

HOUSE BILL 200

52ND LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2016

INTRODUCED BY

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This document incorporates committee amendments adopted during standing committee(s) consideration of this measure. It is a tool to show the amendments in context and is not to be used for introduction, amendment or substitution.

AN ACT

RELATING TO PUBLIC WORKS; REMOVING PROJECTS FOR PUBLIC HIGHWAYS, ROADS AND EDUCATIONAL INSTITUTIONS FROM THE APPLICATION OF THE PUBLIC WORKS MINIMUM WAGE ACT; ELIMINATING COLLECTIVE BARGAINING AGREEMENTS AS THE BASIS FOR COMPUTING MINIMUM WAGES ON PUBLIC WORKS PROJECTS; PLACING A CAP ON PREVAILING WAGES AND FRINGE BENEFITS.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

SECTION 1. Section 13-4-11 NMSA 1978 (being Laws 1965, Chapter 35, Section 1, as amended) is amended to read:

"13-4-11. PREVAILING WAGE AND BENEFIT RATES DETERMINED--MINIMUM WAGES AND FRINGE BENEFITS ON PUBLIC WORKS-- WEEKLY PAYMENT--WITHHOLDING FUNDS.--

A. Every contract or project in excess of sixty

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thousand dollars (\$60,000) that the state or any political subdivision thereof is a party to for construction, alteration, demolition or repair or any combination of these, including painting and decorating, of public buildings or public works [~~or public roads~~] of the state, and that requires or involves the employment of mechanics, laborers or both shall contain a provision stating the minimum wages and fringe benefits to be paid to various classes of laborers and mechanics, which shall be based upon the wages and benefits that will be determined by the director to be prevailing for the corresponding classes of laborers and mechanics employed on contract work of a similar nature in the state or locality, and every contract or project shall contain a stipulation that the contractor, subcontractor, employer or a person acting as a contractor shall pay all mechanics and laborers employed on the site of the project, unconditionally and not less often than once a week and without subsequent unlawful deduction or rebate on any account, the full amounts accrued at time of payment computed at wage rates and fringe benefit rates not less than those determined pursuant to Subsection [B] C of this section to be the prevailing wage rates and prevailing fringe benefit rates issued for the project.

~~[B. The director shall determine prevailing wage rates and prevailing fringe benefit rates for respective classes of laborers and mechanics employed on public works~~

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~~projects at the same wage rates and fringe benefit rates used in collective bargaining agreements between labor organizations and their signatory employers that govern predominantly similar classes or classifications of laborers and mechanics for the locality of the public works project and the crafts involved; provided that:~~

~~(1) if the prevailing wage rates and prevailing fringe benefit rates cannot reasonably and fairly be determined in a locality because no collective bargaining agreements exist, the director shall determine the prevailing wage rates and prevailing fringe benefit rates for the same or most similar class or classification of laborer or mechanic in the nearest and most similar neighboring locality in which collective bargaining agreements exist;~~

~~(2) the director shall give due regard to information obtained during the director's determination of the prevailing wage rates and the prevailing fringe benefit rates made pursuant to this subsection;~~

~~(3) any interested person shall have the right to submit to the director written data, personal opinions and arguments supporting changes to the prevailing wage rate and prevailing fringe benefit rate determination; and~~

~~(4) prevailing wage rates and prevailing fringe benefit rates determined pursuant to the provisions of this section shall be compiled as official records and kept on~~

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~~file in the director's office and the records shall be updated in accordance with the applicable rates used in subsequent collective bargaining agreements.]~~

~~B. The provisions of the Public Works Minimum Wage Act shall not apply to contracts and projects for public roads and educational institutions.~~

B. The provisions of the Public Works Minimum Wage Act shall not apply to contracts and projects for:

(1) public roads;

(2) public highways as defined in Section 67-2-1 NMSA 1978; and

(3) facilities of school districts, state-chartered charter schools, post-secondary educational institutions and state educational institutions identified in Article 12, Section 11 of the constitution of New Mexico.

C. For the purpose of determining prevailing wage rates and prevailing fringe benefit rates, the director shall conduct a continuing statewide field survey to obtain and compile wage rate and fringe benefit rate information and shall encourage the voluntary submission of wage rate and fringe benefit rate information by contractors, contractors' associations, labor organizations, interested persons and public officers. Any interested person shall have the right to submit to the director written data, views and arguments why the wage rate and fringe benefit rate determination should be changed. Based

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on the information obtained through the field survey and through voluntary submissions from interested parties, the director shall determine the prevailing wages on any public works project for each recognized class of worker to be the weighted average of the total hours worked in the recognized classification of workers who are employed on work similar to the proposed project. In no event, however, shall New Mexico's prevailing wage and fringe benefit rates be higher than the rates applicable to projects covered by the federal Davis-Bacon Act.

[G-] D. The prevailing wage rates and prevailing fringe benefit rates to be paid shall be posted by the contractor or person acting as a contractor in a prominent and easily accessible place at the site of the work; and it is further provided that there may be withheld from the contractor, subcontractor, employer or a person acting as a contractor so much of accrued payments as may be considered necessary by the contracting officer of the state or political subdivision to pay to laborers and mechanics employed on the project the difference between the prevailing wage rates and prevailing fringe benefit rates required by the director to be paid to laborers and mechanics on the work and the wage rates and fringe benefit rates received by the laborers and mechanics and not refunded to the contractor, subcontractor, employer or a person acting as a contractor or the contractor's,

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~~[subcontractor's]~~ subcontractor's, employer's or person's agents.

~~[D-]~~ E. Notwithstanding any other provision of law applicable to public works contracts or agreements, the director may, with cause:

(1) issue investigative or hearing subpoenas for the production of documents or witnesses pertaining to public works prevailing wage projects; and

(2) attach and prohibit the release of any assurance of payment required under Section 13-4-18 NMSA 1978 for a reasonable period of time beyond the time limits specified in that section until the director satisfactorily resolves any probable cause to believe a violation of the Public Works Minimum Wage Act or its implementing rules has taken place.

~~[E-]~~ F. The director shall issue rules necessary to administer and accomplish the purposes of the Public Works Minimum Wage Act."

**SECTION 2. EFFECTIVE DATE.**--The effective date of the provisions of this act is July 1, 2016.