A BILL TO BE ENTITLED

AN ACT
relating to wage rates paid by or on behalf of certain school districts on public works projects.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:
SECTION 1. Subchapter B, Chapter 44, Education Code, is amended by adding Section 44.044 to read as follows:

Sec. 44.044. AUTHORITY TO REQUIRE LIVING WAGE RATE. (a)
This section applies only if:
(1) the school district is located primarily in a county any part of which is located within 50 miles of an international border; and
(2) 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, Government Code, 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) A school district may require that a worker employed on a public work by or on behalf of the district be paid not less than:
(1) 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
(2) for legal holiday or overtime work, the greater
of:
(A) the rate described by Subdivision (1); or
(B) the general prevailing rate of per diem wages
for that work, as determined in accordance with Section 2258.022,
Government Code.
(c) Subsection (b) does not apply to maintenance work.
(d) 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) The school district shall determine the rate of per diem wages described by Subsection (b)(1) as a sum certain, expressed in dollars and cents.
(f) A school district that requires a wage rate under this section shall specify in the call for bids for the contract and in the contract itself the required wage rates.
(g) A contractor who is awarded a contract by a school district that requires a wage rate under this section or a subcontractor of the contractor shall pay to a worker employed by the contractor or subcontractor in the execution of the contract not less than the wage rate required by the district.
(h) A school district that requires a wage rate under this section may provide in a contract for a public work that a contractor or subcontractor who does not comply with the required
wage rate is liable to the school district for a penalty in an amount specified in the contract. The penalty may not exceed the amount of $\$ 60$ for each worker employed for each calendar day or part of the day that the worker is paid less than the required wage rate.
(i) A contractor or subcontractor does not violate this section if the school district does not specify the required wage rate in the contract as provided by Subsection (f).

SECTION 2. Section 44.044, Education Code, as added by this Act, applies only to wage rates paid under a contract entered into on or after September 1, 2003. Wage rates paid under a contract entered into before September 1, 2003, are governed by the law in effect at the time the contract was entered into, and that law is continued in effect for that purpose.

SECTION 3. This Act takes effect September 1, 2003.

