Page 499, after line 22, insert the following:

SEC. 1632. REQUIRING CONSTRUCTION INSPECTION SERVICES FOR CERTAIN HIGHWAY CONTRACTS TO BE PERFORMED BY PUBLIC EMPLOYEES.

(a) Engineering and Design Service Contracts.—Section 112(b)(2) of title 23, United States Code, is amended by adding at the end the following new paragraph:

“(G) Construction inspection services.—

“(i) In general.—In carrying out a project under this subsection, public employees shall perform construction inspection functions.

“(ii) Exception.—If a State transportation department or other public agency project sponsor does not have adequate existing or obtainable staff to perform the construction inspection functions, the agency may obtain such services pursuant
to temporary consultant contracts until the agency has adequate or existing staff to perform such functions.

“(iii) Construction inspection functions defined.—In this subparagraph, the term ‘construction inspection functions’ includes construction engineering, contract administration, on-site quality control inspection, materials testing, and resident engineer and assistant resident engineer functions responsible for the acceptance or rejection of the work.”.

(b) Design-Build Contracts.—Section 112(b)(3) of such title is amended—

(1) by redesignating subparagraph (F) as subparagraph (E); and

(2) by inserting after subparagraph (D) the following new subparagraph:

“(E) Requiring construction inspection services to be performed by public employees.—Subparagraph (G) of paragraph (2) shall apply with respect to contracts under this paragraph in the same manner and to the same extent as such subparagraph applies to contracts under paragraph (2).”.
(c) 2-PHASE CONTRACTS.—Section 112(b)(4)(A) of such title is amended by adding at the end the following new clause:

“(v) Requiring construction inspection services to be performed by public employees.—Subparagraph (G) of paragraph (2) shall apply with respect to contracts under this paragraph in the same manner and to the same extent as such subparagraph applies to contracts under paragraph (2).”.