

Rep. Keith Farnham

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Filed: 3/19/2009

09600HB2104ham001

LRB096 05651 WGH 23733 a

1 AMENDMENT TO HOUSE BILL 2104

2 AMENDMENT NO. _____. Amend House Bill 2104 by replacing

3 everything after the enacting clause with the following:

4 "Section 5. The Prevailing Wage Act is amended by changing

5 Sections 4, 5, 6, 11, and 11b as follows:

6 (820 ILCS 130/4) (from Ch. 48, par. 39s-4)

Sec. 4. (a) The public body awarding any contract for public work or otherwise undertaking any public works, shall ascertain the general prevailing rate of hourly wages in the locality in which the work is to be performed, for each craft or type of worker or mechanic needed to execute the contract, and where the public body performs the work without letting a contract therefor, shall ascertain the prevailing rate of wages on a per hour basis in the locality, and such public body shall specify in the resolution or ordinance and in the call for bids for the contract, that the general prevailing rate of wages in

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the locality for each craft or type of worker or mechanic needed to execute the contract or perform such work, also the general prevailing rate for legal holiday and overtime work, as ascertained by the public body or by the Department of Labor shall be paid for each craft or type of worker needed to execute the contract or to perform such work, and it shall be mandatory upon the contractor to whom the contract is awarded and upon any subcontractor under him, and where the public body performs the work, upon the public body, to pay not less than the specified rates to all laborers, workers and mechanics employed by them in the execution of the contract or such work; provided, however, that if the public body desires that the Department of Labor ascertain the prevailing rate of wages, it shall notify the Department of Labor to ascertain the general prevailing rate of hourly wages for work under contract, or for work performed by a public body without letting a contract as required in the locality in which the work is to be performed, for each craft or type of worker or mechanic needed to execute the contract or project or work to be performed. Upon such notification the Department of Labor shall ascertain such general prevailing rate of wages, and certify the prevailing wage to such public body. The public body awarding the contract shall cause to be inserted in the project specifications and the contract a stipulation to the effect that not less than the prevailing rate of wages as found by the public body or Department of Labor or determined by the court on review shall

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- 1 be paid to all laborers, workers and mechanics performing work under the contract. 2
 - (b) It shall also be mandatory upon the contractor to whom the contract is awarded to insert into each subcontract and into the project specifications for each subcontract a written stipulation to the effect that not less than the prevailing rate of wages shall be paid to all laborers, workers, and mechanics performing work under the contract. It shall also be mandatory upon each subcontractor to cause to be inserted into each lower tiered subcontract and into the project specifications for each lower tiered subcontract a stipulation to the effect that not less than the prevailing rate of wages shall be paid to all laborers, workers, and mechanics performing work under the contract. A contractor subcontractor who fails to comply with this subsection (b) is in violation of this Act.
 - (c) The public body shall require all contractors and subcontractors of any tier to provide a bond which shall Ht shall also require in all such contractor's bonds that the contractor include such provision as will guarantee the faithful performance of such prevailing wage clause as provided by contract. All bid specifications shall list the specified rates to all laborers, workers and mechanics in the locality for each craft or type of worker or mechanic needed to execute the contract.
 - (d) If the Department of Labor revises the prevailing rate

- of hourly wages to be paid by the public body, the revised rate
- 2 shall apply to such contract, and the public body shall be
- 3 responsible to notify the contractor and each subcontractor, of
- 4 the revised rate.
- 5 (e) Two or more investigatory hearings under this Section
- 6 on the issue of establishing a new prevailing wage
- 7 classification for a particular craft or type of worker shall
- 8 be consolidated in a single hearing before the Department. Such
- 9 consolidation shall occur whether each separate investigatory
- 10 hearing is conducted by a public body or the Department. The
- 11 party requesting a consolidated investigatory hearing shall
- 12 have the burden of establishing that there is no existing
- prevailing wage classification for the particular craft or type
- of worker in any of the localities under consideration.
- 15 (f) It shall be mandatory upon the contractor or
- 16 construction manager to whom a contract for public works is
- awarded to post, at a location on the project site of the
- public works that is easily accessible to the workers engaged
- on the project, the prevailing wage rates for each craft or
- 20 type of worker or mechanic needed to execute the contract or
- 21 project or work to be performed. A failure to post a prevailing
- 22 wage rate as required by this Section is a violation of this
- 23 Act.
- 24 (Source: P.A. 95-331, eff. 8-21-07.)
- 25 (820 ILCS 130/5) (from Ch. 48, par. 39s-5)

