2011 ASSEMBLY BILL 183


AN ACT to repeal 66.0903 (1) (am), 66.0903 (4) (b) 1., 66.0903 (4) (b) 2., 66.0903 (10) (am), 66.0903 (11) (a) 2., 66.0904, 103.49 (1) (am), 103.49 (2m) (b) 1., 103.49 (2m) (b) 2., 103.49 (5) (am), 103.49 (6m) (ag), 103.50 (2m) (b) 1., 103.50 (2m) (b) 2. and 104.001 (3) (am); to renumber 66.0903 (2) (d); to renumber and amend 66.0903 (2) (c), 66.0903 (4) (b) (intro.), 103.49 (1m) (b), 103.49 (1m) (c), 103.49 (2m) (b) (intro.) and 103.50 (2m) (b) (intro.); to consolidate, renumber and amend 66.0903 (11) (a) 1., 3. and 5. and 103.49 (1m) (intro.) and (a); to amend 19.36 (12), 66.0903 (1) (d), 66.0903 (1) (dr), 66.0903 (1) (g) 2., 66.0903 (3) (av), 66.0903 (3) (dm), 66.0903 (5) (a), 66.0903 (5) (b), 66.0903 (8), 66.0903 (10) (c), 66.0903 (12) (a), 103.49 (1) (bj), 103.49 (1) (d) 2., 103.49 (3) (ar), 103.49 (3g) (a), 103.49 (3g) (b), 103.49 (5) (c), 103.50 (1) (d) 2., 103.50 (4m), 103.503 (title), 103.503 (1) (a), 103.503 (1) (c), 103.503 (1) (e), 103.503 (1) (g), 103.503 (2), 103.503 (3) (a) 2., 109.09 (1), 111.322 (2m) (c), 227.01 (13) (t), 946.15 (title), 946.15 (1), 946.15 (2), 946.15 (3) and 946.15 (4); and to create 66.0903 (1) (em),
ASSEMBLY BILL 183

66.0903 (1) (hm), 66.0903 (1m), 66.0903 (4) (d), 66.0903 (4) (e), 66.0903 (5) (f),
103.49 (1) (br), 103.49 (1) (em), 103.49 (2m) (d), 103.49 (2m) (e), 103.49 (3g) (f)
and 103.49 (3g) (g) of the statutes; relating to: applicability of the prevailing
wage law; the thresholds for applicability of that law; calculation of the
prevailing wage rate; the treatment of volunteers, truck drivers,
subjourneypersons, and incidental work under that law; the submission to the
Department of Workforce Development of payroll records of persons performing
work that is subject to that law; the inspection of those records; and the
remedies for a violation of that law.

Analysis by the Legislative Reference Bureau

Under the current prevailing wage law, certain laborers, workers, mechanics,
and truck drivers employed on a state or local project of public works must be paid
at the rate paid for a majority of the hours worked in the person’s trade or occupation
in the county in which the project is located, as determined by the Department of
Workforce Development (DWD), and may not be required or permitted to work a
greater number of hours per day and per week than the prevailing hours of labor, that
is, no more than ten hours per day and 40 hours per week, unless they are paid 1.5
times their basic rate of pay (overtime pay) for all hours worked in excess of the
prevailing hours of labor.

2009 Wisconsin Act 28 made various changes to the prevailing wage law,
including: 1) expanding the applicability of that law to cover publicly funded private
construction projects and certain projects acquired by, or dedicated to, a local
governmental unit or the state; 2) lowering the threshold for applicability of that law
to a project of public works; 3) requiring contractors to submit payroll records to
DWD; 4) requiring DWD to charge a requester for the cost of inspecting payroll
records only if the request is frivolous; and 5) permitting DWD to order back pay and
liquidated damages for a violation of that law. This bill alters or eliminates those
changes. The bill also makes certain changes relating to: 1) statewide uniformity
of the prevailing wage law; 2) calculation of the prevailing wage rate; 3)
nonapplicability of the prevailing wage law to small municipalities and small
residential projects; and 4) the treatment of volunteers, truck drivers,
subjourneypersons, and incidental work under the prevailing wage law.

Specifically, with respect to altering or eliminating changes made by 2009
Wisconsin Act 28:

1. Publicly funded private construction projects, turnkey projects, and
acquired or dedicated projects. 2009 Wisconsin Act 28 expanded the
applicability of the prevailing wage law to cover publicly funded private construction projects that receive $1,000,000 or more in direct financial assistance from a local governmental unit. Under prior law, only projects of public works contracted for by the state or a local governmental unit were subject to the prevailing wage law. This bill eliminates coverage of publicly funded private construction projects under the prevailing wage law, so that under the bill only projects of public works are covered under the prevailing wage law.

2009 Wisconsin Act 28 specified that the prevailing wage law applies to: 1) a project in which the completed facility is leased, lease purchased, or otherwise acquired by, or dedicated to, a local governmental unit or the state in lieu of the local governmental unit or the state contracting for the erection, construction, repair, remodeling, or demolition of the facility (turnkey project); and 2) a road, street, bridge, sanitary sewer, or water main project in which the completed road, street, bridge, sanitary sewer, or water main is acquired by, or dedicated to, a local governmental unit or the state, for ownership or maintenance by the local governmental unit or the state (acquired or dedicated project). This bill specifies that the prevailing wage law does not apply to a turnkey project or to an acquired or dedicated project.

2. Threshold for applicability to public works projects. 2009 Wisconsin Act 28 lowered the threshold for applicability of the prevailing wage law to a project of public works so that a project of public works for which the estimated project cost of completion is below $25,000 is not subject to that law. The act also eliminated the authority of DWD to adjust that threshold based on changes in construction costs. Under prior law, that threshold was $234,000 for a multiple-trade project of public works and $48,000 for a single-trade project of public works and DWD was authorized to adjust those amounts annually based on changes on construction costs.

