

# **WEST VIRGINIA LEGISLATURE**

## **2017 REGULAR SESSION**

**Introduced**

### **Senate Bill 642**

BY SENATORS JEFFRIES, BEACH, MILLER, OJEDA,

PLYMALE, PREZIOSO, STOLLINGS AND UNGER

[Introduced March 17, 2017; Referred  
to the Committee on Government Organization; and  
then to the Committee on Finance]

1 A BILL to amend the Code of West Virginia, 1931, as amended, by adding thereto a new article,  
 2 designated §21-5I-1, §21-5I-2, §21-5I-3, §21-5I-4, §21-5I-5, §21-5I-6, §21-5I-7, §21-5I-8,  
 3 §21-5I-9 and §21-5I-10, all relating to wages for veterans on state government contracts.

*Be it enacted by the Legislature of West Virginia:*

1 That the Code of West Virginia, 1931, as amended, be amended by adding thereto a new  
 2 article, designated §21-5I-1, §21-5I-2, §21-5I-3, §21-5I-4, §21-5I-5, §21-5I-6, §21-5I-7, §21-5I-8,  
 3 §21-5I-9 and §21-5I-10, all to read as follows:

**ARTICLE 5I. STRUCTURED WAGES FOR VETERANS EMPLOYED ON PUBLIC IMPROVEMENTS PROJECTS.**

**§21-5I-1. Legislative findings.**

1 The Legislature finds that the full integration of military service members into society  
 2 through civilian construction employment opportunities is of utmost importance. Stabilizing and  
 3 setting wages for Veterans on Public Improvement Project is necessary so that Veterans are  
 4 treated fairly and earn a livable wage which includes benefits, including, but not limited to, pension  
 5 and health coverage. Therefore, the Legislature finds that enactment of a Veterans structured  
 6 wage law is necessary to prevent Veterans from being treated unfairly, and is necessary to help  
 7 preserve living wages for many Veterans working in the state in the construction industry.

**§21-5I-2. Definitions.**

1 (1) The term "public authority," as used in this article, shall mean any officer, board or  
 2 commission or other agency of the State of West Virginia, or any political subdivision thereof,  
 3 authorized by law to enter into a contract for the construction of a public improvement, including  
 4 any institution supported, in whole or in part, by public funds of the State of West Virginia or its  
 5 political subdivisions, and this article shall apply to expenditures of such institutions made, in  
 6 whole or in part, from such public funds.

7 (2) The term "construction," as used in this article, shall mean any construction,  
 8 reconstruction, improvement, enlargement, painting, decorating, or repair of any public

9 improvement let to contract. The term "construction" shall not be construed to include temporary  
10 or emergency repairs.

11 (3) The term "locality" means the county where the construction is to be performed, except  
12 that if there is not available in the county a sufficient number of competent skilled laborers,  
13 workmen and mechanics to perform such construction efficiently and properly, and may include  
14 one or more counties in this state adjacent to the one in which the construction is to be performed  
15 and from which such skilled laborers, workmen and mechanics may be obtained in sufficient  
16 numbers to perform the construction. With respect to construction of public improvements with  
17 the state road commission, "locality" may be construed to include one or more counties in this  
18 state adjacent to the one in which the construction or public improvement is to be performed and  
19 from which skilled laborers, workmen and mechanics may be accessible for work on such  
20 construction on public improvements.

21 (4) The term "public improvement," as used in this article, shall include all buildings, roads,  
22 highways, bridges, streets, alleys, sewers, ditches, sewage disposal plants, waterworks, airports,  
23 and all other structures upon which construction may be let to contract by the State of West  
24 Virginia or any political subdivision thereof.

25 (5) The term "construction industry," as used in this article, shall mean that industry which  
26 is composed of employees and employers engaged in construction of buildings, roads, highways,  
27 bridges, streets, alleys, sewers, ditches, sewage disposal plants, waterworks, airports, and all  
28 other structures or works whether private or public on which construction work as defined in  
29 subsection (2) of this section is performed.

30 (6) The term "board" shall mean the minimum wage board as constituted in this article.

31 (7) The term "employee" for the purposes of this article, shall not be construed to conclude  
32 such persons as are employed or hired by the public authority on a regular or temporary basis or  
33 engaged in making temporary or emergency repairs.

**§21-51-3. Policy declared.**

1       It is hereby declared to be the policy of the State of West Virginia that a wage of no less  
2 than the structured hourly rate of wages for work of a similar character in the locality in this state  
3 in which the construction is performed, shall be paid to all Veterans and all other persons  
4 employed by or on behalf of any public authority engaged in the construction of public  
5 improvements.

