THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2153 Session of 2024

INTRODUCED BY DAWKINS, DAVANZO, WEBSTER, KENYATTA, BURGOS, T. DAVIS, VENKAT, McNEILL, DONAHUE, HARKINS, WAXMAN, SANCHEZ, D. MILLER, BRENNAN, BOYD, NEILSON, HOHENSTEIN, HILL-EVANS, DALEY, DELLOSO, SCHLOSSBERG, KINSEY AND MERSKI, MARCH 25, 2024

REFERRED TO COMMITTEE ON LABOR AND INDUSTRY, MARCH 25, 2024

AN ACT

Amending the act of August 15, 1961 (P.L.987, No.442), entitled "An act relating to public works contracts; providing for 2 prevailing wages; imposing duties upon the Secretary of Labor 3 and Industry; providing remedies, penalties and repealing existing laws," further providing for definitions, for 4 5 specifications, for prevailing wage and for duty of 6 secretary. The General Assembly of the Commonwealth of Pennsylvania 8 9 hereby enacts as follows: 10 Section 1. Section 2(5) and (7) of the act of August 15, 11 1961 (P.L.987, No.442), known as the Pennsylvania Prevailing 12 Wage Act, are amended and the section is amended by adding a 13 paragraph to read: 14 Section 2. Definitions. -- As used in this act--15 16 (5) "Public work" means construction, reconstruction, 17 demolition, alteration, custom fabrication and/or repair work other than maintenance work, with the exception reserved for 18 HVAC duct cleaning, done under contract and paid for in whole or 19

- 1 in part out of the funds of a public body where the estimated
- 2 cost of the total project is in excess of twenty-five thousand
- 3 dollars (\$25,000), but shall not include work performed under a
- 4 rehabilitation or manpower training program.
- 5 * * *
- 6 (7) "Workman" includes laborer, mechanic, skilled and semi-
- 7 skilled laborer and apprentices employed by any contractor or
- 8 subcontractor and engaged in the performance of services
- 9 directly upon or for the public work project, regardless of
- 10 whether their work becomes a component part thereof, and
- 11 includes laborers, mechanics, skilled and semi-skilled laborers,
- 12 apprentices and other persons employed by any contractor or
- 13 <u>subcontractor to perform custom fabrication of nonstandard goods</u>
- 14 or materials for the public work project, but does not include
- 15 material suppliers or their employes who do not perform services
- 16 at the job site unless the work involves custom fabrication.
- 17 * * *
- 18 (11) "Custom fabrication" means the fabrication, assembly or
- 19 other production of nonstandard goods or materials, including
- 20 components, fixtures or parts thereof, that are fabricated or
- 21 assembled offsite but produced specifically for a public work
- 22 project. The following apply:
- 23 <u>(i) The goods and materials shall include those used in the</u>
- 24 trades or systems, including plumbing or pipe-fitting systems,
- 25 heating, ventilating, air conditioning, refrigeration systems,
- 26 sheet metal or other duct systems, boiler systems, electrical
- 27 <u>systems</u>, <u>welding work</u>, <u>mechanical insulation work</u>, <u>ornamental</u>
- 28 iron work or one or more signs in a project, or any other
- 29 <u>fabrication which is one or more entire modules or structures</u>
- 30 prefabricated to specifications for a particular project of

- 1 public work with minimal construction work remaining other than
- 2 <u>installation</u>, <u>regardless of whether unforeseen construction work</u>
- 3 is required on the public work site to modify the custom
- 4 <u>fabricated item for the purpose of installation, for use in a</u>
- 5 project of public work or for use in a type or classification of
- 6 <u>a project of public work.</u>
- 7 (ii) The term does not include components or materials, such
- 8 <u>as structural steel members or precast concrete or smaller</u>
- 9 prefabricated components.
- 10 Section 2. Sections 3, 5 and 7 of the act are amended to
- 11 read:
- 12 Section 3. Specifications. -- The specifications for every
- 13 contract for any public work to which any public body is a
- 14 party, shall contain a provision stating the minimum wage rate
- 15 that must be paid to the workmen employed in the performance of
- 16 the contract[.], including workmen engaged in custom
- 17 fabrication. The minimum wage for custom fabrication work shall
- 18 be the same as the wage paid for project work in accordance with
- 19 each applicable trade or classification. A firm, business or
- 20 employer which contracts or subcontracts to perform custom
- 21 fabrication for a public work shall be subject to the same
- 22 compliance and reporting requirements and penalties and
- 23 enforcement procedures and has the same obligations as any other
- 24 contractor or subcontractor under this chapter or regulations
- 25 promulgated under this act by the department.
- 26 Section 5. Prevailing Wage. -- Not less than the prevailing
- 27 minimum wages as determined hereunder shall be paid to all
- 28 workmen employed on public work. Workmen must be paid the
- 29 appropriate rate for their craft and may not be paid multiple
- 30 rates on the same project.

- 1 Section 7. Duty of Secretary. -- The secretary shall, after
- 2 consultation with the advisory board, determine the general
- 3 prevailing minimum wage rate in the locality in which the public
- 4 work is to be performed for each craft or classification of all
- 5 workmen needed to perform public work contracts during the
- 6 anticipated term thereof: Provided, however, That employer and
- 7 employe contributions for employe benefits pursuant to a bona
- 8 fide collective bargaining agreement shall be considered an
- 9 integral part of the wage rate for the purpose of determining
- 10 the minimum wage rate under this act. For workmen engaged in
- 11 <u>custom fabrication for a public work project, the applicable</u>
- 12 prevailing minimum wage rates shall be the prevailing minimum
- 13 wage rate for the applicable craft or trade in the locality in
- 14 which the public work project is located. Nothing in this act,
- 15 however, shall prohibit the payment of more than the general
- 16 prevailing minimum wage rate to any workman employed on public
- 17 work. The secretary shall forthwith give notice by mail of all
- 18 determinations of general prevailing minimum wage rates made
- 19 pursuant to this section to any representative of any craft, any
- 20 employer or any representative of any group of employers, who
- 21 shall in writing request the secretary so to do.
- 22 Section 3. This act shall take effect in 60 days.