

Assembly Bill No. 1506

CHAPTER 851

An act to add Section 1771.9 to the Labor Code, relating to public works.

[Approved by Governor October 11, 2003. Filed
with Secretary of State October 12, 2003.]

LEGISLATIVE COUNSEL'S DIGEST

AB 1506, Negrete McLeod. Public works: projects funded by bonds: prevailing wages.

Existing law, with certain exceptions, requires payment to all workers employed on a public works project of not less than the prevailing wage for work of a similar character in the locality in which a public works project is performed. Existing law provides that the body awarding any contract for public works projects falling below certain cost thresholds may alternatively elect to initiate and enforce a prescribed labor compliance program relative to payment of prevailing wages and related matters.

The Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, if approved by the voters at the November 2, 2004, statewide general election, would authorize, for the purposes of financing the planning and construction of a high-speed train system and associated rail improvements, the issuance of bonds in the amount of \$9,950,000,000.

This bill would require the body awarding any contract for a public works project financed with funds made available by the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, if that bond measure is approved by the voters, to adopt and enforce that above-mentioned labor compliance program for application to the public works project.

This bill would also provide that the Department of Industrial Relations' and the Labor and Workforce Development Agency's public works services, as specified, provided to labor compliance programs, interested parties, and awarding bodies associated with bond funding projects, that are governed by the public works requirements, are to be supported as costs of a state agency with responsibility for administration of the bond program, or costs of construction, as provided.

The people of the State of California do enact as follows:

SECTION 1. (a) The Legislature finds and declares all of the following:

(1) Payment of the prevailing rate of per diem wages to workers employed on public works projects is necessary to attract the most skilled workers for those projects and to ensure that work of the highest quality is performed on those projects.

(2) Public works projects should never undermine the wage base in a community, and requiring that workers on public works projects are paid the prevailing rate of per diem wages ensures that wage base is not lowered.

(3) It is a matter of statewide concern that every public agency in California pay the prevailing rate of per diem wages to workers employed on public works projects undertaken by those public agencies.

(b) Therefore, it is the intent of the Legislature, in enacting Section 2 of this act, that every public agency in California pay the prevailing rate of per diem wages to workers employed on public works projects undertaken by that public agency.

SEC. 2. Section 1771.9 is added to the Labor Code, to read:

1771.9. (a) The body awarding any contract for a public works project financed in any part with funds made available by the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century (Chapter 20 (commencing with Section 2704) of Division 3 of the Streets and Highways Code) shall adopt and enforce, or contract with a third party to adopt and enforce, a labor compliance program pursuant to subdivision (b) of Section 1771.5 for application to that public works project.

(b) This section shall become operative only if the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century (Chapter 20 (commencing with Section 2704) of Division 3 of the Streets and Highways Code) is approved by the voters at the November 2, 2004, statewide general election.

(c) The Department of Industrial Relations' and the Labor and Workforce Development Agency's public works services provided to labor compliance programs, interested parties, and awarding bodies associated with bond funding projects, that are governed by the public works requirements of this chapter, are to be supported as costs of a state agency with responsibility for administration of the bond program, or costs of construction, under subdivisions (a) and (d) of Section 16727 of the Government Code. Public works services under this chapter include all of the following:

(1) Prevailing wage measurement and setting.



- (2) Wage petitions and special determinations.
- (3) Coverage advice and determinations training for and approval of, labor compliance programs' establishment and enforcement notices to withhold.
- (4) Civil wage and penalty assessments.
- (5) Hearings in response to contractor requests under subdivision (b) of Section 1171.6, Section 1742, and Section 1777.7.

