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## PREVAILING WAGE ON SCHOOL CONSTRUCTION PROJECTS: ELIMINATE

House Bills 4161 and 4162  
Sponsor: Rep. Fulton Sheen  
Committee: Employment Relations,  
Training and Safety

Complete to 3-26-03

### A SUMMARY OF HOUSE BILLS 4161 AND 4162 AS INTRODUCED 2-5-03

The prevailing wage law requires contractors, for construction projects sponsored and financed in whole or in part by the state, to pay their employees and subcontractors at least the wage and fringe benefit rates prevailing in the locality in which the work is to be performed.

House Bill 4161 would amend the prevailing wage law (Public Act 166 of 1965, MCL 408.551) to add a definition of “school district” and to exclude construction projects involving public schools from the act’s definition of what constitutes a state project. Further, the bill would specify that a “contracting agent” would not include a school district or a board or agent acting on behalf of a school district.

“School district” would be defined as a school district, local act school district, or intermediate school district as those terms are defined in the Revised School Code or a public school academy established under the Revised School Code. The terms “school” and “school district” would be deleted from the definitions of “state project” and “locality”, respectively; therefore, the act would no longer apply to state projects involving schools.

House Bill 4162 would amend the Revised School Code (380.503 and 380.1311e) to eliminate provisions requiring charter schools and strict discipline academies from having to comply with the state’s prevailing wage law. (Strict discipline academies are charter schools that provide alternative education to students who have been placed there by a court or the Family Independence Agency or who have been expelled for a variety of reasons, including bringing a weapon to school.)

In addition, the code requires the board of a charter school’s authorizing body to submit to the state board a copy of the contract to organize and operate a charter school and a copy of the application to organize and operate a charter school; this must be done within 10 days after issuing the contract. The bill would replace the term “state board” with the “superintendent of public instruction”.

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■ This analysis was prepared by nonpartisan House staff for use by House members in their deliberations, and does not constitute an official statement of legislative intent.