This bill sets the threshold for applicability of the prevailing wage law to a single-trade project of public works at an estimated project cost of completion of $50,000 and the threshold for applicability of that law to a multiple-trade project of public works at an estimated project cost of completion of $250,000. The bill, however, does not restore the authority of DWD to adjust those thresholds.

3. Submission of payroll records. 2009 Wisconsin Act 28 required contractors performing work on a project of public works or a publicly funded private construction project that is subject to the prevailing wage law to submit to DWD on a monthly basis, in electronic format, certified records indicating the name and trade or occupation of every person performing work that is subject to the prevailing wage law and an accurate record of the number of hours worked by each of those persons and the actual wages paid for those hours worked (payroll records) or, if all persons performing work on the project are covered under a collective bargaining agreement that provides for wage rates that are not less than the prevailing wage rate, to submit to DWD during the first month of the project, in electronic format, copies of all collective bargaining agreements pertaining to the project. This bill eliminates that requirement.

4. Inspection of payroll records. 2009 Wisconsin Act 28 required DWD to charge a person who requests DWD to inspect a contractor’s payroll records for the
purpose of ensuring compliance with the prevailing wage law the actual cost of the inspection if the contractor is found to be in compliance with that law and if the request is found to be frivolous. Prior law required DWD to charge that cost if the contractor was found to be in compliance with the prevailing wage law, but did not require the additional finding that the request was frivolous. This bill eliminates that additional finding so that under the bill DWD must charge for the cost of inspecting a contractor’s payroll records if the contractor is found to be in compliance with the prevailing wage law, whether or not the request is frivolous.

5. Remedies for a violation of the prevailing wage law. 2009 Wisconsin Act 28 permitted DWD to order a contractor who failed to pay the prevailing wage rate to pay to any affected employee the amount of unpaid wages due, plus 100 percent of that amount as liquidated damages. Prior law permitted only a court to order that payment and permitted that payment to be ordered only to an employee employed on a local project of public works, not to an employee employed on a state project of public works. This bill eliminates the authority of DWD to order that payment so that under the bill only a court may order that payment and permits that payment to be ordered only to an employee employed on a local project of public works, not to an employee employed on a state project of public works.

Finally, the bill makes changes to certain areas of the prevailing wage law that were not substantially affected by 2009 Wisconsin Act 28. Specifically:

1. Statewide concern; uniformity. The bill states that the enactment of prevailing wage ordinances or other enactments by local governmental units would be logically inconsistent with, would defeat the purpose of, and would go against the spirit of the state prevailing wage law. Therefore, as an enactment of statewide concern for the purpose of providing a uniform prevailing wage law throughout the state, the bill prohibits local governmental units from enacting prevailing wage ordinances or other enactments and provides that a local prevailing wage ordinance or other enactment that is in effect on the day before the effective date of the bill is void.

2. Calculation of prevailing wage rate. Under current law, “prevailing wage rate” is defined as the hourly basic rate of pay, plus the hourly contribution for bona fide economic benefits, paid for a majority of the hours worked in a trade or occupation in an area, except that, if there is no rate at which a majority of those hours is paid, “prevailing wage rate” means the average hourly basic rate of pay, plus the average hourly contribution for bona fide economic benefits, paid for the highest 51 percent of hours worked in a trade or occupation in the area. Current law defines “bona fide economic benefit” as an economic benefit for which an employer makes irrevocable contributions or escrow payments at least quarterly.

This bill defines “prevailing wage rate,” when there is no rate at which a majority of the hours worked in a trade or occupation in an area is paid, as the average hourly basic rate of pay, plus the average hourly contribution for bona fide economic benefits, paid for all hours worked in a trade or occupation in the area. The bill also deletes the definition of “bona fide economic benefit.”

3. Nonapplicability to small municipalities and residential properties. The bill exempts from the prevailing wage law a project of public works contracted
ASSEMBLY BILL 183

by a city, village, or town having a population of less than 10,000 and a project of public works involving the erection, construction, repair, remodeling, or demolition of a residential property containing two dwelling units or less.

4. Treatment of volunteers, truck drivers, subjourneypersons, and incidental work. Under current law, the prevailing wage law does not apply to a project of public works in which the labor for the project is provided by unpaid volunteers. This bill provides that the prevailing wage law does not apply to work performed on a project of public works for which the local governmental unit or state agency contracting for the project is not required to compensate any contractor, subcontractor, contractor’s or subcontractor’s agent, or individual for performing the work.

Under current law, the prevailing wage law does not apply to a truck driver who is regularly employed to pick up or deliver materials or products from a commercial establishment that has a fixed place of business from which the establishment regularly supplies processed or manufactured materials or products unless: 1) the truck driver is employed to pick up mineral aggregate from its source and deliver that aggregate to the site of a project of public works; or 2) the truck driver is employed to pick up excavated material from the site of such a project and transport that material away from that site. This bill provides that the prevailing wage law does not apply to a truck driver who is employed to pick up and deliver mineral aggregate to the site of a project of public works or to pick up and transport excavated material away from such a site.

The bill also permits a contractor, subcontractor, or contractor’s or subcontractor’s agent to employ a subjourneyperson on any project that is subject to the prevailing wage law. The bill defines a “subjourneyperson” as a worker, other than an apprentice, laborer, heavy equipment operator, or truck driver, who primarily works under the direction of, and who assists, a skilled trade employee by frequently using the tools of a specific trade.

