

HB 1960 -- SCHOOL CONSTRUCTION ACT

SPONSOR: Ruestman

COMMITTEE ACTION: Voted "do pass" by the Special Committee on Workforce Development and Workplace Safety by a vote of 7 to 5.

This bill establishes the School Construction Act which exempts, except in counties with a charter form of government, the construction and maintenance work done for a school from the prevailing hourly wage rate requirement upon the approval of the school board. If a school district exempts itself, it must notify the Division of Labor Standards within the Department of Labor and Industrial Relations of the exemption.

FISCAL NOTE: No impact on state funds in FY 2011, FY 2012, and FY 2013.

PROPOSERS: Supporters say that the bill will reduce the cost of school facility construction by 15% to 40%. The prevailing wage rate does not reflect the average wages paid in rural areas. Lower building costs mean more value for the tax dollar and the ability to provide a better educational environment for rural students.

Testifying for the bill were Representatives Ruestman and Wallace; Dr. Richard Page, Neosho R-5 Schools; Larry Snyder; Sammy Helm, McDonald County School Board; Brian Blankenship, Branson Public School District; Missouri Farm Bureau; Missouri School Boards' Association; Associated Builders and Contractors; and Associated Industries of Missouri.

OPPOSERS: Those who oppose the bill say that local contractors often fail to report required local wage rates resulting in artificially high prevailing wage rates. The law is intended to prevent non-Missouri contractors from using unskilled labor at a low pay rate to unfairly win public construction contracts. Voluntary reporting of wage rates contributes to nonparticipation by local contractors.

Testifying against the bill were Missouri AFL-CIO; Gary Kent, Greater Kansas City Building and Construction Trade Council; Terry Schlemeier; Plumbers and Pipefitters Local #562; Missouri National Education Association; United Steelworkers District 11; American Federation of Teachers Missouri; and Patrick Pryor.

OTHERS: Others testifying on the bill provided informational packets to clarify the requirements of the Prevailing Wage Law.

Testifying on the bill was Department of Labor and Industrial

Relations.