEOGRAPHIC REGION FOR WHICH A PREVAILING WAGE AND**  
14 **BENEFIT RATE HAS BEEN DETERMINED BY THE UNITED STATES SECRETARY OF**  
15 **LABOR UNDER 40 USC 3141 TO 3148 AND** in which the physical work on a  
16 state project is to be performed.

17 (f) "PREVAILING WAGE AND FRINGE BENEFIT RATE" MEANS THE  
18 PREVAILING WAGE AND FRINGE BENEFIT RATE FOR A GEOGRAPHIC REGION AND  
19 CONSTRUCTION MECHANIC CATEGORY AS DETERMINED BY THE UNITED STATES  
20 SECRETARY OF LABOR UNDER 40 USC 3141 TO 3148.

21 Sec. 2. Every contract executed between a contracting agent  
22 and a successful bidder as contractor and entered into pursuant to  
23 advertisement and invitation to bid for a state project ~~which~~**THAT**  
24 requires or involves the employment of construction mechanics,  
25 other than those subject to the jurisdiction of the state civil  
26 service commission, and ~~which is sponsored or financed in whole or~~  
27 ~~in part by the~~**THAT RECEIVES \$50,000.00 OR MORE IN FUNDING FROM**

1 ~~THIS~~ state shall contain an express term ~~that~~ **REQUIRING THAT** the  
2 ~~rates of~~ **BIDDER PAY** wages and fringe benefits ~~to be paid to each~~  
3 class of mechanics ~~by the bidder and all of his subcontractors ,~~  
4 ~~shall be~~ **AT A RATE THAT IS** not less than the **APPLICABLE PREVAILING**  
5 wage and fringe benefit ~~rates prevailing in the locality in which~~  
6 ~~the work is to be performed. Contracts on state projects which~~  
7 ~~contain provisions requiring the payment of prevailing wages as~~  
8 ~~determined by the United States secretary of labor pursuant to the~~  
9 ~~federal Davis-Bacon act (United States code, title 40, section 276a~~  
10 ~~et seq) or which contain minimum wage schedules which are the same~~  
11 ~~as prevailing wages in the locality as determined by collective~~  
12 ~~bargaining agreements or understandings between bona fide~~  
13 ~~organizations of construction mechanics and their employers are~~  
14 ~~exempt from the provisions of this act.~~ **RATE.**

15       Sec. 3. A contracting agent, before advertising for bids on a  
16 state project, shall ~~have~~ **OBTAIN FROM** the commissioner ~~determine~~  
17 the prevailing ~~rates of wages~~ **WAGE** and fringe ~~benefits~~ **BENEFIT**  
18 **RATES** for all classes of construction mechanics called for in the  
19 contract. A schedule of these rates shall ~~shall~~ **MUST** be made a part of  
20 the specifications for the work to be performed and ~~shall~~ **MUST** be  
21 printed on the bidding forms ~~where~~ **IF** the work is to be done by  
22 contract. ~~If a contract is not awarded or construction undertaken~~  
23 ~~within 90 days of the date of the commissioner's determination of~~  
24 ~~prevailing rates of wages and fringe benefits, the commissioner~~  
25 ~~shall make a redetermination before the contract is awarded.~~

26       Enacting section 1. Section 4 of 1965 PA 166, MCL 408.554, is  
27 repealed.

1           Enacting section 2. This amendatory act takes effect 90 days  
2 after the date it is enacted into law.