

HCS HBs 1729, 1621 & 1436 -- PREVAILING WAGE

SPONSOR: Justus

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Economic Development by a vote of 6 to 2. Voted "Do Pass" by the Rules- Legislative Oversight Committee by a vote of 9 to 3.

This bill repeals Missouri's prevailing wage law. Currently, contractors and subcontractors working on public works projects are required to pay employees the prevailing wage for the particular locality in which the project is being completed. This bill changes the law to require contractors and subcontractors to pay employees state or federal minimum wage, whichever is higher.

This bill is similar to HB 104 (2017).

PROPOSERS: Supporters say that prevailing wage artificially raises wages and makes public works projects cost prohibitive in rural areas. Numerous rural public work projects have been abandoned, neglected, or not built to desired specifications because of prevailing wage.

Testifying for the bill were Representative Justus; Americans For Prosperity - Missouri; Darrell Skiles; Marlon Collins, Cedar County Government; John R. Ashcroft, State of Missouri; Alan Wyatt, Macon County; Missouri Farm Bureau; Dagmar Wood, Platte County, Missouri; Frank Foster, Association of Ambulance Districts and Missouri Ambulance Association; and Missouri Century Foundation.

OPPOSERS: Those who oppose the bill say that the prevailing wage would be lower in rural areas if it were mandatory that contractor wages be reported. If wages were reported then prevailing wage would better reflect local economies, and the statutory scheme would work as originally intended. Repealing prevailing wage will not actually save public dollars, but rather shift costs from political subdivisions to the state as lower wages will consequentially lead people to seek more public assistance.

Testifying against the bill were AFT Missouri; Mechanical Contractors Associations of Eastern Missouri; Construction Employers Coalition; Heavy Constructors Association of Greater Kansas City; Builders Association of Missouri; American Subcontractors Association of Missouri; St Louis Chapter National Electrical Contractors Association; U. A. Plumbers & Pipefitters #562; Ken Menges, Mo AFL-CIO; Missouri Association of Plumbing, Heating And Cooling Contractors; and Associated General Contractors of Missouri.