Finally, the bill permits a contractor performing work on a project to which the prevailing wage law applies to employ a worker in incidental work outside of the worker’s usual trade or occupation for not more than 25 percent of the hours worked by the worker in a workweek.

For further information see the state and local fiscal estimate, which will be printed as an appendix to this bill.

The people of the state of Wisconsin, represented in senate and assembly, do enact as follows:

1. SECTION 1. 19.36 (12) of the statutes is amended to read:

2. 19.36 (12) Information relating to certain employees. Unless access is specifically authorized or required by statute, an authority shall not provide access to a record prepared or provided by an employer performing work on a project to
which s. 66.0903, 66.0904, 103.49, or 103.50 applies, or on which the employer is otherwise required to pay prevailing wages, if that record contains the name or other personally identifiable information relating to an employee of that employer, unless the employee authorizes the authority to provide access to that information. In this subsection, “personally identifiable information” does not include an employee’s work classification, hours of work, or wage or benefit payments received for work on such a project.

**SECTION 2.** 66.0903 (1) (am) of the statutes is repealed.

**SECTION 3.** 66.0903 (1) (d) of the statutes is amended to read:

66.0903 (1) (d) “Local governmental unit” means a political subdivision of this state, a special purpose district in this state, an instrumentality or corporation of such a political subdivision or special purpose district, a combination or subunit of any of the foregoing or an instrumentality of the state and any of the foregoing. “Local governmental unit” includes a regional transit authority created under s. 66.1039 and the southeastern regional transit authority created under s. 59.58 (7). “Local governmental unit” does not include a city, village, or town having a population of less than 10,000.

**SECTION 4.** 66.0903 (1) (dr) of the statutes is amended to read:

66.0903 (1) (dr) “Minor service or maintenance work” means a project of public works that is limited to minor crack filling, chip or slurry sealing, or other minor pavement patching, not including overlays, that has a projected life span of no longer than 5 years; the depositing of gravel on an existing gravel road applied solely to maintain the road; road shoulder maintenance; cleaning of drainage or sewer ditches or structures; or any other limited, minor work on public facilities or equipment that is routinely performed to prevent breakdown or deterioration.
**SECTION 5.** 66.0903 (1) (em) of the statutes is created to read:

66.0903 (1) (em) “Multiple-trade project of public works” has the meaning given in s. 103.49 (1) (br).

**SECTION 6.** 66.0903 (1) (g) 2. of the statutes is amended to read:

66.0903 (1) (g) 2. If there is no rate at which a majority of the hours worked in the trade or occupation on projects in the area is paid, “prevailing wage rate” for any trade or occupation engaged in the erection, construction, remodeling, repairing or demolition of any project of public works in any area means the average hourly basic rate of pay, weighted by the number of hours worked, plus the average hourly contribution, weighted by the number of hours worked, for health insurance benefits, vacation benefits, pension benefits and any other bona fide economic benefit, paid directly or indirectly for all hours worked at the hourly basic rate of pay of the highest-paid 51% of hours worked in that trade or occupation on projects in that area.

**SECTION 7.** 66.0903 (1) (hm) of the statutes is created to read:

66.0903 (1) (hm) “Single-trade project of public works” has the meaning given in s. 103.49 (1) (em).

**SECTION 8.** 66.0903 (1m) of the statutes is created to read:

66.0903 (1m) STATEWIDE CONCERN; UNIFORMITY. (a) In this subsection, “publicly funded private construction project” means a construction project in which the developer, investor, or owner of the project receives direct financial assistance from a local governmental unit for the erection, construction, repair, remodeling, demolition, including any alteration, painting, decorating, or grading, of a private facility, including land, a building, or other infrastructure. “Publicly funded private construction project” does not include a project of public works or a housing project.
involving the erection, construction, repair, remodeling, or demolition of any of the following:

1. A residential property, if the project is supported by affordable housing grants, home improvement grants, or grants from a local housing trust fund.

2. A residential property containing 4 dwelling units or less.

3. A residential property that contains retail, office, or commercial components, if the project is intended to increase the supply of affordable housing in a community.

(b) The legislature finds that the enactment of ordinances or other enactments by local governmental units requiring laborers, workers, mechanics, and truck drivers employed on projects of public works or on publicly funded private construction projects to be paid the prevailing wage rate and to be paid at least 1.5 times their hourly basic rate of pay for hours worked in excess of the prevailing hours of labor would be logically inconsistent with, would defeat the purpose of, and would go against the spirit of this section and the repeal of s. 66.0904, 2009 stats. Therefore, this section shall be construed as an enactment of statewide concern for the purpose of providing uniform prevailing wage rate and prevailing hours of labor requirements throughout the state.

(c) A local governmental unit may not enact and administer an ordinance or other enactment requiring laborers, workers, mechanics, and truck drivers employed on projects of public works or on publicly funded private construction projects to be paid the prevailing wage rate and to be paid at least 1.5 times their hourly basic rate of pay for hours worked in excess of the prevailing hours of labor or any similar ordinance or enactment. Any such ordinance or other enactment that is in effect on the day before the effective date of this subsection .... [LRB inserts date], is void.
SECTION 9. 66.0903 (2) (c) of the statutes is renumbered 66.0903 (5) (d) and amended to read:

66.0903 (5) (d) A project in which the completed facility is leased, purchased, lease purchased, or otherwise acquired by, or dedicated to, a local governmental unit in lieu of the local governmental unit contracting for the erection, construction, repair, remodeling, or demolition of the facility.

SECTION 10. 66.0903 (2) (d) of the statutes is renumbered 66.0903 (5) (e).

