



2011 SENATE BILL 46

March 25, 2011 – Introduced by Senators HOLPERIN, LASSA, HANSEN and VINEHOUT, cosponsored by Representatives CLARK, DANOU, HULSEY, MOLEPSKE JR, BERCEAU, VRUWINK, POPE-ROBERTS and VAN ROY. Referred to Committee on Labor, Public Safety, and Urban Affairs.

1 **AN ACT to amend** 66.0903 (5) (a) of the statutes; **relating to:** the cost threshold
2 for applicability of the prevailing wage law to a highway, road, street, bridge,
3 sanitary sewer, or water main project contracted by a town.

Analysis by the Legislative Reference Bureau

Under the current prevailing wage law, certain laborers, workers, mechanics, and truck drivers employed on a project of public works contracted by a local governmental unit for which the project cost of completion is \$25,000 or more (statutory threshold) 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 more than ten hours per day and 40 hours per week, unless they are paid 1.5 times their basic rate of pay for all hours worked in excess of those hours. Currently, for purposes of the prevailing wage law, "local governmental unit" is defined to include a political subdivision of this state, which includes a town.

This bill raises from \$25,000 to \$125,000 the statutory threshold for applicability of the prevailing wage law to a highway, road, street, bridge, sanitary sewer, or water main project erected, constructed, repaired, remodeled, or demolished for a town. The bill also requires DWD to adjust the statutory thresholds for applicability of the prevailing wage law every year by the change in construction costs since the establishment of those statutory thresholds.

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

2 66.0903 (5) (a) A project of public works for which the estimated project cost
3 of completion is below \$25,000 or, in the case of a project of public works that is a
4 highway, road, street, bridge, sanitary sewer, or water main project erected,
5 constructed, repaired, remodeled, or demolished for a town, a project of public works
6 for which the estimated project cost of completion is below \$125,000. The
7 department shall adjust those dollar amounts every year, the first adjustment to be
8 made no sooner than December 1, 2012. The adjustments shall be in proportion to
9 any change in construction costs since the effective of the dollar amounts established
10 under this paragraph.

11 **SECTION 2. Initial applicability.**

12 (1) THRESHOLD FOR FOR APPLICABILITY OF PREVAILING WAGE LAW. This act first
13 applies to a contract for a project of public works entered into by direct negotiation,
14 or to a notice for the purpose of soliciting bids for a project of public works issued, on
15 the effective date of this subsection.

16 **SECTION 3. Effective date.**

17 (1) EXEMPTION FROM PREVAILING WAGE LAW. This act takes effect on the January
18 1 after publication.

19 (END)