

BILL ANALYSIS

Senate Research Center
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S.B. 350
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Education
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DIGEST AND PURPOSE

Current law requires that workers on public works projects be paid not less than the prevailing wage for similar work in the locality. However, wages in all sectors of the economy along the Texas-Mexico border are substantially lower than wages for equivalent work in the rest of the state. Therefore, the prevailing wage is an inadequate standard for protection of workers on the border. S.B. 350 will permit a school district located in a county within 50 miles of an international border where the prevailing wages in the locality are below the federal poverty level to require that a worker employed on a public work by or for the district be paid no less in wages than would equal the federal poverty level for a family of four.

RULEMAKING AUTHORITY

This bill does not expressly grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Chapter 2258, Government Code, as follows:

New heading: PREVAILING AND LIVING WAGE RATES.

SECTION 2. Amends Chapter 2258B, Government Code, as follows:

New heading: PAYMENT OF PREVAILING OR LIVING WAGE RATES.

SECTION 3. Amends Section 2258.021(a), Government Code, to make a conforming change.

SECTION 4. Amends Chapter 2258B, Government Code, to add Section 2258.0211, as follows:

Sec. 2258.0211. AUTHORITY OF SCHOOL DISTRICT TO REQUIRE LIVING WAGE RATE. (a) Provides that this section only applies if the school district is located primarily in a county any part of which is located within 50 miles of an international border and the general prevailing rate of per diem wages for work of a similar character in the locality in which the work is performed, as determined in accordance with Section 2258.022, is less than the rate of per diem wages that would amount to annual compensation equal to the federal poverty level for a family of four based on the federal Office of Management and Budget poverty index.

(b) Authorizes a school district to require that a worker employed on a public work by or on behalf of the district be paid not less than for work other than legal holiday or overtime work, the rate of per diem wages that would amount to annual compensation equal to the federal poverty level for a family of four based on the federal Office of Management and Budget poverty index and for legal holiday or overtime work, the greater of the rate described by Subdivision (1), or the general prevailing rate of per diem wages for that work, as determined in accordance with Section 2258.022.

(c) Provides that Subsection (b) does not apply to maintenance work.

(d) Provides that a worker is employed on a public work for the purposes of this section if the worker is employed by a contractor or subcontractor in the execution of a contract for the public work with the school district or any officer or public body of the school district.

(e) Requires the school district to determine the rate of per diem wages described by Subsection (b)(1) as a sum certain, expressed in dollars and cents.

(f) Requires the school district to specify in the call for bids for the contract and in the contract itself the wage rates required by the district under this section.

SECTION 5. Amends Section 2258.022 (c), Government Code, to make a conforming change.

SECTION 6. Amends Section 2258.023, Government Code, as follows:

New heading: Sec. 2258.023. PREVAILING OR LIVING WAGE RATES TO BE PAID BY CONTRACTOR AND SUBCONTRACTOR; PENALTY. Requires the contractor who is awarded a contract by a public body or a subcontractor of the contractor to pay to a worker employed by it in the execution of the contract not less than, as applicable, the rates determined under Section 2258.022, or the rates required by a school district under Section 2258.0211. Makes conforming changes.

SECTION 7. Amends Section 2258.025, Government Code, as follows:

New heading: Sec.2258.025. PAYMENT GREATER THAN MINIMUM WAGE RATE NOT PROHIBITED. Makes conforming changes.

SECTION 8. Amends Section 2258.056 (a), Government Code, to change language regarding general prevailing wage rates to appropriate wage rates.

SECTION 9. Makes application of this Act prospective.

SECTION 10. Effective date: September 1, 2001.