

# SENATE BILL No. 263

May 5, 1987, Introduced by Senators FREDRICKS, WELBORN, DILLINGHAM, SMITH, GEAKE, GAST, EHLERS, POSTHUMUS, NICHOLS, SCHWARZ, DE GROW, BINSFELD, CARL, SHINKLE, CROPSEY, CRUCE, FESSLER and ENGLER and referred to the Committee on Human Resources and Senior Citizens.

A bill to amend section 4 of Act No. 166 of the Public Acts of 1965, entitled

"An act to require prevailing wages and fringe benefits on state projects; to establish the requirements and responsibilities of contracting agents and bidders; and to prescribe penalties,"

being section 408.554 of the Michigan Compiled Laws.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1       Section 1. Section 4 of Act No. 166 of the Public Acts of  
2 1965, being section 408.554 of the Michigan Compiled Laws, is  
3 amended to read as follows:

4       Sec. 4. The commissioner shall establish prevailing wages  
5 and fringe benefits at the same rate AS DETERMINED BY THE UNITED  
6 STATES SECRETARY OF LABOR PURSUANT TO CHAPTER 411, 46 STAT.  
7 1494, 40 U.S.C. 276a TO 276a-5, COMMONLY KNOWN AS THE  
8 DAVIS-BACON ACT. ~~that prevails on projects of a similar~~  
9 ~~character in the locality under collective agreements or~~

1 ~~understandings between bona fide organizations of construction~~  
2 ~~mechanics and their employers. Such agreements and understand-~~  
3 ~~ings, to meet the requirements of this section, shall not be con-~~  
4 ~~trolled in any way by either an employee or employer~~  
5 ~~organization. If the prevailing rates of wages and fringe bene-~~  
6 ~~fits cannot reasonably and fairly be applied in any locality~~  
7 ~~because no such agreements or understandings exist, the commis-~~  
8 ~~sioner shall determine the rates and fringe benefits for the same~~  
9 ~~or most similar employment in the nearest and most similar neigh-~~  
10 ~~boring locality in which such agreements or understandings do~~  
11 ~~exist. The commissioner may hold public hearings in the locality~~  
12 ~~in which the work is to be performed to determine the prevailing~~  
13 ~~wage and fringe benefit rates. All prevailing wage and fringe~~  
14 ~~benefit rates determined under this section shall be filed in~~  
15 ~~the office of~~ WITH the commissioner ~~of labor~~ and made avail-  
16 able to the public.