SECTION 11. 66.0903 (3) (av) of the statutes is amended to read:

66.0903 (3) (av) In determining prevailing wage rates under par. (am) or (ar), the department may not use data from projects that are subject to this section, s. 66.0904, 103.49, or 103.50, or 40 USC 3142 unless the department determines that there is insufficient wage data in the area to determine those prevailing wage rates, in which case the department may use data from projects that are subject to this section, s. 66.0904, 103.49, or 103.50, or 40 USC 3142.

SECTION 12. 66.0903 (3) (dm) of the statutes is amended to read:

66.0903 (3) (dm) A reference to the prevailing wage rates determined by the department or a local governmental unit exempted under sub. (6) and to the prevailing hours of labor shall be published in the notice issued for the purpose of securing bids for the project of public works. If any contract or subcontract for a project of public works is entered into, the prevailing wage rates determined by the department or exempted local governmental unit and the prevailing hours of labor shall be physically incorporated into and made a part of the contract or subcontract, except that for a minor subcontract, as determined by the department, the department shall prescribe by rule the method of notifying the minor subcontractor of the prevailing wage rates and prevailing hours of labor applicable to the minor
subcontract. The prevailing wage rates and prevailing hours of labor applicable to
a contract or subcontract may not be changed during the time that the contract or
subcontract is in force. No person performing the work described in sub. (4) may be
paid less than the prevailing wage rate in the same or most similar trade or
occupation determined under this subsection; nor may he or she be permitted to work
a greater number of hours per day or per week than the prevailing hours of labor,
unless he or she is paid for all hours worked in excess of the prevailing hours of labor
at a rate of at least 1.5 times his or her hourly basic rate of pay.

Section 13. 66.0903 (4) (b) (intro.) of the statutes is renumbered 66.0903 (4)
(b) and amended to read:

66.0903 (4) (b) Notwithstanding par. (a) 1., a laborer, worker, mechanic, or
truck driver who is regularly employed to process, manufacture, pick up, or deliver
materials or products from a commercial establishment that has a fixed place of
business from which the establishment regularly supplies processed or
manufactured materials or products is not entitled to receive the prevailing wage
rate determined under sub. (3) or to receive at least 1.5 times his or her hourly basic
rate of pay for all hours worked in excess of the prevailing hours of labor unless any
of the following applies:

Section 14. 66.0903 (4) (b) 1. of the statutes is repealed.

Section 15. 66.0903 (4) (b) 2. of the statutes is repealed.

Section 16. 66.0903 (4) (d) of the statutes is created to read:

66.0903 (4) (d) 1. In this paragraph, “subjourneyperson” means a worker, other
than an apprentice, laborer, heavy equipment operator, or truck driver, who
primarily works under the direction of, and who assists, a skilled trade employee by
frequently using the tools of a specific trade.
2. A contractor, subcontractor, or contractor’s or subcontractor’s agent may employ a subjourneyperson on any project to which this section applies.

Section 17. 66.0903 (4) (e) of the statutes is created to read:

66.0903 (4) (e) In performing work on a project to which this section applies, a contractor, subcontractor, or contractor’s or subcontractor’s agent may employ a laborer, worker, mechanic, or truck driver in incidental work outside of that individual’s usual trade or occupation for not more than 25 percent of the hours worked by that individual in a workweek.

Section 18. 66.0903 (5) (a) of the statutes is amended to read:

66.0903 (5) (a) A single-trade project of public works for which the estimated project cost of completion is below $25,000 less than $50,000 or a multiple-trade project of public works for which the estimated project cost of completion is less than $250,000.

Section 19. 66.0903 (5) (b) of the statutes is amended to read:

66.0903 (5) (b) Work performed on a project of public works in which the labor for the project is provided by unpaid volunteers for which the local governmental unit contracting for the project is not required to compensate any contractor, subcontractor, contractor’s or subcontractor’s agent, or individual for performing the work.

Section 20. 66.0903 (5) (f) of the statutes is created to read:

66.0903 (5) (f) A project of public works involving the erection, construction, repair, remodeling, or demolition of a residential property containing 2 dwelling units or less.

Section 21. 66.0903 (8) of the statutes is amended to read:
66.0903 (8) POSTING. For the information of the employees working on the project of public works, the prevailing wage rates determined by the department or exempted local governmental unit, the prevailing hours of labor, and the provisions of subs. (10) (a) and (11) (a) shall be kept posted by the local governmental unit in at least one conspicuous and easily accessible place on the site of the project or, if there is no common site on the project, at the place normally used by the local governmental unit to post public notices.

SECTION 22. 66.0903 (10) (am) of the statutes is repealed.

SECTION 23. 66.0903 (10) (c) of the statutes is amended to read:

66.0903 (10) (c) If requested by any person, the department shall inspect the payroll records of any contractor, subcontractor, or agent performing work on a project of public works that is subject to this section to ensure compliance with this section. In the case of a request made by a person performing the work specified in sub. (4), if the department finds that the contractor, subcontractor, or agent subject to the inspection is in compliance and that the request is frivolous, the department shall charge the person making the request the actual cost of the inspection. In the case of a request made by a person not performing the work specified in sub. (4), if the department finds that the contractor, subcontractor, or agent subject to the inspection is in compliance and that the request is frivolous, the department shall charge the person making the request $250 or the actual cost of the inspection, whichever is greater. In order to find that a request is frivolous, the department must find that the person making the request made the request in bad faith, solely for the purpose of harassing or maliciously injuring the contractor, subcontractor, or agent subject to the inspection, or that the person making the request knew, or should have
known, that there was no reasonable basis for believing that a violation of this
section had been committed.

