

HB 138 -- SCHOOL CONSTRUCTION ACT

SPONSOR: Thomson

COMMITTEE ACTION: Voted "do pass" by the Committee on Elementary and Secondary Education by a vote of 13 to 3.

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.

FISCAL NOTE: No impact on state funds in FY 2012, FY 2013, and FY 2014.

PROPOSERS: Supporters say that school construction wages in rural areas can triple based on the prevailing wage. A district could get more for its money if wages 100 miles away didn't affect the cost.

Testifying for the bill were Representative Thomson; Missouri School Boards Association; Jason Hoffman, Missouri Association of School Business Officials; Larry Davis; and Associated Builders and Contractors.

OPPOSERS: Those who oppose the bill say that there is a problem with reporting wages, but exempting schools from the prevailing wage is not the way to solve it. Kansas eliminated its prevailing wage law and building costs didn't go down, but wages did.

Testifying against the bill were United Steelworkers District 11; Missouri State Labor Council AFL-CIO; Construction Employers Coalition; Missouri National Education Association; AFT Missouri; Missouri Laborers' Legislative Committee; and United Association of Plumbers and Pipefitters Local 562.

OTHERS: Others testifying on the bill say that maintenance is exempt from the prevailing wage law by court decision; but since it is sometimes confused with construction, it would be good to have the distinction made in statute.

Testifying on the bill was Penney Rector, School Administrators' Coalition.