

HB 195 -- PREVAILING WAGES

SPONSOR: Love

COMMITTEE ACTIONS: Voted "Do Pass" by the Standing Committee on Workforce Standards and Development by a vote of 8 to 3. Voted "Do Pass" by the Select Committee on Labor and Industrial Relations by a vote of 7 to 1.

This bill changes the laws regarding prevailing wages on public works projects. In its main provisions, the bill:

(1) Revises the definition of "construction" as it relates to prevailing wages on public works projects by removing improvements, alterations, or major repairs and specifies that it does not include maintenance work. Currently, it includes construction, reconstruction, improvement, enlargement, alteration, painting and decorating, or major repair;

(2) Revises the definition of "locality" in instances when there are not a sufficient number of competent skilled workmen in the county to construct a public works efficiently to include two or more counties adjacent to the one in which the work is to be performed;

(3) Revises the definition of "maintenance work" to include repairs that restore existing facilities to a previous state or condition or improve the utility or enhance the appearance of an existing facility provided that the size, type, or extent of the existing facility is not changed. Maintenance work cannot include major repairs that is defined as any work that exceeds the replacement cost of existing facilities;

(4) Specifies that the prevailing hourly rate of wages for all counties except Cass, Clay, Franklin, Jackson, Jefferson, Lincoln, St. Charles, St. Louis, and Warren and the City of St. Louis must be the median hourly estimated wage for the construction and extraction occupational code most closely resembling the occupational title as published in the latest United States Bureau of Labor Statistics by Metropolitan and Non-Metropolitan Area Occupational Employment Wage Estimate or, if the rate cannot be determined under that method, the prevailing hourly rate of wages must be the median hourly wage estimate for occupational code 47-0000 in the construction and extraction occupational code published in the latest United States Bureau of Labor Statistics publication for that title; and

(5) Specifies that for the City of St. Louis and the counties of Cass, Clay, Franklin, Jackson, Jefferson, Lincoln, St. Charles, St.

Louis, and Warren, the prevailing hourly rate of wages must continue to be determined by consideration of the applicable wage rates established by collective bargaining agreements, if any, and the rates paid generally within those counties and city. The applicable wage rates paid by members of a tax-exempt trade organization as defined in the bill also can be considered.

Proponents say: This bill is about fairness in wages. Prevailing wage laws should be repealed altogether; they transfer wealth and they do not create wealth.

Testifying for the bill were Representative Love; Bruce Hillis; Missouri Chamber of Commerce and Industry; Missouri School Boards Association; and Missouri Association of Rural Education

Opponents say: In 2013 the legislature passed significant changes in the prevailing wage laws that were fully vetted with all interested parties. It is much too soon to measure the impact of those changes or to simply gut them.

Testifying against the bill were Mechanical Contractors Association of Kansas City; Mechanical Contractors Association-Eastern District; Missouri AFL-CIO; St. Louis Building and Construction Trades; Associated General Contractors of Missouri; St. Louis NECA; SMACNA, St. Louis; Missouri Association of Plumbing, Heating, and Cooling Contractors; Plumbing Industry Council; Missouri Laborers Legislative Committee; Construction Employers Coalition; Carpenters District Council; International Union of Painters and Allied Trades; International Union of Painters and Allied Trades District Council #3; International Union of Painters and Allied Trades and District Council #58; SITE Improvement Association; Plumbers and Pipefitters #562; Sheet Metal/Air/Rail/Transportation; United Steelworkers District 11; and Missouri National Education Association.

Other: Prevailing wage laws should be abolished. There is incontrovertible testimony that prevailing wage increases government costs. Families do not live on hourly wages, they live on income.

Testifying on the bill was L. Hunter Kevil.