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- 1 Sec. 5. Certified payroll.
 - (a) While participating on public works, the contractor and each subcontractor shall:
 - (1) make and keep, for a period of not less than 3 years, records of all laborers, mechanics, and other workers employed by them on the project; the records shall include each worker's name, address, telephone number when available, social security number, classification or classifications, the hourly wages paid in each pay period, the number of hours worked each day, and the starting and ending times of work each day; and
 - monthly, in person, by mail, (2) submit orelectronically a certified payroll to the public body in charge of the project. The certified payroll shall consist of a complete copy of the records identified in paragraph (1) of this subsection (a), but may exclude the starting and ending times of work each day. When the contractor and subcontractor are not parties to collective bargaining agreements that establish wages and fringe benefit contributions for employees of the applicable craft classification equal to the general prevailing rate of hourly wages required by this Act, the The certified payroll shall be accompanied by a statement signed by the contractor or subcontractor which avers that: (i) such records are true and accurate; (ii) the hourly rate paid to each worker is not less than the general prevailing rate of

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hourly wages required by this Act; and (iii) the contractor or subcontractor is aware that filing a certified payroll that he or she knows to be false is a Class A \pm misdemeanor. A general contractor or subcontractor is not prohibited from relying on the certification of a lower tier subcontractor, provided the subcontractor of any tier is party to a collective bargaining agreement that establishes wages and fringe benefit contributions for employees of the applicable craft classification equal to the general prevailing rate of hourly wages required by this Act, and further provided that the general contractor or subcontractor does not knowingly rely upon a subcontractor's false certification. If a general contractor or subcontractor of any tier is not party to a collective bargaining agreement that establishes wages and fringe benefit contributions for employees of the applicable craft classification, the general contractor or subcontractor of any tier is prohibited from relying on the certification of a lower tier subcontractor, and the general contractor or subcontractor of any tier is liable for any underpayment of the general prevailing rate of hourly wages required by this Act to any employee of a lower tier subcontractor. A general contractor is prohibited from relying on the certification of subcontractor, provided the general -subcontractor's

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certification. Any contractor or subcontractor subject to this Act who fails to submit a certified payroll or knowingly files a false certified payroll is in violation of this Act and guilty of a Class A B misdemeanor. The public body in charge of the project shall keep the records submitted in accordance with this paragraph (2) of subsection (a) for a period of not less than 3 years. The records submitted in accordance with this paragraph (2) of subsection (a) shall be considered public records, except an employee's address, telephone number, and social security number, and made available in accordance with the Freedom of Information Act. The public body shall accept any reasonable submissions by the contractor that meet the requirements of this Section.

(b) Upon 7 business days' notice, the contractor and each subcontractor shall make available for inspection the records identified in paragraph (1) of subsection (a) of this Section to the public body in charge of the project, its officers and agents, and to the Director of Labor and his deputies and agents. Upon 7 business days' notice, the contractor and each subcontractor shall make such records available at all reasonable hours at a location within this State.

23 (Source: P.A. 93-38, eff. 6-1-04; 94-515, eff. 8-10-05;

24 94-1023, eff. 7-12-06.)

Sec. 6. Any officer, agent or representative of any public body who wilfully violates, or omits to comply with, any of the provisions of this Act, and any contractor or subcontractor, or agent or representative thereof, doing public work as aforesaid, who neglects to keep, or cause to be kept, an accurate record of the names, occupation and actual wages paid to each laborer, worker and mechanic employed by him, in connection with the public work or who refuses to allow access to same at any reasonable hour to any person authorized to inspect same under this Act, is guilty of a Class <u>4 felony Amisdemeanor</u>.

The Department of Labor shall inquire diligently as to any violation of this Act, shall institute actions for penalties herein prescribed, and shall enforce generally the provisions of this Act. The Attorney General shall prosecute such cases upon complaint by the Department or any interested person.

17 (Source: P.A. 94-488, eff. 1-1-06.)

18 (820 ILCS 130/11) (from Ch. 48, par. 39s-11)

Sec. 11. No public works project shall be instituted unless the provisions of this Act have been complied with. The provisions of this Act shall not be applicable to Federal construction projects which require a prevailing wage determination by the United States Secretary of Labor. The Illinois Department of Labor represented by the Attorney General is empowered to sue for injunctive relief against the

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awarding of any contract or the continuation of work under any contract for public works at a time when the prevailing wage prerequisites have not been met. Any contract for public works awarded at a time when the prevailing wage prerequisites had not been met shall be void as against public policy and the contractor is prohibited from recovering any damages for the voiding of the contract or pursuant to the terms of the contract. The contractor is limited to a claim for amounts actually paid for labor and materials supplied to the public body. Where objections to a determination of the prevailing rate of wages or a court action relative thereto is pending, the public body shall not continue work on the project unless sufficient funds are available to pay increased wages if such are finally determined or unless the Department of Labor certifies such determination of the prevailing rate of wages as correct.