**Section 24.** 66.0903 (11) (a) 1., 3. and 5. of the statutes are consolidated,
renumbered 66.0903 (11) (a) and amended to read:

66.0903 (11) (a) Any contractor, subcontractor, or contractor’s or
subcontractor’s agent who fails to pay the prevailing wage rate determined by the
department under sub. (3) or who pays less than 1.5 times the hourly basic rate of
pay for all hours worked in excess of the prevailing hours of labor is liable to any
affected employee in the amount of his or her unpaid wages or his or her unpaid
overtime compensation and in an additional equal amount as liquidated damages as
provided under subd. 2., 3., whichever is applicable. 3. In addition to or in lieu of
recovering the liability specified in subd. 1. as provided in subd. 2., any action to
recover the liability may be maintained in any court of competent jurisdiction by
any employee for and in behalf of that employee and other employees similarly
situated may commence an action to recover that liability in any court of competent
jurisdiction. If the court finds that a contractor, subcontractor, or contractor’s or
subcontractor’s agent has failed to pay the prevailing wage rate determined by the
department under sub. (3) or has paid less than 1.5 times the hourly basic rate of pay
for all hours worked in excess of the prevailing hours of labor, the court shall order
the contractor, subcontractor, or agent to pay to any affected employee the amount
of his or her unpaid wages or his or her unpaid overtime compensation and an
additional amount equal to 100 percent of the amount of those unpaid wages or that
unpaid overtime compensation as liquidated damages. 5. No employee may be a
party plaintiff to an action under subd. 3. unless the employee consents in writing
to become a party and the consent is filed in the court in which the action is brought.
SECTION 24

Notwithstanding s. 814.04 (1), the court shall, in addition to any judgment awarded to the plaintiff, allow reasonable attorney fees and costs to be paid by the defendant.

SECTION 25. 66.0903 (11) (a) 2. of the statutes is repealed.

SECTION 26. 66.0903 (12) (a) of the statutes is amended to read:

66.0903 (12) (a) Except as provided under pars. (b) and (c), the department shall notify any local governmental unit applying for a determination under sub. (3) and any local governmental unit exempted under sub. (6) of the names of all persons whom the department has found to have failed to pay the prevailing wage rate determined under sub. (3) or has found to have paid less than 1.5 times the hourly basic rate of pay for all hours worked in excess of the prevailing hours of labor at any time in the preceding 3 years. The department shall include with each name the address of the person and shall specify when the person failed to pay the prevailing wage rate and when the person paid less than 1.5 times the hourly basic rate of pay for all hours worked in excess of the prevailing hours of labor. A local governmental unit may not award any contract to the person unless otherwise recommended by the department or unless 3 years have elapsed from the date the department issued its findings or the date of final determination by a court of competent jurisdiction, whichever is later.

SECTION 27. 66.0904 of the statutes is repealed.

SECTION 28. 103.49 (1) (am) of the statutes is repealed.

SECTION 29. 103.49 (1) (bj) of the statutes is amended to read:

103.49 (1) (bj) “Minor service or maintenance work” means a project of public works that is limited to minor crack filling, chip or slurry sealing, or other minor pavement patching, not including overlays, that has a projected life span of no longer than 5 years; the depositing of gravel on an existing gravel road applied solely to
SECTION 29. Maintain the road; road shoulder maintenance; cleaning of drainage or sewer ditches or structures; or any other limited, minor work on public facilities or equipment that is routinely performed to prevent breakdown or deterioration.

SECTION 30. 103.49 (1) (br) of the statutes is created to read:

103.49 (1) (br) “Multiple-trade project of public works” means a project of public works in which no single trade accounts for 85 percent or more of the total labor cost of the project.

SECTION 31. 103.49 (1) (d) 2. of the statutes is amended to read:

103.49 (1) (d) 2. If there is no rate at which a majority of the hours worked in the trade or occupation on projects in the area is paid, “prevailing wage rate” for any trade or occupation engaged in the erection, construction, remodeling, repairing or demolition of any project of public works in any area means the average hourly basic rate of pay, weighted by the number of hours worked, plus the average hourly contribution, weighted by the number of hours worked, for health insurance benefits, vacation benefits, pension benefits and any other bona fide economic benefit, paid directly or indirectly for all hours worked at the hourly basic rate of pay of the highest-paid 51% of hours worked in that trade or occupation on projects in that area.

SECTION 32. 103.49 (1) (em) of the statutes is created to read:

103.49 (1) (em) “Single-trade project of public works” means a project of public works in which a single trade accounts for 85 percent or more of the total labor cost of the project.

SECTION 33. 103.49 (1m) (intro.) and (a) of the statutes are consolidated, renumbered 103.49 (1m) and amended to read:
103.49 (1m) Applicability. Subject to sub. (3g), this section applies to any project of public works erected, constructed, repaired, remodeled, or demolished for the state or a state agency, other than a highway, street, or bridge construction or maintenance project, including all of the following: (a) A project erected, constructed, repaired, remodeled, or demolished by one state agency for another state agency under any contract or under any statute specifically authorizing cooperation between state agencies.

Section 34. 103.49 (1m) (b) of the statutes is renumbered 103.49 (3g) (d) and amended to read:

103.49 (3g) (d) A project in which the completed facility is leased, purchased, lease purchased, or otherwise acquired by, or dedicated to, the state in lieu of the state or a state agency contracting for the erection, construction, repair, remodeling, or demolition of the facility.

Section 35. 103.49 (1m) (c) of the statutes is renumbered 103.49 (3g) (e) and amended to read:

103.49 (3g) (e) A “sanitary sewer,” road, street, bridge, sanitary sewer, or water main project in which the completed road, street, bridge, sanitary sewer, or water main is acquired by, or dedicated to, the state for ownership or maintenance by the state.

