



NEW YORK STATE SENATOR

Brian X. Foley

DA Rice, Sen. Foley & Assemb. Lavine Announce Legislation to Level the Field for Honest Contractors Bidding on State Contracts

BRIAN X. FOLEY June 10, 2010

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Nassau County District Attorney Kathleen Rice has joined Senator Brian X. Foley, (D-Blue Point) and Assemblyman Charles Lavine, (D-Glen Cove), to announce new legislation that will close a loophole in New York State's labor law that currently allows federally debarred contractors to still bid on state public works projects. As the law is written now, federally debarred contractors who have violated the law are on equal footing with honest, law-abiding contractors and are still eligible to bid on and be awarded construction contracts sponsored by the state.

The legislation (S8064/A11274) is being sponsored by Senator Foley and Assemblyman Lavine. Both bills have been referred to the labor committees in their respective houses.

Under the Davis–Bacon Act of 1931, all federal government construction contracts, and most contracts for federally assisted construction over \$2,000, must pay the prevailing wage. Contractors can be debarred if they knowingly commit two violations of the prevailing wage law within a six-year period, or commit one violation of falsifying payroll records or make kickbacks. A person or corporation can also be debarred if an officer or shareholder is convicted of a felony.

“Contractors who don’t play by the rules destabilize labor markets by destroying the level playing field and making it impossible for legitimate contractors to compete,” said Rice. “We do every hard-working, honest contractor a disservice when we give debarred contractors the same opportunities. This amendment to the labor law will fix that.”

"By closing this loophole in the labor law, we will keep those contractors who don't play by the rules off of jobs funded by taxpayer dollars. This will ensure that the state is getting the best possible competitive price for its projects, and that the work is being done by honest employers and their employees," said Foley. "This legislation is a win-win opportunity for the state to fix a law that affects how we do business."

“This important legislation that I am sponsoring in the Assembly protects legitimate hardworking contractors from losing out on state public works projects by amending the state labor law that presently allows dishonest contractors who have been debarred from federal projects to bid. It is important for the protection of New York's citizens that the state's bidding is fair, honest and balanced,” said Lavine.

“This legislation is good government, pure and simple. It will make sure that dishonest contractors stay out of public construction and that legitimate companies, who play by the rules, have a fair shot. We must do our best to assure that the honest, hard-working people of this state keep on working,” said John R. Durso, President of Long Island Federation of Labor.

Rice founded the first ever Labor Unit in the District Attorney's office in 2006. The Labor Unit team investigates Prevailing Wage Fraud; Workers Compensation Fraud; Payroll Tax Fraud; Child Labor Violations; Failure to Pay Wages and Failure to Pay Overtime. In addition to the formation of the Labor Unit, Rice also established a Labor Law Advisory Group ("LLAG") consisting of labor leaders from Nassau and Suffolk counties as well as New York City. The LLAG is a forum for labor leaders to voice their needs, share information and exchange ideas.

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