**§21-5I-4. Structured rate of wages; determination; filing; schedule of wages part of specifications.**

1       Any public authority authorized to let to contract the construction of a public improvement,  
2 shall, before advertising for bids for the construction thereof, ascertain from the state commissioner  
3 of labor, the structured minimum rate of wages, including structured minimum overtime and holiday  
4 pay, to be paid by the successful bidder to the laborers, workmen or mechanics in the various  
5 branches or classes of the construction to be performed; and such schedule of wages shall be  
6 made a part of the specifications for the construction and shall be published in an electronic or  
7 other medium and incorporated in the bidding blanks by reference when approved by the  
8 commissioner of labor where the construction is to be performed by contract. The "structured  
9 minimum rate of wages," for the intents and purposes of this article, shall be the rate of wages paid  
10 in the locality in this state as hereinbefore defined to the majority of workmen, laborers or  
11 mechanics in the same trade or occupation in the construction industry. The commissioner of labor  
12 or a member of his or her department designated by him or her shall assemble the data as to fair  
13 minimum wage rates and shall file wage rates. Rates shall be established and filed as hereinafter  
14 provided on the first day of January of each year. These rates shall prevail as the minimum wage  
15 rate on all public improvements on which bids are asked during the year beginning with the date  
16 when such new rates are filed and until the new rates are filed, the rates for the preceding year  
17 shall remain in effect: *Provided*, That such rates shall not remain in effect for a period longer than  
18 fifteen months from the date they are published, but, this provision shall not affect construction of  
19 a public improvement then underway.

**§21-5I-5. Structured wages established at regular intervals; how determined; filing; objections to determination; hearing; final determination; judicial review.**

1       (a) The Department of Labor, from time to time, shall investigate and determine the  
2 structured hourly rate of wages in the localities in this state. Determinations thereof shall be made  
3 annually on January 1 of each year and shall remain in effect during the successive year:  
4 Provided, That such rates shall not remain in effect for a period longer than fifteen months from  
5 the date they are published.

6       In determining such structured rates, the Department of Labor may ascertain and consider  
7 the applicable wage rates established by collective bargaining agreements, if any, and such rates  
8 as are paid generally within the locality in this state where the construction of the public  
9 improvement is to be performed.

10       (b) A copy of the determination so made, certified by the secretary of the board, shall be  
11 filed immediately with the Secretary of State and with the Department of Labor. Copies shall be  
12 supplied to all persons requesting same within ten days after such filing.

13       (c) At any time within fifteen days after the certified copies of the determination have been  
14 filed with the Secretary of State and the Department of Labor, any person who may be affected  
15 thereby may object in writing to the determination or such part thereof as he or she deems  
16 objectionable by filing a written notice with the Department of Labor stating the specific grounds  
17 of the objection.

18       (d) Within ten days of the receipt of the objection, the Department of Labor shall set a date  
19 for a hearing on the objection. The date for the hearing shall be within thirty days after the receipt  
20 of the objection. Written notice of the time and place of the hearing shall be given to the objectors  
21 at least ten days prior to the date set for the hearing and at a time so as to enable the objectors  
22 to be present.

23       (e) The Department of Labor at its discretion may hear such written objection separately  
24 or consolidate for hearing any two or more written objections. At the hearing the Department of

25 Labor shall introduce into evidence the results of the investigation it instituted and such other facts  
26 which were considered at the time of the original determination of the fair minimum structured  
27 hourly rate including the sources which formed the basis for its determination. The Department of  
28 Labor or any objectors thereafter may introduce such further evidence as may be material to the  
29 issues.

30 (f) Within ten days of the conclusion of the hearing, the department must rule on the written  
31 objections and make such final determination as shall be established by a preponderance of the  
32 evidence. Immediately upon such final determination, the department of labor shall file a certified  
33 copy of its final determination with the Secretary of State and with the Department of Labor and  
34 shall serve a copy of the final determination on all parties to the proceedings by personal service  
35 or by registered mail.

36 (g) Any person affected by the final determination of the Department of Labor, whether or  
37 not such person participated in the proceedings resulting in such final determination, may appeal  
38 to the board from the final determination of the Department of Labor within ten days from the filing  
39 of the copy of the final determination with the Secretary of State. The board shall hear the appeal  
40 within twenty days from the receipt of notice of appeal. The hearing by the board shall be held in  
41 Charleston. The hearing by the board shall be upon the record compiled in the hearing before the  
42 Department of Labor and the board shall have the authority to affirm, reverse, amend, or remand  
43 for further evidence, the final determination of the Department of Labor. The board shall render  
44 its decision within ten days after the conclusion of its hearing.