Section 36. 103.49 (2m) (b) (intro.) of the statutes is renumbered 103.49 (2m) (b) and amended to read:

103.49 (2m) (b) Notwithstanding par. (a) 1., a laborer, worker, mechanic, or truck driver who is regularly employed to process, manufacture, pick up, or deliver materials or products from a commercial establishment that has a fixed place of business from which the establishment regularly supplies processed or
SECTION 36. ASSEMBLY BILL 183

manufactured materials or products is not entitled to receive the prevailing wage rate determined under sub. (3) or to receive at least 1.5 times his or her hourly basic rate of pay for all hours worked in excess of the prevailing hours of labor unless any of the following applies:

SECTION 37. 103.49 (2m) (b) 1. of the statutes is repealed.

SECTION 38. 103.49 (2m) (b) 2. of the statutes is repealed.

SECTION 39. 103.49 (2m) (d) of the statutes is created to read:

103.49 (2m) (d) 1. In this paragraph, “subjourneyperson” means a worker, other than an apprentice, laborer, heavy equipment operator, or truck driver, who primarily works under the direction of, and who assists, a skilled trade employee by frequently using the tools of a specific trade.

2. A contractor, subcontractor, or contractor’s or subcontractor’s agent may employ a subjourneyperson on any project to which this section applies.

SECTION 40. 103.49 (2m) (e) of the statutes is created to read:

103.49 (2m) (e) In performing work on a project to which this section applies, a contractor, subcontractor, or contractor’s or subcontractor’s agent may employ a laborer, worker, mechanic, or truck driver in incidental work outside of that individual’s usual trade or occupation for not more than 25 percent of the hours worked by that individual in a workweek.

SECTION 41. 103.49 (3) (ar) of the statutes is amended to read:

103.49 (3) (ar) In determining prevailing wage rates under par. (a) or (am), the department may not use data from projects that are subject to this section, s. 66.0903, 66.0904, 103.50, or 229.8275, or 40 USC 3142 unless the department determines that there is insufficient wage data in the area to determine those prevailing wage rates,
in which case the department may use data from projects that are subject to this section, s. 66.0903, 66.0904, 103.50, or 229.8275, or 40 USC 3142.

Section 42. 103.49 (3g) (a) of the statutes is amended to read:

103.49 (3g) (a) A single-trade project of public works for which the estimated project cost of completion is less than $25,000 or $50,000 or a multiple-trade project of public works for which the estimated project cost of completion is less than $250,000.

Section 43. 103.49 (3g) (b) of the statutes is amended to read:

103.49 (3g) (b) A work performed on a project of public works in which the labor for the project is provided by unpaid volunteers for which the state or the state agency contracting for the project is not required to compensate any contractor, subcontractor, contractor’s or subcontractor’s agent, or individual for performing the work.

Section 44. 103.49 (3g) (f) of the statutes is created to read:

103.49 (3g) (f) A public highway, street, or bridge project.

Section 45. 103.49 (3g) (g) of the statutes is created to read:

103.49 (3g) (g) A project of public works involving the erection, construction, repair, remodeling, or demolition of a residential property containing 2 dwelling units or less.

Section 46. 103.49 (5) (am) of the statutes is repealed.

Section 47. 103.49 (5) (c) of the statutes is amended to read:

103.49 (5) (c) If requested by any person, the department shall inspect the payroll records of any contractor, subcontractor, or agent performing work on a project of public works that is subject to this section to ensure compliance with this section. In the case of a request made by a person performing the work specified in sub. (2m), if the department finds that the contractor, subcontractor, or agent subject
to the inspection is in compliance and that the request is frivolous, the department shall charge the person making the request the actual cost of the inspection. In the case of a request made by a person not performing the work specified in sub. (2m), if the department finds that the contractor, subcontractor, or agent subject to the inspection is in compliance and that the request is frivolous, the department shall charge the person making the request $250 or the actual cost of the inspection, whichever is greater. In order to find that a request is frivolous, the department must find that the person making the request made the request in bad faith, solely for the purpose of harassing or maliciously injuring the contractor, subcontractor, or agent subject to the inspection, or that the person making the request knew, or should have known, that there was no reasonable basis for believing that a violation of this section had been committed.

Section 48. 103.49 (6m) (ag) of the statutes is repealed.

Section 49. 103.50 (1) (d) 2. of the statutes is amended to read:

103.50 (1) (d) 2. If there is no rate at which a majority of the hours worked in the trade or occupation in the area is paid, “prevailing wage rate” means the average hourly basic rate of pay, weighted by the number of hours worked, plus the average hourly contribution, weighted by the number of hours worked, for health insurance benefits, vacation benefits, pension benefits and any other bona fide economic benefit, paid directly or indirectly for all hours worked at the hourly basic rate of pay of the highest-paid 51% of hours worked in that trade or occupation in that area.

Section 50. 103.50 (2m) (b) (intro.) of the statutes is renumbered 103.50 (2m) (b) and amended to read:

103.50 (2m) (b) Notwithstanding par. (a) 1., a laborer, worker, mechanic or truck driver who is regularly employed to process, manufacture, pick up, or deliver
SECTION 50

ASSEMBLY BILL 183

materials or products from a commercial establishment that has a fixed place of business from which the establishment regularly supplies processed or manufactured materials or products is not entitled to receive the prevailing wage rate determined under sub. (3) or to receive at least 1.5 times his or her hourly basic rate of pay for all hours worked in excess of the prevailing hours of labor unless any of the following applies:

SECTION 51. 103.50 (2m) (b) 1. of the statutes is repealed.

SECTION 52. 103.50 (2m) (b) 2. of the statutes is repealed.

SECTION 53. 103.50 (4m) of the statutes is amended to read:

103.50 (4m) WAGE RATE DATA. In determining prevailing wage rates for projects that are subject to this section, the department shall use data from projects that are subject to this section, s. 66.0903, 66.0904, or 103.49, or 40 USC 3142.

