Statehouse Beat: Reaction to prevailing wage legislation could be new low

The gang that couldn't legislate straight could have its most ignominious moment yet, if it follows through on threats last week to file suit to block implementation of its own legislation.

That was one of the options authorized last week over the prevailing wage recalculation (SB361). Part of the bill requires researchers from WorkForce West Virginia, working in conjunction with Business and Economic Research bureaus at West Virginia University and Marshall, to develop "methodology for annually calculating the prevailing hourly rate of wages as evidenced by all appropriate economic data, including, but not limited to, the average rate of wages published by the U.S. Bureau of Labor Statistics, and the actual rate of wages paid in the regions of this state to the workers, laborers or mechanics in the same trade or occupation in the construction industry…"

Jeff Green, research director for WorkForce West Virginia interpreted "all appropriate" data to mean just that, and in coordination with researchers at the two B&E bureaus, concluded that Bureau of Labor Statistics numbers were not particularly applicable, since they include things like apprentice pay and wages for residential construction work.

(There's good reason why the guy who paints the exterior of a 15-story building, or a 2,500-foot bridge span, should be paid more than the guy who paints your living room.)

To be fair, WVU's John Deskins suggested there would be ways to make the BLS data more workable by sifting out the lower-wage categories, but it sounded like it would require use of tweaks and algorithms that are way beyond my pay grade of comprehension.

The methodology approved by WorkForce West Virginia will use a survey of current wage rates – or more accurately, a census of wage rates since the intent is to get responses from more than half the 5,000-plus contractors and subcontractors in the state.

In a June 3 article in the Gazette, the ACT Foundation's Steve White said a survey accurately reflecting current wages in the marketplace should mean prevailing wage rates won't change much: Wage rates could go down in some regions, stay the same in others, and probably go up in areas where natural gas production is driving demand for skilled construction workers.

Which, apparently, drove legislative leadership into a frenzy.

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Which led to the spectacle of last week's meeting of the Joint Committee of Government and Finance, in which leadership basically accused Green of heresy.

To paraphrase their statements to Green: "By god, when we wrote in the law to use all appropriate data, we really meant for you to use the Bureau of Labor Statistics' wage scale verbatim."

Under the law, if the new prevailing wage rates aren't available by July 1, the Joint Committee has authority to extend the current wage scale to Sept. 30.

Republican members of the committee obstinately voted against the extension, ostensibly to force the Tomblin administration to have to use the BLS wage rates, since it would be impossible to complete the census-based prevailing wage scale in just three weeks.

Gov. Earl Ray Tomblin, who has frequently proven himself to be an island of sanity in an ocean of wackadoodlery, instead directed WorkForce West Virginia to proceed with its work.

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It's worth noting, that a day later, during the Joint Committee on Fair Taxation meeting, Mayors Steve Williams of Huntington and Andy McKenzie of Wheeling were asked if they thought repeal/rollback of prevailing wage would boost their cities' struggling finances.

Both mayors were adamant that they support prevailing wage the way it is.

"I'm seeking ways to assure people who are local are hired. With prevailing wage, I had that capability," Williams said.

Said McKenzie: "I want to pay a fair wage for fair work."

Notable that both men are mayors of cities in border counties, which are probably more susceptible to out-of-state, fly-by-night contractors trying to low-ball bids with low-paid, under-skilled workers.

Williams makes a good point: If local workers are hired for local construction projects and paid a decent wage, that money stays in the community. The workers and their families are more likely to shop at local stores, eat in local restaurants, buy cars from local dealers, and perhaps buy houses in the community -- all things that spur the local economy and local tax base.

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Finally, regarding possibilities of Democrats reclaiming the 6th Senatorial District, with Senate President Bill Cole, R-Mercer, opting to run for governor: Delegate Justin Marcum, D-Mingo, said he retained PPP Polling to conduct a poll of 487 likely voters in the district.

He said it showed him trailing longtime Sen. Truman Chafin, D-Mingo, by 51 percent to 49 percent in a theoretical primary race, but showed he would be in a dead-heat with Delegate Joe Ellington, R-Mercer, in a presumptive general election race. (Ellington led Chafin by 53 percent to 47 percent in that matchup, Marcum said.)

News that Chafin had cashed in $34,060 of back per-diem payments before leaving the Senate apparently didn't sit well with those polled, with 50 percent saying it would make them less likely to vote for him.

In a potential governor's race, Marcum said, the polling showed Cole slightly ahead of Democrat Jim Justice in the 6th.

Meanwhile, asked to rate the performance of the legislative leadership, the poll found 30 percent approved, 50 percent disapproved, and 20 percent were undecided.

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