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# SENATE BILL No. 243

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 5-16-7-1.

**Synopsis:** Common construction wage on school projects. From July 1, 2011, to June 30, 2015, exempts contractors awarded construction contracts by school corporations from the requirement of paying laborers at least the common construction wage.

**Effective:** July 1, 2011.

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January 6, 2011, read first time and referred to Committee on Pensions and Labor.

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First Regular Session 117th General Assembly (2011)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2010 Regular Session of the General Assembly.

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# SENATE BILL No. 243



A BILL FOR AN ACT to amend the Indiana Code concerning state and local administration.

*Be it enacted by the General Assembly of the State of Indiana:*

1 SECTION 1. IC 5-16-7-1 IS AMENDED TO READ AS FOLLOWS  
2 [EFFECTIVE JULY 1, 2011]: Sec. 1. (a) Any firm, individual,  
3 partnership, limited liability company, or corporation that is awarded  
4 a contract by the state, a political subdivision, or a municipal  
5 corporation for the construction of a public work, and any  
6 subcontractor of the construction, shall pay for each class of work  
7 described in subsection (c)(1) on the project a scale of wages that may  
8 not be less than the common construction wage.

9 (b) For the purpose of ascertaining what the common construction  
10 wage is in the county, the awarding governmental agency, before  
11 advertising for the contract, shall set up a committee of five (5) persons  
12 as follows:

13 (1) One (1) person representing labor, to be named by the  
14 president of the state federation of labor.  
15 (2) One (1) person representing industry, to be named by the  
16 awarding agency.  
17 (3) A third member to be named by the governor.



- 1 (4) One (1) taxpayer who pays the tax that will be the funding
- 2 source for the project and resides in the county where the project
- 3 is located. The owner of the project shall make the appointment
- 4 under this subdivision.
- 5 (5) One (1) taxpayer who pays the tax that will be the funding
- 6 source for the project and resides in the county where the project
- 7 is located. The legislative body (as defined in IC 36-1-2-9) for the
- 8 county where the project is located shall make the appointment
- 9 under this subdivision.
- 10 (c) As soon as appointed, the committee shall meet in the county
- 11 where the project is located and determine in writing the following:
- 12 (1) A classification of the labor to be employed in the
- 13 performance of the contract for the project, divided into the
- 14 following three (3) classes:
- 15 (A) Skilled labor.
- 16 (B) Semiskilled labor.
- 17 (C) Unskilled labor.
- 18 (2) The wage per hour to be paid each of the classes.
- 19 The committee is not required to consider information not presented to
- 20 the committee at the meeting. IC 5-14-1.5 (open door law) applies to
- 21 a meeting of the committee.
- 22 (d) The rate of wages determined under subsection (c) shall not be
- 23 less than the common construction wage for each of the three (3)
- 24 classes of wages described in subsection (c) that are currently being
- 25 paid in the county where the project is located.
- 26 (e) The provisions of this chapter shall not apply to contracts let by
- 27 the Indiana department of transportation for the construction of
- 28 highways, streets, and bridges. IC 8-23-9 applies to state highway
- 29 projects.
- 30 (f) A determination under subsection (c) shall be made and filed
- 31 with the awarding agency at least two (2) weeks prior to the date fixed
- 32 for the letting, and a copy of the determination shall be furnished upon
- 33 request to any person desiring to bid on the contract. The schedule is
- 34 open to the inspection of the public.
- 35 (g) If the committee appointed under subsection (b) fails to act and
- 36 to file a determination under subsection (c) at or before the time
- 37 required under subsection (f), the awarding agency shall make the
- 38 determination, and its finding shall be final.
- 39 (h) It shall be a condition of a contract awarded under this chapter
- 40 that the successful bidder and all subcontractors shall comply strictly
- 41 with the determination made under this section.
- 42 (i) The provisions of this chapter do not apply to public projects in

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1 this state that would otherwise be subject to the provisions of this  
2 chapter that are to be paid for in whole or in part with funds granted by  
3 the federal government, unless the department of the federal  
4 government making the grant shall consent in writing that the  
5 provisions of this chapter are applicable to the project.

6 (j) Notwithstanding any other law, the provisions of this chapter  
7 apply to projects that will be:

- 8 (1) owned entirely; or
  - 9 (2) leased with an option to purchase;
- 10 by the state or a political subdivision (as defined in IC 36-1-2-13).

11 (k) Notwithstanding any other law, this chapter does not apply to  
12 projects in which the actual construction costs less than one hundred  
13 fifty thousand dollars (\$150,000).

14 **(l) Beginning July 1, 2011, and ending June 30, 2015, the**  
15 **requirement under this section that a contractor pay its workers a**  
16 **scale of wages not less than the common construction wage does**  
17 **not apply to a contractor awarded a construction contract by a**  
18 **school corporation (as defined in IC 20-18-2-16(a)).**

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