Any laborer, worker or mechanic employed by the contractor or by any sub-contractor under him who is paid for his services in a sum less than the stipulated rates for work done under such contract, shall have a right of action for whatever difference there may be between the amount so paid, and the rates provided by the contract together with costs and such reasonable attorney's fees as shall be allowed by the court. Such contractor or subcontractor shall also be liable to the Department of Labor for 50% 20% of such underpayments and shall be additionally liable to each the laborer, worker or mechanic

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for punitive damages of not less than \$35 per day for each day, or portion thereof, in the amount of 2% of the amount of any such penalty to the State for underpayments for each month following the date of payment during which such underpayments remain unpaid. Where a second or subsequent action to recover underpayments is brought against a contractor or subcontractor and the contractor or subcontractor is found liable for underpayments to any laborer, worker, or mechanic, contractor or subcontractor shall also be liable to the Department of Labor for 75% 50% of the underpayments payable as a result of the second or subsequent action, and shall be additionally liable to each laborer, worker, or mechanic for punitive damages of not less than \$50 per day for each day, or portion thereof, during which the underpayments remain unpaid. A joint labor-management committee established pursuant to the federal Labor-Management Cooperation Act of 1978 (Section 175a of Title 29 of the United States Code) may bring an action in a court of competent jurisdiction against any employer that fails to pay the prevailing wage to its employees, and against any public body that fails to comply with, or enforce upon any general contractor or subcontractor of any tier with which the public body enters into contracts for any public works, any wage payment, bid and contract specifications, bonding, record keeping, or release of records provisions as allowed for, or required by, this Act. This action shall be commenced not later than 180 days after the completion and acceptance of the public

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works by the public body. The court may award the joint labor-management committee reasonable attorney's fees and costs incurred in maintaining the action for 5% of the amount of any such penalty to the State for underpayments for each month following the date of payment during which the underpayments remain unpaid. The Department shall also have a right of action on behalf of any individual who has a right of action under this Section. An action brought to recover same shall be deemed to be a suit for wages, and any and all judgments entered therein shall have the same force and effect as other judgments for wages. At the request of any laborer, workman or mechanic employed by the contractor or by any subcontractor under him who is paid less than the prevailing wage rate required by this Act, the Department of Labor may take an assignment of such wage claim in trust for the assigning laborer, workman or mechanic and may bring any legal action necessary to collect such claim, and the contractor or subcontractor shall be required to pay the costs incurred in collecting such claim.

The public body may recover, from the contractor or subcontractor of any tier, any attorney's fees or costs associated with defense of an action brought against the public body for noncompliance with this Act if the public body has complied with all provisions of this Act and noncompliance is exclusively the result of the failure by the general contractor or subcontractor of any tier to comply with this Act.

1 (Source: P.A. 94-488, eff. 1-1-06.)

2 (820 ILCS 130/11b)

- Sec. 11b. Discharge or discipline of "whistle blowers" prohibited.
 - (a) No person shall discharge, discipline, or in any other way discriminate against, or cause to be discharged, disciplined, or discriminated against, any employee or any authorized representative of employees by reason of the fact that the employee or representative has filed, instituted, or caused to be filed or instituted any proceeding under this Act, or has testified or is about to testify in any proceeding resulting from the administration or enforcement of this Act, or offers any evidence of any violation of this Act.
 - (b) Any employee or a representative of employees who believes that he has been discharged, disciplined, or otherwise discriminated against by any person in violation of subsection (a) of this Section may, within 30 days after the alleged violation occurs, apply to the Director of Labor for a review of the discharge, discipline, or alleged discrimination. A copy of the application shall be sent to the person who allegedly committed the violation, who shall be the respondent. Upon receipt of an application, the Director shall cause such investigation to be made as he or she deems appropriate. The investigation shall provide an opportunity for a public hearing at the request of any party to the review to enable the parties

1 to present information relating to the alleged violation. The 2 parties shall be given written notice of the time and place of 3 the hearing at least 5 days before the hearing. Upon receiving 4 the report of the investigation, the Director shall make 5 findings of fact. If the Director finds that a violation did 6 occur, he or she shall issue a decision incorporating his or her findings and requiring the party committing the violation 7 to take such affirmative action to abate the violation as the 8 9 Director deems appropriate, including, but not limited to, the 10 rehiring or reinstatement of the employee or representative of 11 employees to his or her former position and compensating him or her for the time he or she was unemployed. The party committing 12 13 the violation shall also be liable to the Department of Labor for a penalty of \$10,000 \$5,000 for each violation of this 14 15 Section. If the Director finds that there was no violation, he 16 or she shall issue an order denying the application. An order issued by the Director under this Section shall be subject to 17 judicial review under the Administrative Review Law. 18

- 19 (c) The Director shall adopt rules implementing this
 20 Section in accordance with the Illinois Administrative
 21 Procedure Act.
- 22 (Source: P.A. 94-488, eff. 1-1-06.)".