SECTION 54. 103.503 (title) of the statutes is amended to read:

103.503 (title) Substance abuse prevention on public works and publicly funded projects.

SECTION 55. 103.503 (1) (a) of the statutes is amended to read:

103.503 (1) (a) “Accident” means an incident caused, contributed to, or otherwise involving an employee that resulted or could have resulted in death, personal injury, or property damage and that occurred while the employee was performing the work described in s. 66.0903 (4), 66.0904 (3), or 103.49 (2m) on a project.

SECTION 56. 103.503 (1) (c) of the statutes is amended to read:

103.503 (1) (c) “Contracting agency” means a local governmental unit, as defined in s. 66.0903 (1) (d), or a state agency, as defined in s. 103.49 (1) (f), or an
owner or developer under s. 66.0904 that has contracted for the performance of work on a project.

SECTION 57. 103.503 (1) (e) of the statutes is amended to read:

103.503 (1) (e) “Employee” means a laborer, worker, mechanic, or truck driver who performs the work described in s. 66.0903 (4), 66.0904 (3), or 103.49 (2m) on a project.

SECTION 58. 103.503 (1) (g) of the statutes is amended to read:

103.503 (1) (g) “Project” means a project of public works that is subject to s. 66.0903 or 103.49 or a publicly funded private construction project that is subject to s. 66.0904.

SECTION 59. 103.503 (2) of the statutes is amended to read:

103.503 (2) SUBSTANCE ABUSE PROHIBITED. No employee may use, possess, attempt to possess, distribute, deliver, or be under the influence of a drug, or use or be under the influence of alcohol, while performing the work described in s. 66.0903 (4), 66.0904 (3), or 103.49 (2m) on a project. An employee is considered to be under the influence of alcohol for purposes of this subsection if he or she has an alcohol concentration that is equal to or greater than the amount specified in s. 885.235 (1g) (d).

SECTION 60. 103.503 (3) (a) 2. of the statutes is amended to read:

103.503 (3) (a) 2. A requirement that employees performing the work described in s. 66.0903 (4), 66.0904 (3), or 103.49 (2m) on a project submit to random, reasonable suspicion, and post−accident drug and alcohol testing and to drug and alcohol testing before commencing work on a project, except that testing of an employee before commencing work on a project is not required if the employee has
been participating in a random testing program during the 90 days preceding the
date on which the employee commenced work on the project.

**SECTION 61.** 104.001 (3) (am) of the statutes is repealed.

**SECTION 62.** 109.09 (1) of the statutes is amended to read:

109.09 (1) The department shall investigate and attempt equitably to adjust
controversies between employers and employees as to alleged wage claims. The
department may receive and investigate any wage claim which is filed with the
department, or received by the department under s. 109.10 (4), no later than 2 years
after the date the wages are due. The department may, after receiving a wage claim,
investigate any wages due from the employer against whom the claim is filed to any
employee during the period commencing 2 years before the date the claim is filed.
The department shall enforce this chapter and ss. 66.0903, 66.0904, 103.02, 103.49,
103.82, 104.12, and 229.8275. In pursuance of this duty, the department may sue the
employer on behalf of the employee to collect any wage claim or wage deficiency and
ss. 109.03 (6) and 109.11 (2) and (3) shall apply to such actions. Except for actions
under s. 109.10, the department may refer such an action to the district attorney of
the county in which the violation occurs for prosecution and collection and the
district attorney shall commence an action in the circuit court having appropriate
jurisdiction. Any number of wage claims or wage deficiencies against the same
employer may be joined in a single proceeding, but the court may order separate
trials or hearings. In actions that are referred to a district attorney under this
subsection, any taxable costs recovered by the district attorney shall be paid into the
general fund of the county in which the violation occurs and used by that county to
meet its financial responsibility under s. 978.13 (2) (b) for the operation of the office
of the district attorney who prosecuted the action.
SECTION 63. 111.322 (2m) (c) of the statutes is amended to read:

111.322 (2m) (c) The individual files a complaint or attempts to enforce a right under s. 66.0903, 66.0904, 103.49, or 229.8275 or testifies or assists in any action or proceeding under s. 66.0903, 66.0904, 103.49, or 229.8275.

SECTION 64. 227.01 (13) (t) of the statutes is amended to read:

227.01 (13) (t) Ascertains and determines prevailing wage rates under ss. 66.0903, 66.0904, 103.49, 103.50, and 229.8275, except that any action or inaction which ascertains and determines prevailing wage rates under ss. 66.0903, 66.0904, 103.49, 103.50, and 229.8275 is subject to judicial review under s. 227.40.

SECTION 65. 946.15 (title) of the statutes is amended to read:

946.15 (title) Public and publicly-funded construction contracts at less than full rate.

SECTION 66. 946.15 (1) of the statutes is amended to read:

946.15 (1) Any employer, or any agent or employee of an employer, who induces any person who seeks to be or is employed pursuant to a public contract as defined in s. 66.0901 (1) (c) or who seeks to be or is employed on a project on which a prevailing wage rate determination has been issued by the department of workforce development under s. 66.0903 (3), 66.0904 (4), 103.49 (3), 103.50 (3), or 229.8275 (3) or by a local governmental unit, as defined in s. 66.0903 (1) (d), under s. 66.0903 (6) or 66.0904 (6) to give up, waive, or return any part of the compensation to which that person is entitled under his or her contract of employment or under the prevailing wage rate determination issued by the department or local governmental unit, or who reduces the hourly basic rate of pay normally paid to an employee for work on a project on which a prevailing wage rate determination has not been issued under s. 66.0903 (3) or (6), 66.0904 (4) or (6), 103.49 (3), 103.50 (3), or 229.8275 (3) during
a week in which the employee works both on a project on which a prevailing wage rate determination has been issued and on a project on which a prevailing wage rate determination has not been issued, is guilty of a Class I felony.

