THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL No. 1147 ^{Session of} 2022

INTRODUCED BY ROBINSON, GEBHARD, BAKER, PITTMAN, MENSCH, YUDICHAK, J. WARD, STEFANO AND BARTOLOTTA, MARCH 17, 2022

SENATOR BARTOLOTTA, LABOR AND INDUSTRY, AS AMENDED, MAY 24, 2022

AN ACT

1 2 3 4 5 6 7 8	Amending the act of July 5, 2012 (P.L.1086, No.127), entitled "An act requiring public works contractors and subcontractors to verify employment eligibility; providing for the powers and duties of the Department of General Services; prescribing sanctions; and establishing good faith immunity under certain circumstances," further providing for verification form and for enforcement and sanctions; and establishing the Public Works Employment Verification Account.
9	The General Assembly of the Commonwealth of Pennsylvania
10	hereby enacts as follows:
11	Section 1. Section 4(a) and (b) of the act of July 5, 2012
12	(P.L.1086, No.127), known as the Public Works Employment
13	Verification Act, are amended to read:
14	Section 4. Verification form.
15	(a) General rule for public works contractorsAs a
16	precondition of being awarded a contract for a public work, or
17	with respect to a contract that was awarded prior to the
18	effective date of this subsection but has not yet been executed,
19	prior to the execution of the contract, a public works
20	contractor shall provide the public body with a verification
21	form described in subsection (c), acknowledging its

1 responsibilities under and its compliance with section 3 and 2 stating that the contractor is enrolled in EVP. Contracts 3 between a public works contractor and its subcontractors shall contain information about the requirements of this act. 4 5 (b) General rule for subcontractors. -- Prior to commencing work on a public works project, a subcontractor shall provide 6 7 the public body with a verification form described in subsection 8 (c) acknowledging its responsibilities and its compliance with section 3 and stating that the contractor SUBCONTRACTOR is 9 <---10 enrolled in EVP. Contracts between a subcontractor and its 11 subcontractors shall contain information about the requirements 12 of this act. * * * 13 14 Section 2. Section 6(d) and (e) of the act are amended and 15 the section is amended by adding a subsection to read: Section 6. Enforcement and sanctions. 16 * * * 17 18 (c.1) Reimbursement of department. -- The department may 19 require a public works contractor or subcontractor to reimburse 20 the department for the cost of an audit, if the public works 21 contractor or subcontractor: 22 (1) is debarred from public work under subsection (d); 23 <u>or</u> 24 (2) is subject to a civil penalty under subsection (e). 25 Sanctions. -- The following sanctions shall apply only to (d) 26 a violation under section 5(1): 27 For a first violation, a public works contractor or (1)28 subcontractor shall receive a warning letter from the 29 department detailing the violation. The letter shall be 30 posted on the department's Internet website. 20220SB1147PN1673 - 2 -

1 (2) For a second violation, a public works contractor or 2 subcontractor shall be debarred from public work for [30] <u>60</u> 3 days.

4 (3) For a third violation and subsequent violations, a 5 public works contractor or subcontractor shall be debarred 6 from public work for not less than [180 days] <u>one year</u> and 7 not more than [one year] <u>two years</u>.

8 (4) In the case of an alleged willful violation, the 9 secretary shall file a petition in Commonwealth Court seeking to have the court issue a rule to show cause why a public 10 works contractor or subcontractor did not engage in the 11 12 willful violation. If the court finds that the public works 13 contractor or subcontractor engaged in a willful violation, 14 the court shall order that the public works contractor or subcontractor be debarred from public work for a period of 15 {three} five years. 16

17 (5) Notwithstanding the provisions of paragraph (1), (2)
18 or (3), a violation by a public works contractor or
19 subcontractor that occurs ten years or more after a prior
20 violation shall be deemed to be a first violation.

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(6) For the purposes of assessing sanctions, violations committed by a contractor or subcontractor subject to this act involving a single public works contract shall be considered a single violation despite the number of employees that are the subject of the violations.

26 (e) Civil penalty <u>and sanctions.--The following sanctions</u>
27 <u>shall apply only to a violation of section 5(2):</u>

(1) A public works contractor or subcontractor that
 violates section 5(2) shall be subject to a civil penalty of
 not less than [\$250] <u>\$2,500</u> and not more than [\$1,000]

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1	\$25,000 for each violation, to be imposed by the
2	department[.] <u>based on the duration and severity of the</u>
3	violation.
4	(2) In addition to the penalty under paragraph (1), in
5	the event of a willful violation of section 5(2), a public
6	works contractor or subcontractor shall be subject to
7	debarment for not less than 60 days nor more than five THREE <
8	years, depending on the duration and severity of the
9	violation.
10	* * *
11	Section 3. The act is amended by adding a section to read:
12	Section 6.1. Public Works Employment Verification Account.
13	(a) EstablishmentThe Public Works Employment Verification
14	Account is established as a restricted revenue, interest-bearing
15	account in the General Fund.
16	(b) DepositsThe department shall deposit penalties
17	collected under section 6(e) into the account.
18	(c) Use of accountMoney in the account and interest
19	earned on the account is appropriated on a continuing basis to
20	the department for the purposes of administering and enforcing
21	the provisions of this act.

22 Section 4. This act shall take effect in 60 days.

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