

HOUSE BILL NO. 301

IN THE LEGISLATURE OF THE STATE OF ALASKA

TWENTIETH LEGISLATURE - SECOND SESSION

BY REPRESENTATIVES IVAN, Vezey

Introduced: 1/12/98

Referred: Labor and Commerce

A BILL

FOR AN ACT ENTITLED

1 "An Act relating to wages on public construction projects in areas covered by
2 a declaration of economic disaster."

3 **BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF ALASKA:**

4 * **Section 1.** AS 36.05.010 is amended to read:

5 **Sec. 36.05.010. Wage rates on public construction. Except as provided in**
6 **(b) of this section, a** [A] contractor or subcontractor who performs work on public
7 construction in the state, as defined by AS 36.95.010, shall pay not less than the
8 current prevailing rate of wages for work of a similar nature in the region in which the
9 work is done. The current prevailing rate of wages is that contained in the latest
10 determination of prevailing rate of wages issued by the Department of Labor at least
11 10 days before the final date for submission of bids for the contract. The rate shall
12 remain in effect for the life of the contract or for 24 calendar months, whichever is
13 shorter. **Except as provided in (b) of this section, at** [AT] the end of the initial 24-
14 month period, if new wage determinations have been issued by the department, the

1 latest wage determination shall become effective for the next 24-month period or until
 2 the contract is completed, whichever occurs first. This process shall be repeated until
 3 the contract is completed.

4 * **Sec. 2.** AS 36.05.010 is amended by adding new subsections to read:

5 (b) When the governor issues a declaration of disaster emergency under
 6 AS 26.23.020 and states in the proclamation that the disaster emergency has substantial
 7 economic consequences, a public construction contract located in whole or in part in
 8 the area covered by the declaration that is entered into within two years after the
 9 issuance of the proclamation is not subject to the requirement for payment of
 10 prevailing wage rates imposed by (a) of this section. If the parties to a public
 11 construction contract that was entered into before the declaration of disaster emergency
 12 renegotiate the contract within two years after the proclamation, the renegotiation is
 13 not subject to the wage requirements of (a) of this section. If the prevailing rate of
 14 wages on a public construction project located in an area covered by a declaration of
 15 disaster emergency is subject to change under (a) of this section because it has been
 16 in effect for 24 calendar months, the parties to the contract may negotiate wage rates
 17 that differ from the prevailing rate of wages that otherwise would apply to the contract.

18 (c) Within five working days after the governor issues a proclamation
 19 declaring a disaster emergency, the Department of Labor shall issue a list of the
 20 communities located in whole or in part in the area covered by the proclamation. At
 21 the request of a party to a public construction contract or of a person interested in a
 22 public construction project, the Department of Labor shall promptly issue a
 23 determination about whether the public construction is exempt under (b) of this section
 24 from the requirement to pay prevailing wage rates.

25 * **Sec. 3.** AS 36.05.040 is amended to read:

26 **Sec. 36.05.040. Filing schedule of employees, wages paid, and other**
 27 **information.** All contractors or subcontractors who perform work on a public
 28 construction contract for the state or for a political subdivision of the state shall, before
 29 the Friday of each week, file with the Department of Labor a sworn affidavit for the
 30 previous week [,] setting out in detail the number of persons employed, wages paid,
 31 job classification of each employee, hours worked each day and week, **whether the**

1 **public construction contract is exempt under AS 36.05.010(b) from the**
 2 **requirement to pay the prevailing rate of wages,** and other information that the
 3 Department of Labor requires.

4 * **Sec. 4.** AS 36.05.070(a) is amended to read:

5 (a) The advertised specifications for a public construction contract exceeding
 6 \$2,000 to which the state or a political subdivision of the state is a party that requires
 7 or involves the employment of mechanics, laborers, or field surveyors **must** [SHALL]
 8 contain a provision stating the minimum wages to be paid various classes of laborers,
 9 mechanics, or field surveyors, [AND] that the rate of wages shall be adjusted to the
 10 wage rate under AS 36.05.010 **unless the contract is exempt from the requirement**
 11 **under AS 36.05.010(b), and that the requirement for the payment of prevailing**
 12 **wages is subject to AS 36.05.010(b).**

13 * **Sec. 5.** AS 36.05.070(c) is amended to read:

14 (c) A contract for public works in the state or a political subdivision shall
 15 contain provisions that

16 (1) the contractor or subcontractors of the contractor shall pay all
 17 employees unconditionally and not less than once a week;

18 (2) **except as provided in AS 36.05.010(b),** wages may not be less
 19 than those stated in the advertised specifications [,] regardless of the contractual
 20 relationship between the contractor or subcontractors and laborers, mechanics, or field
 21 surveyors;

22 (3) the scale of wages to be paid shall be posted by the contractor in
 23 a prominent and easily accessible place at the site of the work;

24 (4) the state or a political subdivision shall withhold so much of the
 25 accrued payments as is necessary to pay to laborers, mechanics, or field surveyors
 26 employed by the contractor or subcontractors the difference between

27 (A) the rates of wages required by the contract to be paid
 28 laborers, mechanics, or field surveyors on the work, and

29 (B) the rates of wages in fact received by laborers, mechanics,
 30 or field surveyors.