

Most speakers at W.Va. House hearing oppose prevailing wage revamp

By Phil Kabler

A large majority of nearly two-dozen speakers on legislation to revamp West Virginia's prevailing wage law (SB361) told delegates Thursday that they oppose the repeal of the longstanding law and raised issues with a proposed compromise bill passed by the Senate.

That included Sen. Joe Manchin, D-W.Va., who urged members of the House Government Organization Committee to avoid partisanship on the issue, noting that the state law is modeled after the federal Davis Bacon Act, a bipartisan effort to assure fair wages for workers during the Great Depression.

“Seize the opportunity here to put something together that’s good,” Manchin said, adding, “Don’t let the toxic atmosphere of Washington permeate into West Virginia. We’re better than that.”

Most of the speakers at the morning hearing in House chambers were either construction workers or building contractors, most of whom called for retaining or modifying the current prevailing wage system.

In the Senate, the bill started out as an outright repeal of prevailing wage — which sets essentially union-scale wages for construction workers on many publicly funded construction projects in the state — but was modified to change the method for calculating wage rates each year. Under the Senate plan, responsibility for calculating the rates would be transferred from the Division of Labor to Workforce West Virginia, which would rely on wage data collected from Business and Economic Research centers at Marshall and West Virginia universities.

Mike Clowser, with the Contractors Association of West Virginia, said the association supports the compromise.

“We have always wanted a fair, transparent process for determining prevailing wage,” he said. “Our association does not support a total repeal of prevailing wage.”

However, some raised concerns that the proposed timeline for recalculating a more accurate prevailing wage are too short, requiring Workforce West Virginia to develop a new methodology for calculating wage rates by June 1 and to set the new wages for all building trades by July 1.

“There’s not enough time in the bill to do what needs to be done to find the true market wage,” said Steve White with the ACT Foundation.

Several speakers also raised concerns over a \$500,000 cost threshold before construction projects would have to pay prevailing wage, noting that most roofing and heating and cooling equipment projects that are commonplace at schools and other public buildings fall well under that threshold.

“A much lower threshold, \$100,000 or lower, would allow for continuity of labor,” said Ken Lindsey, of Mecklenburg Roofing, the company replacing roofing on the state Capitol.

He said of continuing prevailing wage, “I benefit from having a skilled workforce, and I depend upon them.”

James Carney, of Oval Construction of Charleston, agreed, stating, “This bill is going to do serious damages to my business and businesses like mine. Ninety percent of my work is under the \$500,000 threshold. That number seems arbitrary to me.”

A couple of speakers called for doing away with prevailing wage, including John Jarrett, of Jarrett Construction.

“I’m not here to cut anyone’s wage. I am here to discuss a system that is broken, that is discriminatory,” he said, adding, “Open-shop firms like mine are treated unfairly and, indeed, discriminated against by the current system.”

Jarrett said U.S. Labor Department data showing a 4 percent decrease in construction jobs in West Virginia in the past year — while construction employment nationally increased 11 percent — suggests problems with the existing system.

The Senate passed its version of the bill on Feb. 12, by a 23-11 vote. House Government Organization has not yet placed the bill on a future committee agenda.

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