



## HOUSE COMMITTEE ON APPROPRIATIONS

# FISCAL NOTE

HOUSE BILL NO. 2153

PRINTER'S NO. 2969

PRIME SPONSOR: Dawkins

### COST / (SAVINGS)

FUND	FY 2023/24	FY 2024/25
General Fund	\$0	See Fiscal Impact

### SUMMARY:

Amends the Pennsylvania Prevailing Wage Act to prohibit split rates and cover custom fabrication and HVAC duct cleaning.

### ANALYSIS:

House Bill 2153, Printer's Number 2969, amends Act 442 of 1961, known as the Pennsylvania Prevailing Wage Act. The bill adds HVAC duct cleaning and custom fabrication to the definition of public works projects that are subject to the Prevailing Wage Act.

The bill also prohibits the practice of split rates in which workers are paid different rates at different times for the same project.

The act shall take effect in 60 days.

### FISCAL IMPACT:

The Department of Labor and Industry estimates that enforcing the new provisions of the Prevailing Wage Act would require five new investigators at a cost of approximately \$515,000 per fiscal year, which represents the direct fiscal cost to the commonwealth for this legislation.

The legislation may also have more indirect costs. To the extent that the expansion of the Prevailing Wage Act leads to higher wage rates for those employed on public work projects, there could potentially be increased costs to both the commonwealth and other political subdivisions undertaking those projects. The potential impacts are indeterminate at this time.

**PREPARED BY:** Pat Shaughnessy

House Appropriations Committee (D)

**DATE:** June 24, 2024

*Estimates are calculated using the best information available. Actual costs and revenue impact incurred may vary from estimates.*