

HCS HB 1041 -- PREVAILING WAGES

SPONSOR: Swan

COMMITTEE ACTION: Voted "Do Pass" by the Committee on Workforce Development and Workplace Safety by a vote of 10 to 1.

This substitute changes the way the Department of Labor and Industrial Relations determines the prevailing hourly rate of wages on public work projects. In its main provisions, the substitute:

(1) Defines "collective bargaining agreement" and "labor organization" or "union" as they relate to the provisions regarding prevailing wages on public works projects;

(2) Prohibits a contractor or subcontractor from contracting with or constructing public works for any public body, other than the Missouri State Highways and Transportation Commission within the Department of Transportation, unless he or she has participated in the wage survey process utilized by the Department of Labor and Industrial Relations to determine the prevailing hourly rate of wages in Missouri localities for construction work, other than highway construction work, by completing and submitting the survey forms to the department evidencing all the hours worked by and all wage rates paid to its workers in each occupational title for work during the previous calendar year unless the contractor or subcontractor has not engaged in any construction work during that time, in which case the contractor must provide an affidavit or other sworn statement to the department. The completed survey forms are not public records under the Open Meetings and Records Law, commonly known as the Sunshine Law;

(3) Requires the department to accept and consider information regarding local wage rates that is submitted in an electronic or paper format;

(4) Repeals the provisions requiring the department, in determining the prevailing rate of wages for heavy and highway construction work for the Highways and Transportation Commission within the Department of Transportation, to ascertain and consider the applicable wage rates established by collective bargaining agreements, if any, and the rates that are paid generally in the locality;

(5) Specifies that for construction work other than work for the Missouri highways and transportation commission:

(a) The prevailing rate for an occupational title in a locality in third and fourth classification counties will be determined after

considering the total number of non-collective bargaining agreement and collective bargaining agreement hours worked for the time period in that occupational title. If the total number of non-collective bargaining agreement hours in the aggregate exceeds the total number of collective bargaining agreement hours in the aggregate, the prevailing rate will be the wage most commonly paid of the non-collective bargaining agreement rates as measured by the number of hours worked at each non-collective bargaining agreement wage rate for that occupational title in the locality. If the total number of collective bargaining agreement hours in the aggregate exceeds the total number of non-collective bargaining agreement hours in the aggregate, then the prevailing rate will be the wage most commonly paid of the collective bargaining agreement rates as measured by the number of hours worked at each collective bargaining agreement wage rate for that occupational title in the locality;

(b) The prevailing rate for an occupational title in a locality, other than third and fourth classification counties, will be the wage rate that the department determines to be the most commonly paid, as measured by the number of hours worked at each wage rate for that occupational title in the locality; and

(c) The prevailing wage rate with respect to all counties if no work has been performed within a particular occupational title during the reporting period in the locality at any wage rate, the prevailing rate for that occupational title in the locality must be the wage rate most commonly paid, as measured by the number of hours worked at each wage rate for that occupational title in all Missouri counties adjacent to the locality. "Adjacent county" means any Missouri county having a boundary that touches any boundary of the locality. If no work within a particular occupational title has been performed in the locality and its adjacent counties, the department must ascertain and consider the applicable wage rates established by the collective bargaining agreements, if any, and the rates that are paid generally within the locality; and

(6) Requires any public body using an employee to perform construction work including, but not limited to, occupational titles with a prevailing hourly rate of wages, requiring training, professional registration, licensure, or issuance of a professional certificate to comply with all local, state, and federal laws relating to the training, professional registration, licensure, or issuance of the employee's professional certificate.

The provisions regarding construction work under Section 290.253 will become effective January 1, 2015.

PROPONENTS: Supporters say that the bill will allow smaller counties to "get more bang for the buck" on their public works projects, will increase the accuracy of prevailing wage determinations by increasing the number of contractors participating in the wage survey, and will provide consistency in the licensing and training of workers.

Testifying for the bill were Representative Swan; and Missouri Chamber of Commerce and Industry.

OPPONENTS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say that increasing contractor participation in the wage survey and increasing the accuracy of reporting are positive steps in the right direction.

Testifying on the bill were Missouri AFL-CIO; Associated General Contractors of St. Louis; Plumbing Industry Council; SMACNA St. Louis; Associated General Contractors of Missouri, Inc.; SITE Improvement Association; Construction Employers Coalition; Carpenters Council of Greater St. Louis; and International Union of Painters and Allied Trades.