

1 **STATE AND LOCAL AGENCIES CRITERIA**

2 **IN AWARDING BIDS**

3 2003 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: James M. Evans**

6 **This act modifies provisions relating to employment on public works projects. The act**
7 **requires state and local agencies to require contractors on public works projects to**
8 **consider implementing an apprenticeship program and providing or making available**
9 **health insurance coverage for workers. The act authorizes state and local agencies to give**
10 **preference, in the awarding of contracts, to contractors who implement an apprenticeship**
11 **program and provide or make available health insurance. The act also makes technical**
12 **changes.**

13 This act affects sections of Utah Code Annotated 1953 as follows:

14 AMENDS:

15 **34-30-14**, as enacted by Chapter 72, Laws of Utah 1995

16 *Be it enacted by the Legislature of the state of Utah:*

17 Section 1. Section **34-30-14** is amended to read:

18 **34-30-14. Public works -- Wages.**

19 (1) For purposes of this section:

20 (a) "Political subdivision" means a county, city, town, school district, special district,
21 public corporation, institution of higher education of the state, public agency of any political
22 subdivision, or other entity that expends public funds for construction, maintenance, repair or
23 improvement of public works.

24 (b) "Public works" or "public works project" means a building, road, street, sewer,
25 storm drain, water system, irrigation system, reclamation project, or other facility owned or to
26 be contracted for by the state or a political subdivision, and that is to be paid for in whole or in
27 part with tax revenue paid by residents of the state.



28 (2) (a) Except as provided in Subsection (2)(b) or as required by federal or state law,
29 the state or any political subdivision that contracts for the construction, maintenance, repair, or
30 improvement of public works may not require that a contractor, subcontractor, or material
31 supplier or carrier engaged in the construction, maintenance, repair, or improvement of public
32 works pay its employees:

33 (i) a predetermined amount of wages or wage rate; or

34 (ii) a type, amount, or rate of employee benefits.

35 (b) Subsection (2)(a) does not apply when federal law requires the payment of
36 prevailing or minimum wages to persons working on projects funded in whole or in part by
37 federal funds.

38 (3) The state or any political subdivision that contracts for the construction,
39 maintenance, repair, or improvement of public works may not require that a contractor,
40 subcontractor, or material supplier or carrier engaged in the construction, maintenance, repair
41 or improvement of public works execute or otherwise become a party to any project labor
42 agreement, collective bargaining agreement, prehire agreement, or any other agreement with
43 employees, their representatives, or any labor organization as a condition of bidding,
44 negotiating, being awarded, or performing work on a public works project.

45 (4) (a) The state and each political subdivision that requests a proposal from a
46 contractor, subcontractor, material supplier, or carrier for the construction, maintenance, repair,
47 or improvement of a public works project costing \$100,000 or more shall require the
48 contractor, subcontractor, material supplier, or carrier to consider:

49 (i) implementing an apprenticeship program approved by the federal agency designated
50 by the United States Department of Labor to oversee apprenticeship programs; and

51 (ii) providing or making available health insurance coverage for all workers employed
52 on the public works project.

53 (b) In awarding a contract for the construction, maintenance, repair, or improvement of
54 a public works project costing \$100,000 or more, the state or a political subdivision may give
55 preference to a contractor, subcontractor, material supplier, or carrier that:

56 (i) has implemented an apprenticeship program approved by the federal agency
57 designated by the United States Department of Labor to oversee apprenticeship programs; or

58 (ii) provides or makes available health insurance coverage for all workers employed on

59 the public works project.

60 [~~(4) This section applies~~] (5) (a) Subsections (2) and (3) apply to [any] each contract
61 executed after May 1, 1995.

62 (b) Subsection (4) applies to each request for a proposal issued on or after May 5, 2003
63 for a public works project costing \$100,000 or more.

Legislative Review Note

as of 1-22-03 2:21 PM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel

Fiscal Note
Bill Number SB0129

State and Local Agencies Criteria in Awarding Bids

29-Jan-03

12:00 PM

State Impact

No fiscal impact.

Individual and Business Impact

No fiscal impact.

Office of the Legislative Fiscal Analyst