45 (h) Any party to the proceeding before the board or any person affected thereby may within  
46 thirty days after receipt of the notice of its decision, appeal the board's decision to the circuit court  
47 of the county wherever the construction of a public improvement is to be performed, which shall  
48 consider the case on the record made before the commissioner of labor and before the board.  
49 The decision of such circuit court may be appealed to the Supreme Court of Appeals of West  
50 Virginia by any party to the proceedings or by any person affected thereby in the manner provided

51 by law for appeals in civil actions.

52 (i) Pending the decision on appeal, the rates for the preceding year shall remain in effect.

**§21-5I-6. Contracts to contain provisions relative to structured minimum wages to be paid; exceptions.**

1 In all cases where any public authority has ascertained a structured fair minimum rate or  
2 rates of wages as herein provided, and construction of a public improvement is let to contract, the  
3 contract executed between the public authority and the successful bidder shall contain a provision  
4 requiring the successful bidder and all his or her subcontractors to pay a rate or rates of wages  
5 which shall not be less than the fair minimum rate or rates of wages as provided by this article.

**§21-5I-7. Structured Wage rates to be kept posted.**

1 A clearly legible statement of all structured fair minimum wage rates to be paid the several  
2 classes of skilled laborers, workmen and mechanics employed on the construction of the public  
3 improvement shall be kept posted in a prominent and easily accessible place at the site thereof  
4 by each contractor and subcontractor subject to the provisions of this article.

**§21-5I-8. Structured Wage records to be kept by contractor, subcontractor, etc.; contents; open to inspection.**

1 The contractor and each subcontractor or the officer of the public authority in charge of  
2 the construction of a public improvement shall keep an accurate record showing the names and  
3 occupation of all such skilled laborers, workmen and mechanics employed by them, in connection  
4 with the construction on the public improvement and showing also the actual wages paid to each  
5 of the skilled laborers, workmen and mechanics, which record shall be open at all reasonable  
6 hours to the inspection of the Department of Labor and the public authority which let the contract,  
7 its officers and agents. It shall not be necessary to preserve such record for a period longer than  
8 three years after the termination of the contract.

**§21-5I-9. Penalties for violation of article.**

1 (a) Any contractor or subcontractor who willfully and knowingly violates any provision of

2 this article shall be fined not less than \$50 nor more than \$250.

3 (b) Any skilled laborer, workman or mechanic who is engaged in construction on a public  
4 improvement let to contract, who is paid less than the posted fair minimum rate of wages  
5 applicable thereto, may recover from such contractor or subcontractor the difference between the  
6 same and the posted fair minimum rate of wages, and in addition thereto, a penalty equal in  
7 amount to such difference, and reasonable attorney fees. The venue of said action shall be in the  
8 county where the work is performed: *Provided*, That an honest mistake or error shall not be  
9 construed as a basis for recovery under this subsection.

10 (c) Where skilled laborers, workmen and mechanics are employed in construction on a  
11 public improvement and their posted rate of wages has been determined as provided by this  
12 article, it shall be unlawful for any person, for himself or another, to request, demand or receive,  
13 either before or after such skilled laborers, workmen and mechanics are employed in construction  
14 on a public improvement, that they or any one of them pay over money or other thing of value or  
15 pay back, return, donate, contribute or give any part or all of their said wages, or thing of value,  
16 to any person, upon the statement, representation or understanding that failure to comply with  
17 such request or demand will prevent them or any one of them from procuring or retaining  
18 employment; and any person who directly or indirectly aids, requests or authorizes any other  
19 person to violate any of the provisions of this section shall be guilty of a misdemeanor and, fined  
20 not less than \$50 and not more than \$250.

**§21-5I-10. Existing contracts.**

1 This article shall apply only to contracts for construction on public improvements let after  
2 the effective date of this article, and to construction on public improvements for which there has  
3 been determined the fair minimum wage rates as provided in this article, and such determination  
4 has not been appealed from as may be provided by this article.

NOTE: The purpose of this bill is to provide a structured minimum wage for Veterans and



others working on public improvement projects in the State of West Virginia.

Strike-throughs indicate language that would be stricken from a heading or the present law and underscoring indicates new language that would be added.