94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB3533

Introduced 2/23/2005, by Rep. Angelo Saviano

SYNOPSIS AS INTRODUCED:

820 ILCS 130/2	from Ch.	48,	par.	39s-2
820 ILCS 130/3	from Ch.	48,	par.	39s-3

Amends the Prevailing Wage Act. Provides that workers at a facility dedicated exclusively, or nearly so, to performance of the contract or project and located in such proximity to the actual construction location that it would be reasonable to include them, or that perform work specifically designated for installation on a public works project, shall be deemed to be employed on public works. Provides for coverage of the transportation of aggregate materials to or from the job site. Provides that workers who are paid a set amount for truck expense and take-home wage and who are deemed to be employed on the public works project are entitled to the proper prevailing wage for the equipment being operated. Makes other changes.

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FISCAL NOTE ACT MAY APPLY HB3533

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AN ACT concerning employment.

2 Be it enacted by the People of the State of Illinois, 3 represented in the General Assembly:

Section 5. The Prevailing Wage Act is amended by changing
Sections 2 and 3 as follows:

6 (820 ILCS 130/2) (from Ch. 48, par. 39s-2)

7 Sec. 2. This Act applies to the wages of laborers, 8 mechanics and other workers employed in any public works, as 9 hereinafter defined, by any public body and to anyone under 10 contracts for public works.

As used in this Act, unless the context indicates otherwise:

"Public works" means all fixed works constructed by any 13 14 public body, other than work done directly by any public utility company, whether or not done under public supervision 15 or direction, or paid for wholly or in part out of public 16 17 funds. "Public works" as defined herein includes all projects financed in whole or in part with bonds issued under the 18 19 Industrial Project Revenue Bond Act (Article 11, Division 74 of the Illinois Municipal Code), the Industrial Building Revenue 20 Bond Act, the Illinois Finance Authority Act, the Illinois 21 22 Sports Facilities Authority Act, or the Build Illinois Bond 23 Act, and all projects financed in whole or in part with loans or other funds made available pursuant to the Build Illinois 24 25 Act. "Public works" also includes all projects financed in whole or in part with funds from the Fund for Illinois' Future 26 under Section 6z-47 of the State Finance Act, funds for school 27 28 construction under Section 5 of the General Obligation Bond funds authorized under Section 3 of the School 29 Act, 30 Construction Bond Act, funds for school infrastructure under Section 6z-45 of the State Finance Act, and funds for 31 transportation purposes under Section 4 of the General 32

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1 Obligation Bond Act. "Public works" also includes all projects 2 financed in whole or in part with funds from the Department of 3 Commerce and <u>Economic Opportunity</u> Community Affairs under the 4 Illinois Renewable Fuels Development Program Act for which 5 there is no project labor agreement.

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6 "Construction" means all work on public works involving 7 laborers, workers or mechanics.

8 "Locality" means the county where the physical work upon public works is performed, except (1) that if there is not 9 available in the county a sufficient number of competent 10 11 skilled laborers, workers and mechanics to construct the public 12 works efficiently and properly, "locality" includes any other 13 county nearest the one in which the work or construction is to be performed and from which such persons may be obtained in 14 15 sufficient numbers to perform the work and (2) that, with 16 respect to contracts for highway work with the Department of 17 Transportation of this State, "locality" may at the discretion of the Secretary of the Department of Transportation be 18 19 construed to include two or more adjacent counties from which 20 workers may be accessible for work on such construction.

"Public body" means the State or any officer, board or 21 22 commission of the State or any political subdivision or 23 department thereof, or any institution supported in whole or in 24 part by public funds, and includes every county, city, town, 25 village, township, school district, irrigation, utility, 26 reclamation improvement or other district and every other 27 political subdivision, district or municipality of the state whether such political subdivision, municipality or district 28 29 operates under a special charter or not.

30 The terms "general prevailing rate of hourly wages", "general prevailing rate of wages" or "prevailing rate of 31 32 wages" when used in this Act mean the hourly cash wages plus 33 fringe benefits for training and apprenticeship programs approved by the U.S. Department Labor, Bureau of 34 of 35 Apprenticeship and Training, health and welfare, insurance, vacations and pensions paid generally, in the locality in which 36

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1 the work is being performed, to employees engaged in work of a 2 similar character on public works. "Aggregate materials" means rock, gravel, sand, pebbles, 3 dirt, soil, clay, bitumen, cultured/polymer, cement, concrete, 4 5 asphalt, and like materials. (Source: P.A. 92-16, eff. 6-28-01; 93-15, eff. 6-11-03; 93-16, 6 eff. 1-1-04; 93-205, eff. 1-1-04; revised 1-12-04.) 7 8 (820 ILCS 130/3) (from Ch. 48, par. 39s-3) 9 Sec. 3. Not less than the general prevailing rate of hourly 10 wages for work of a similar character on public works in the locality in which the work is performed, and not less than the 11 general prevailing rate of hourly wages for legal holiday and 12 overtime work, shall be paid to all laborers, workers and 13 mechanics employed by or on behalf of any public body engaged 14 15 in the construction of public works. Only such laborers, 16 workers and mechanics as are directly employed by contractors or subcontractors in actual construction work on the site of 17 18 the building or construction job, or at a facility dedicated 19 exclusively, or nearly so, to performance of the contract or project and are located in such proximity to the actual 20 construction location that it would be reasonable to include 21 22 them, or that perform work specifically designated for 23 installation on a public works project, and laborers, workers 24 and mechanics engaged in the transportation of materials, 25 including aggregate materials, and equipment to or from the 26 site, but not including the transportation by the sellers and 27 suppliers or the manufacture or processing of materials 28 equipment, in the execution of any contract or contracts for 29 public works with any public body shall be deemed to be 30 employed upon public works. Laborers, workers, and mechanics who are paid a set amount

Laborers, workers, and mechanics who are paid a set amount for the truck expense and take-home wage and who are deemed to be employed on the public works project are entitled to the proper prevailing wage for the equipment being operated. The take-home wage shall be determined by deducting the minimum HB3533

1 hourly expense rate for the equipment being operated, as most 2 recently determined by the Illinois Department of Transportation in its Schedule of Average Annual Equipment 3 Ownership Expense, or as determined by the Illinois Department 4 5 of Labor, from the total hourly gross amount representing payment for the truck expense and take-home wage. The truck 6 driver shall be entitled to the difference between the 7 determined take-home wage and the proper prevailing wage for 8 9 the equipment being operated. The transportation by the sellers and suppliers or the 10 11 manufacture of non-aggregate materials or equipment in the execution of any contract or contracts for public works with 12 any public body shall not be deemed to be employment upon 13 public works. 14 15 The wage for a tradesman performing maintenance is

16 equivalent to that of a tradesman engaged in construction.

17 (Source: P.A. 93-15, eff. 6-11-03; 93-16, eff. 1-1-04.)