

CHAPTER 105  
FORMERLY  
HOUSE SUBSTITUTE NO. 1

FOR

HOUSE BILL NO. 145

AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO THE PREVAILING WAGE.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF DELAWARE:

Section 1. Amend 6960(a), Title 29 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underlining as follows:

§ 6960 Prevailing wage requirements.

(a) The specifications for every contract or aggregate of contracts relating to a public works project in excess of ~~\$100,000~~ \$500,000 for new construction (including painting and decorating) or ~~\$15,000~~ \$45,000 for alteration, repair, renovation, rehabilitation, demolition or reconstruction (including painting and decorating of buildings or works) to which this State or any subdivision thereof is a party and for which the State appropriated any part of the funds and which requires or involves the employment of mechanics and/or laborers shall contain a provision stating the minimum wages to be paid various classes of laborers and mechanics which shall be based upon the wages that will be determined by the Delaware Department of Labor, Division of Industrial Affairs, to be prevailing in the county in which the work is to be performed. ~~As of January 1, 2016, The the~~ Delaware Department of Labor, Division of Industrial Affairs shall establish the prevailing wage for each respective craft or class of laborers and mechanics at the same rates established in collective bargaining agreements between labor organizations and their employers, or when collective bargaining agreement rates do not prevail, that govern work of a similar nature and similar crafts or classes of laborers and mechanics for the county where the public works contract will be performed if that particular labor organization's collective bargaining rate prevailed and they participated in the survey, for that particular trade or craft in that particular county for 2 4 consecutive years. When collective bargaining rates do not apply, the prevailing wage shall be the highest rate of the 4 years. The agreed rate of pay designated by the craft's collective bargaining agreement will become the prevailing wage for a period of 5 years and the raise be determined by the collective bargaining agreement rate at the time the prevailing wage survey is conducted for that craft, county, and year. If the agreed rate of pay is designated to be the craft's collective bargaining agreement, the annual rate adjustment will be determined by the collective bargaining agreement rate for each craft and county, each year. When collective bargaining rates do not prevail, the annual rate adjustment shall be the Consumer Price Index-Construction. If the prevailing wage cannot be reasonably and fairly determined in any locality because no such agreements exists or the collective bargaining rate has not prevailed for 2 4 consecutive years the Department shall use the prevailing wage as established by the Department's annual prevailing wage survey. There will be a 1-time challenge of the prevailing wage rate per cycle as in the Department regulations.

For each respective craft or class of laborers or mechanics, the craft or class whose collectively bargained wages as of January 1, 2015, for that particular labor organization's collective bargaining rate prevailed for that particular trade or craft in that particular county is the prevailing wage rate and whose rate has prevailed for 4 of the last 5 years, or will prevail in the future for 4 consecutive years, shall have their collective bargaining agreement adopted as the prevailing wage rate negotiated by industry standards between workers and employers and the raise be determined by the collective bargaining agreement rate as of September 1 for that craft, county, and year.

All other provisions of this law are to remain unchanged.

Section 2. Amend 6960(l), Title 29 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

~~(1) A Prevailing Wage Advisory Council is hereby established to assist the Department in carrying out its duties under the prevailing wage law. Such advisory council shall be appointed by the Secretary of Labor, shall be convened by the Director of the Division of Industrial Affairs (who shall serve as a non-voting member) and shall consist of 10 representatives from construction industry organizations/associations. The members shall be appointed~~

~~for a term of 3 years provided, however, that the initial members may be appointed to terms shorter than 3 years but not less than 1 year to ensure staggered term expirations. The members shall receive no compensation.~~

(l) A Prevailing Wage Advisory Committee is established to provide advice to the General Assembly as to how the prevailing wage survey can be improved or whether the survey should be eliminated. The Prevailing Wage Advisory committee shall provide a report to the General Assembly no later than January 20, 2016. The Committee shall have 7 members appointed to four year terms. There shall be: 1) two members of the House of Representative appointed by the Speaker of the House of Representatives; 2) two members of the Senate appointed by the President Pro Tempore; 3) the Secretary of the Department of Labor or designee appointed by the Secretary of the Department of Labor, who shall be the chair of the committee; 4) a member of the Delaware Building and Construction Trades Council appointed by the President of the Council; and 5) a member of the Associated Builders and Contractors, Inc. appointed by the President of the Associated Builders and Contractors, Inc. The committee shall have its first meeting no later than September 1, 2015, The Committee will sunset after four years unless extended by law.

Section 3. Amend § 6960, Title 29 of the Delaware Code by making deletions as shown by strike through and insertions as shown by underline as follows:

(m) None of the specifications of this section shall apply to a project of the Department of Transportation wholly funded by Community Transportation Funds. None of the specifications of this section shall apply to a project wholly funded by the Municipal Street Aid program authorized pursuant to Chapter 51 of Title 30.

Approved July 15, 2015