

REFERENCE TITLE: public works employment; wages; regulation

State of Arizona  
House of Representatives  
Fifty-seventh Legislature  
Second Regular Session  
2026

## **HB 4022**

Introduced by  
Representatives Cavero: Aguilar, Austin, Blattman, Connolly, Contreras L,  
Contreras P, Crews, De Los Santos, Gutierrez, Hernandez A, Hernandez C,  
Hernandez L, Liguori, Márquez, Mathis, Peshlakai, Simacek, Stahl Hamilton,  
Villegas, Volk

AN ACT

AMENDING TITLE 34, CHAPTER 3, ARTICLE 1, ARIZONA REVISED STATUTES, BY  
ADDING SECTION 34-303; AMENDING SECTION 34-321, ARIZONA REVISED STATUTES;  
RELATING TO PUBLIC WORKS PROJECTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Title 34, chapter 3, article 1, Arizona Revised  
3 Statutes, is amended by adding section 34-303, to read:

4 34-303. Employers; contractors; subcontractors; public works  
5 projects; wages; industrial commission;  
6 enforcement; annual report

7 A. THE INDUSTRIAL COMMISSION OF ARIZONA SHALL ANNUALLY POST ON ITS  
8 PUBLICLY ACCESSIBLE WEBSITE THE STANDARD WAGE RATE THAT IS BASED ON THE  
9 WAGES PRESCRIBED IN THE DAVIS-BACON ACT (46 STAT. 1494; 40 UNITED STATES  
10 CODE SECTIONS 3141 THROUGH 3148) FOR EACH JOB OR TRADE PERFORMED IN A  
11 PUBLIC WORKS PROJECT.

12 B. THE INDUSTRIAL COMMISSION SHALL MONITOR THE ACTIONS OF EMPLOYERS  
13 THAT EMPLOY CONTRACTORS AND SUBCONTRACTORS FOR PUBLIC WORKS PROJECTS FOR  
14 COMPLIANCE WITH THIS SECTION.

15 C. EACH EMPLOYER THAT BIDS ON PUBLIC WORKS PROJECTS SHALL INCLUDE  
16 THE STANDARD WAGE RATES AS PUBLISHED ON THE INDUSTRIAL COMMISSION'S  
17 WEBSITE IN THE EMPLOYER'S BIDDING DOCUMENTATION.

18 D. EACH EMPLOYER THAT EMPLOYS CONTRACTORS AND SUBCONTRACTORS FOR  
19 PUBLIC WORKS PROJECTS SHALL SUBMIT CERTIFIED PAYROLL RECORDS ON A MONTHLY  
20 BASIS TO THE INDUSTRIAL COMMISSION FOR COMPLIANCE REVIEW.

21 E. THE INDUSTRIAL COMMISSION MAY AUDIT EMPLOYERS THAT EMPLOY  
22 CONTRACTORS AND SUBCONTRACTORS ON PUBLIC WORKS PROJECTS TO ENSURE  
23 COMPLIANCE WITH THIS SECTION.

24 F. THE INDUSTRIAL COMMISSION MAY INVESTIGATE ANY VIOLATION OF THIS  
25 SECTION.

26 G. IF AN EMPLOYER IS FOUND TO BE IN VIOLATION OF THIS SECTION, AN  
27 ADMINISTRATIVE LAW JUDGE MAY IMPOSE ANY OF THE FOLLOWING PENALTIES IN A  
28 CONTESTED CASE:

29 1. A CIVIL PENALTY.

30 2. A RESTRICTION FROM BIDDING ON PUBLIC WORKS CONTRACTS FOR NOT  
31 MORE THAN THREE YEARS.

32 H. ON OR BEFORE DECEMBER 31 OF EACH YEAR, THE INDUSTRIAL COMMISSION  
33 SHALL SUBMIT AN ANNUAL REPORT TO THE PRESIDENT OF THE SENATE, THE SPEAKER  
34 OF THE HOUSE OF REPRESENTATIVES, THE MINORITY LEADER OF THE SENATE AND THE  
35 MINORITY LEADER OF THE HOUSE OF REPRESENTATIVES AND SUBMIT A COPY TO THE  
36 SECRETARY OF STATE THAT INCLUDES ALL OF THE FOLLOWING:

37 1. THE NUMBER OF EMPLOYERS THAT WERE FOUND TO BE IN VIOLATION OF  
38 THIS SECTION.

39 2. THE NUMBER OF APPRENTICES AND LOCAL HIRES.

40 3. ANY IMPACT ON THE COSTS OF THE PUBLIC WORKS PROJECTS AND ANY  
41 TIMELINES.

1           Sec. 2. Section 34-321, Arizona Revised Statutes, is amended to  
2 read:

3           34-321. Public policy; wage contracts; prohibited agreements;  
4                                   definitions

5           A. The public interest in the rates of wages paid under public  
6 works contracts transcends local or municipal interests and is of  
7 statewide concern.

8           B. Agencies and political subdivisions of this state shall not  
9 REQUIRE, by regulation, ~~OR~~ ordinance or in any other manner, require  
10 public works contracts to contain a provision requiring the wages paid by  
11 the contractor or any subcontractor to be ~~not less than~~ AT LEAST the  
12 ~~prevailing rate of~~ wages for work of a similar nature AS ESTABLISHED IN  
13 THE DAVIS-BACON ACT (46 STAT. 1494; 40 UNITED STATES CODE SECTIONS 3141  
14 THROUGH 3148) in the state or political subdivision where the project is  
15 located.

16           C. Agencies and political subdivisions of this state shall not  
17 require in any public works contracts that a contractor, subcontractor,  
18 material supplier or carrier engaged in the construction, maintenance,  
19 repair or improvement of public works do ~~any~~ EITHER of the following as a  
20 condition of or a factor in bidding, negotiating, being awarded or  
21 performing work on a public works contract:

22                   ~~1. Negotiate, execute or otherwise become a party to any project~~  
23 ~~labor agreement or other agreement with employees, employees'~~  
24 ~~representatives or any labor organization.~~

25                   ~~2.~~ 1. Enter into a neutrality agreement with any labor  
26 organization.

27                   ~~3.~~ 2. Participate in or contribute to an apprenticeship program  
28 that is registered with the United States department of labor.

29           D. Subsection C of this section does not:

30                   1. Prohibit private parties from entering into individual  
31 collective bargaining relationships.

32                   2. Regulate or interfere with activity protected by law, including  
33 the national labor relations act.

34           E. For the purposes of this section:

35                   1. "Agency" has the same meaning prescribed in section 41-1001.

36                   2. "Neutrality agreement" includes an agreement to remain neutral  
37 toward any labor organization, release private employee information not  
38 required by federal labor law, allow access to property beyond what is  
39 required by federal labor law and recognize a labor organization without a  
40 secret ballot election conducted pursuant to federal labor law.

41                   3. "Political subdivision" means a city, charter city, town,  
42 county, school district, community college district, multi-county water  
43 conservation district, industrial development authority or special taxing  
44 district established pursuant to title 48 that is primarily supported by  
45 taxes.

1           ~~4. "Project labor agreement" means any prehire, collective~~  
2 ~~bargaining, model construction or similar type of agreement entered into~~  
3 ~~with one or more labor organizations, employees or employee~~  
4 ~~representatives that establishes the terms and conditions of employment on~~  
5 ~~a construction project.~~

6           ~~5.~~ 4. "Public works contract" means a contract to which this state  
7 or a political subdivision is a party ~~involving~~ AND THAT INVOLVES the  
8 employment of laborers, workmen or mechanics in the construction,  
9 alteration or repair of public buildings or improvements.