

## Request for study of prevailing wage repeal's impact denied

By Phil Kabler

A bill to repeal the state's 81-year-old Prevailing Wage Act rolled through the House Government Organization Committee Wednesday, after requests for analysis of the bill's financial impact on the state were rejected.

The bill (HB 4005) advanced to the House floor Wednesday on a party-line 15-9 vote, after Chairman Gary Howell, R-Mineral, ruled against Delegate Isaac Sponaule's request for a fiscal note on the measure.

"It would be extreme and reckless of this committee, looking at the thousands of workers and thousands of employers affected by this, to make a decision without that information," said Sponaule, D-Pendleton, who twice attempted to invoke House Rule 95a.

That rule requires that any bill that "increases or decreases the revenue or fiscal liability of the state" must have a fiscal note prepared before the bill can be considered by any House committee. A fiscal note is an outline prepared by the affected state agencies of the potential financial impact of the proposed legislation.

"We have no idea whatsoever that there's going to be a savings or a loss, even though that's how it's being presented, as a savings to taxpayers," Sponaule said.

Afterward, Sponaule said he's worried that repealing prevailing wage will have serious ramifications for the state budget, potentially reducing income taxes paid by construction workers and state building contractors, and possibly causing construction workers to lose health insurance benefits, forcing them onto state Medicaid rolls.

His first motion to postpone consideration of the bill until a fiscal note is prepared was rejected on a voice vote. The committee has a 17-9 Republican to Democrat majority.

Shortly after, Sponaule again demanded a fiscal note, and also demanded that the House parliamentarian be called before the committee to determine if it would be proper under House rules to proceed without that information.

After a lengthy recess, Howell, postponed consideration of the bill to Wednesday afternoon, when he promptly ruled against Sponaule's motions.

Some committee members were also upset that Howell abruptly ended debate on the bill, prior to the roll call vote.

"I've never seen the courtesy not offered to allow a legislator to address an issue of such importance to West Virginia, and frankly, it's disheartening," said Delegate Mike Caputo, D-Marion.

Howell said he had called for discussion of the bill, and no one spoke up.

Most of the committee's morning and brief afternoon sessions were spent questioning Steve White, executive director of the Affiliated Construction Trades Foundation.

White noted that during a three-month gap last year when there was no prevailing wage — after the old prevailing wage rates lapsed on June 30 and before new wage rates calculated by WorkForce West Virginia went into effect Oct. 1 — there were no significant changes in square-footage costs for state-funded construction projects.

He said that seemed to contradict claims by proponents of the bill that the state could build five schools for the price of three without prevailing wage.

“The supposed huge savings was just not there,” he said. “The theory was, if you cut wages, there would be huge savings to taxpayers.”

This marks the second straight year the Legislature has made repeal of prevailing wage rates a priority.

Last year, legislators compromised, passing a bill that instead moved authority for determining wage rates from the state Division of Labor to WorkForce West Virginia, and eliminated prevailing wage for projects costing \$500,000 or less.

However, legislative leaders became frustrated with WorkForce's decision to survey more than 3,700 state contractors to determine regional wage scales, which did not produce the reduction in wage rates that leadership had sought. As early as last July, Senate President Bill Cole, R-Mercer, began discussing prospects for an outright repeal of the law this session.

Moving in tandem with a Senate bill to make West Virginia a right-to-work state, giving workers in union shops the option to not pay union dues (SB 1), the prevailing wage repeal bill had only one committee reference, sending it to the House floor just eight days into the 60-day regular session. The Senate bill, meanwhile, is up for passage Thursday in the Senate.

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Teachers protest the expected rise in charter school insurance for public In 2000, legislators passed a ban on charter schools and insurance for public In 2000, legislators passed a ban on charter schools and insurance for public they seek further restrictions this year.

Ketchum hear arguments about which party should fill a vacant Senate seat, which will determine the balance of power in the state Senate.

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