SECTION 67. 946.15 (2) of the statutes is amended to read:

946.15 (2) Any person employed pursuant to a public contract as defined in s. 66.0901 (1) (c) or employed on a project on which a prevailing wage rate determination has been issued by the department of workforce development under s. 66.0903 (3), 66.0904 (4), 103.49 (3), 103.50 (3), or 229.8275 (3) or by a local governmental unit, as defined in s. 66.0903 (1) (d), under s. 66.0903 (6) or 66.0904 (6) who gives up, waives, or returns to the employer or agent of the employer any part of the compensation to which the employee is entitled under his or her contract of employment or under the prevailing wage determination issued by the department or local governmental unit, or who gives up any part of the compensation to which he or she is normally entitled for work on a project on which a prevailing wage rate determination has not been issued under s. 66.0903 (3) or (6), 66.0904 (4) or (6), 103.49 (3), 103.50 (3), or 229.8275 (3) during a week in which the person works part-time on a project on which a prevailing wage rate determination has been issued and part-time on a project on which a prevailing wage rate determination has not been issued, is guilty of a Class C misdemeanor.

SECTION 68. 946.15 (3) of the statutes is amended to read:

946.15 (3) Any employer or labor organization, or any agent or employee of an employer or labor organization, who induces any person who seeks to be or is employed on a project on which a prevailing wage rate determination has been issued by the department of workforce development under s. 66.0903 (3), 66.0904 (4), 103.49 (3), 103.50 (3), or 229.8275 (3) or by a local governmental unit, as defined in s. 66.0903
(1) (d), under s. 66.0903 (6) or 66.0904 (6) to permit any part of the wages to which that person is entitled under the prevailing wage rate determination issued by the department or local governmental unit to be deducted from the person’s pay is guilty of a Class I felony, unless the deduction would be permitted under 29 CFR 3.5 or 3.6 from a person who is working on a project that is subject to 40 USC 3142.

**SECTION 69.** 946.15 (4) of the statutes is amended to read:

946.15 (4) Any person employed on a project on which a prevailing wage rate determination has been issued by the department of workforce development under s. 66.0903 (3), 66.0904 (4), 103.49 (3), 103.50 (3), or 229.8275 (3) or by a local governmental unit, as defined in s. 66.0903 (1) (d), under s. 66.0903 (6) or 66.0904 (6) who permits any part of the wages to which that person is entitled under the prevailing wage rate determination issued by the department or local governmental unit to be deducted from his or her pay is guilty of a Class C misdemeanor, unless the deduction would be permitted under 29 CFR 3.5 or 3.6 from a person who is working on a project that is subject to 40 USC 3142.

**SECTION 70. Initial applicability.**

(1) Prevailing wages and hours on publicly funded private projects. The treatment of sections 19.36 (12), 66.0903 (3) (av), 66.0904, 103.49 (3) (ar), 103.50 (4m), 103.503 (title), (1) (a), (c), (e), and (g), (2), and (3) (a) 2., 104.001 (3) (am), 109.09 (1), 111.322 (2m) (c), 227.01 (13) (t), and 946.15 (title), (1), (2), (3), and (4) of the statutes first applies to a project proposal that is accepted by a local governmental unit on the effective date of this subsection.

(2) Prevailing wage rate. The treatment of sections 66.0903 (1) (g) 2., 103.49 (1) (d) 2., and 103.50 (1) (d) 2. of the statutes first applies to a prevailing wage determination made on the effective date of this subsection.
(3) SUBJOURNEYPERSONS, TRUCK DRIVERS, VOLUNTEERS, AND INCIDENTAL WORK. The treatment of sections 66.0903 (4) (b) (intro.), 1., and 2., (d), and (e) and (5) (b), 103.49 (2m) (b) (intro.), 1., and 2., (d), and (e) and (3g) (b), and 103.50 (2m) (b) (intro.), 1., and 2. of the statutes first applies to work performed on the effective date of this subsection, except that, if that work is performed under a contract that contains provisions that are inconsistent with those sections, the treatment of those sections first applies to work performed on the day on which that contract expires or is extended, modified, or renewed, whichever occurs first.

(4) INSPECTION OF PAYROLL RECORDS. The treatment of sections 66.0903 (10) (c) and 103.49 (5) (c) of the statutes first applies, with respect to a request for the inspection of the payroll records for a project of public works, to a project of public works contracted for on the effective date of this subsection.

(5) PREVAILING WAGE RECORDS. The treatment of sections 66.0903 (10) (am) and 103.49 (5) (am) of the statutes first applies to work performed on the effective date of this subsection, except that, if that work is performed under a contract that contains provisions that are inconsistent with those sections, the treatment of those sections first applies to work performed on the day on which that contract expires or is extended, modified, or renewed.

(6) PREVAILING WAGE; REMEDIES. The treatment of sections 66.0903 (11) (a) 1., 2., 3., and 5. and 103.49 (6m) (ag) of the statutes first applies to hours worked on the effective date of this subsection.

(7) TURNKEY, PRIVATE DEVELOPMENT, AND RESIDENTIAL PROJECTS. The treatment of sections 66.0903 (2) (c) and (d) and (5) (f) and 103.49 (1m) (b) and (c) and (3g) (g) of the statutes first applies to a contract for the erection, construction, remodeling,
repair, or demolition of a project entered into, or extended, modified, or renewed, on
the effective date of this subsection.

(END)