

**SFA**

BILL ANALYSIS

Senate Fiscal Agency

• Lansing, Michigan 48909 •

(517) 373-5383

**RECEIVED****APR 17 1989**

Mich. State Law Library

Senate Bill 247

Sponsor: Senator Frederick Dillingham

Committee: Human Resources and Senior Citizens

Date Completed: 3-14-89

SUMMARY OF SENATE BILL as introduced 3-9-87:

The bill would amend Public Act 166 of 1965, which requires the payment of prevailing wages and fringe benefits on State projects, to create a three-member Wage Appeals Board within the Department of Labor to review appeals stemming from violations of the Act; examine the evidence supplied by the contractor, the contracting agent, and the Department; and issue its findings to the Department.

The bill specifies that any member of the Appeals Board could grant the contractor, the contracting agency, or the Department an appeal. Actions of the Board would require approval of a majority of the members serving and would supersede any action by the contracting agent or the Department regarding enforcement of the Act. All measures taken by the contracting agent or the Department for enforcement of the Act would be suspended during an appeal.

The Board would consist of the following members appointed by the Director of the Department: one person representing construction industry employers, one representing construction industry employees, and one representing the general public who was not a member of a trade or professional association. Board members could not be employees of the Department or a contracting agent. Members would serve two-year terms and could be reappointed.

The Board would be required to meet at least six times during a calendar year; special meetings could be called by the chairperson, who would be chosen by the Board members, or by any two members. The meeting times and locations of Board meetings would have to be published in the Labor Register or any other publication considered appropriate by the Board. The Board would receive a per diem for each meeting and expenses as established annually by the Legislature. The Board would be subject to the Open Meetings Act and Freedom of Information Act.

The Department would be required to promulgate rules by January 1, 1990, to enforce the Act.

MCL 408.551 et al.

Legislative Analyst: L. Burghardt

### FISCAL IMPACT

This bill would create a Wage Appeals Board consisting of three individuals who would not be Department of Labor employees. If this board were to meet the required six times and hold two special meetings during one year, the per diem-travel costs would be close to \$1,500. No new staff would be required to fulfill the obligations set out in this bill.

There would be no fiscal impact on local units of government if this bill were enacted.

Fiscal Analyst: K. Lindquist

S8990\S247SA

This analysis was prepared by nonpartisan Senate staff for use by the Senate in its deliberations and does not constitute an official statement of legislative intent.