

PREVAILING WAGES ON STATE PROJECTS (EXCERPT)
Act 10 of 2023

408.1102 Contracts for state projects; minimum wage provisions; exceptions; prohibitions on contractor and subcontractors.

Sec. 2.

(1) Every contract executed between a contracting agent and a successful bidder as contractor and entered into pursuant to advertisement and invitation to bid for a state project that requires or involves the employment of construction mechanics, other than those subject to the jurisdiction of the state civil service commission, must include an express term that the rates of wages and fringe benefits to be paid to each class of mechanics by the bidder and all of its subcontractors must not be less than the wage and fringe benefit rates prevailing in the locality in which the work is to be performed. Contracts on state projects which contain provisions requiring the payment of prevailing wages as determined by the United States Secretary of Labor pursuant to 40 USC 3141 to 3148 or which contain minimum wage schedules which are the same as prevailing wages in the locality as determined by collective bargaining agreements or understandings between bona fide organizations of construction mechanics and their employers are exempt from the provisions of this act.

(2) A contractor or subcontractor shall pay to its construction mechanics wages and fringe benefits at the rates required under an applicable contract for a state project.

(3) A contractor shall not do any of the following:

(a) Submit a bid for a state project unless the contractor holds a state project registration.

(b) Perform work on a state project unless the contractor holds a state project registration.

(c) List a subcontractor on a bid proposal for a state project if the subcontractor does not hold a state project registration.

(d) Enter into an agreement with a subcontractor to perform work on a state project if the subcontractor does not hold a state project registration.

(4) A subcontractor shall not do either of the following unless the subcontractor holds a state project registration:

(a) Perform work on a state project.

(b) Enter into an agreement with a contractor to perform work on a state project.

(5) A contractor shall include in a bid for a state project a copy of the state project registration for the contractor and for each subcontractor of the contractor that has been selected at the time the contractor submits the bid.

History: 2023, Act 10, Eff. Feb. 13, 2024 ;-- Am. 2024, Act 110, Eff. Apr. 2, 2025