

THE GENERAL ASSEMBLY OF PENNSYLVANIA

SENATE BILL

No. 879 Session of 2021

INTRODUCED BY SAVAL, TARTAGLIONE, HUGHES, FONTANA, SANTARSIERO, HAYWOOD, SABATINA, MUTH, KANE, COMITTA, STREET, A. WILLIAMS, COSTA, COLLETT AND SCHWANK, SEPTEMBER 27, 2021

REFERRED TO LABOR AND INDUSTRY, SEPTEMBER 27, 2021

AN ACT

1 Amending the act of July 14, 1961 (P.L.637, No.329), entitled
 2 "An act relating to the payment of wages or compensation for
 3 labor or services; providing for regular pay days; conferring
 4 powers and duties upon the Department of Labor and Industry,
 5 including powers and duties with respect to the civil
 6 collection of wages; providing civil and criminal penalties
 7 for violations of the act; providing for their collection and
 8 disposition and providing for additional civil damages,"
 9 further providing for definitions; and providing for specific
 10 liability.

11 The General Assembly of the Commonwealth of Pennsylvania
 12 hereby enacts as follows:

13 Section 1. Section 2.1 of the act of July 14, 1961 (P.L.637,
 14 No.329), known as the Wage Payment and Collection Law, is
 15 amended by adding definitions to read:

16 Section 2.1. Definitions.--The following words and phrases
 17 when used in this act shall have, unless the context clearly
 18 indicates otherwise, the meanings given to them in this section:

19 * * *

20 "Construction contract." An agreement, whether written or
 21 oral, to perform work on real property in this Commonwealth.

1 "Construction services." The term includes any of the
2 following services provided in connection with the improvement
3 of real property located in this Commonwealth:

4 (1) Construction.

5 (2) Reconstruction.

6 (3) Improvements.

7 (4) Additions.

8 (5) Painting.

9 (6) Alterations.

10 (7) Maintenance.

11 (8) Repair.

12 * * *

13 "General contractor." A person who is authorized or engaged
14 by an owner under a construction contract to improve real
15 property.

16 * * *

17 "Subcontractor." A person who has entered into a
18 construction contract to furnish labor or materials to or has
19 performed labor for a general contractor or another
20 subcontractor in connection with the provision of construction
21 services.

22 * * *

23 Section 2. The act is amended by adding a section to read:

24 Section 9.2. Specific Liability.--(a) In an action under
25 section 9.1 of this act, a general contractor is jointly and
26 severally liable for a violation of this act that is committed
27 by a subcontractor who provides labor or materials for
28 construction services for the real property that is the subject
29 of the construction contract, regardless of whether the
30 subcontractor is in direct contractual relationship with the

1 general contractor.

2 (b) A subcontractor shall indemnify the general contractor
3 for wages, damages, interest and attorney fees paid by the
4 general contractor pursuant to subsection (a) as a result of the
5 subcontractor's violation of this act, except as provided in
6 subsection (c).

7 (c) A subcontractor shall not be required to indemnify the
8 general contractor pursuant to subsection (b) if either of the
9 following conditions applies:

10 (1) indemnification is provided for in the construction
11 contract between the general contractor and the subcontractor;
12 or

13 (2) a violation of the act arose due to a lack of prompt
14 payment in accordance with the terms of the construction
15 contract between the general contractor and the subcontractor.

16 Section 3. This act shall apply to construction contracts
17 entered into on or after the effective date of this section.

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