

By: Romero, Jr.

H.B. No. 3357

A BILL TO BE ENTITLED

AN ACT

relating to the prevailing wage for work associated with public work contracts; authorizing a penalty.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 2258.023, Government Code, is amended by amending Subsections (a), (b), and (d) and adding Subsections (b-1) and (f) to read as follows:

(a) The contractor who is awarded a contract by a public body or a subcontractor of the contractor:

(1) shall pay not less than the rates determined under Section 2258.022 to a worker employed by it in the execution of the contract; and

(2) may not improperly classify a worker employed by it in the execution of the contract as an independent contractor in order to avoid paying the worker under Subdivision (1).

(b) A contractor or subcontractor who violates this section shall pay to the state or a political subdivision of the state on whose behalf the contract is made \$90 [~~7~~, ~~\$60~~] for:

(1) each worker employed for each calendar day or part of the day that the worker is paid less than the wage rates stipulated in the contract; or

(2) each worker misclassified as an independent contractor for each calendar day or part of the day that the worker is misclassified.

1        (b-1) A public body awarding a contract shall specify the  
2 ~~[this]~~ penalty provided for by Subsection (b) in the contract.

3        (d) The public body shall:

4            (1) audit a public work contract to ensure compliance  
5 with this chapter:

6                    (A) throughout the term of the contract; and

7                    (B) not later than the 30th day before the date  
8 the work is scheduled to be completed on the contract; and

9            (2) use any money collected under this section to  
10 offset the costs incurred in the administration of this chapter.

11        (f) The payment requirement under Subsection (a)(1) may  
12 only be satisfied by payment to the employee in the form of per diem  
13 wages.

14        SECTION 2. The change in law made by this Act applies only  
15 to a public work contract entered into on or after the effective  
16 date of this Act. A public work contract entered into before the  
17 effective date of this Act is governed by the law in effect on the  
18 date the contract was entered into, and the former law is continued  
19 in effect for that purpose.

20        SECTION 3. This Act takes effect September 1, 2017.