

MAINE STATE LEGISLATURE

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5/16/13
ROFFS

L.D. 1150

Date: 6/7/13

Majority

(Filing No. H-418)

LABOR, COMMERCE, RESEARCH AND ECONOMIC DEVELOPMENT

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**STATE OF MAINE
HOUSE OF REPRESENTATIVES
126TH LEGISLATURE
FIRST REGULAR SESSION**

COMMITTEE AMENDMENT "A" to H.P. 815, L.D. 1150, Bill, "An Act To Require Prevailing Wages To Be Paid on All Public Works Projects Receiving State Funding"

Amend the bill by striking out the title and substituting the following:

'An Act To Require Prevailing Wages To Be Paid on Public Works Projects Receiving State Funding'

Amend the bill by striking out all of section 1 and inserting the following:

'Sec. 1. 26 MRSA §1304, sub-§8, as amended by PL 2009, c. 453, §1, is further amended to read:

8. Public works. "Public works" includes public schools and all buildings, roads, highways, bridges, streets, alleys, sewers, ditches, sewage disposal plants, demolition, waterworks, airports and all other structures upon which construction may be let to contract by the State or that are funded by any amount of state funding transferred to a school district or municipality for any of those purposes and which contract amounts to \$50,000 or more.

Sec. 2. Appropriations and allocations. The following appropriations and allocations are made.

LABOR, DEPARTMENT OF

Regulation and Enforcement 0159

Initiative: Provides funds for 2 Labor and Safety Inspector positions and related All Other costs associated with the increase in enforcement activity as a result of extending the requirement for payment of the prevailing hourly rate of wages and benefits for all public works contracts to include those contracts that are funded by any amount of state funding transferred to a school district or municipality and that amount to \$50,000 or more.

COMMITTEE AMENDMENT

ROFS

COMMITTEE AMENDMENT "A" to H.P. 815, L.D. 1150

1	GENERAL FUND	2013-14	2014-15
2	POSITIONS - LEGISLATIVE COUNT	2.000	2.000
3	Personal Services	\$86,062	\$119,741
4	All Other	\$19,800	\$26,400
5			
6	GENERAL FUND TOTAL	<u>\$105,862</u>	<u>\$146,141</u>
7			

SUMMARY

This amendment, which is the majority report of the Joint Standing Committee on Labor, Commerce, Research and Economic Development, extends the bill's requirement for the payment of the prevailing hourly rate of wages and benefits for all public works contracts to include public works funded by a municipality or school district when the State has transferred any amount of funding to the municipality or school district for those purposes. The amendment also changes the bill by retaining the exemption in current law for contracts under \$50,000. The amendment also adds an appropriations and allocations section to the bill.

FISCAL NOTE REQUIRED

(See attached)

COMMITTEE AMENDMENT



126th MAINE LEGISLATURE

LD 1150

LR 1728(02)

An Act To Require Prevailing Wages To Be Paid on All Public Works Projects Receiving State Funding

Fiscal Note for Bill as Amended by Committee Amendment "A" (H-418)
Committee: Labor, Commerce, Research and Economic Development

Fiscal Note Required: Yes

Fiscal Note

Potential future biennium cost increase - General Fund
Potential current biennium cost increase - Highway Fund

	FY 2013-14	FY 2014-15	Projections FY 2015-16	Projections FY 2016-17
Net Cost (Savings)				
General Fund	\$105,862	\$146,141	\$151,599	\$157,590
Appropriations/Allocations				
General Fund	\$105,862	\$146,141	\$151,599	\$157,590

Fiscal Detail and Notes

This bill includes General Fund appropriations of \$105,862 in fiscal year 2013-14 and \$146,141 in fiscal year 2014-15 to the Regulation and Enforcement program within the Department of Labor for 2 Labor and Safety Inspector positions and related all other costs associated with the increase in enforcement activity as a result of extending the requirement for payment of the prevailing hourly rate of wages and benefits for all public works contracts to include those contracts which are funded by any amount of State funding transferred to a school district or municipality which amounts to \$50,000 or more.

This legislation may increase the total state and local costs of major capital school construction projects and local repair projects with a cost of \$50,000 or more if the prevailing wage and benefits as determined by the Department of Labor pursuant to Title 26, §1308 is higher than wages and benefits currently being paid by school administrative units for construction projects. The impact of this legislation on the State and individual school administrative units can not be determined at this time.

The Department of Transportation and municipalities may incur additional costs on construction projects funded through the State's municipal partnership initiative if the total project is over \$50,000 but the State and municipality portions are each under \$50,000.