## SCOTT PERRY, MEMBER

92ND LEGISLATIVE DISTRICT

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House of Representatibes COMMONWEALTH OF PENNSYLVANIA

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TO:

All House Members

FROM:

Representative Scott Perry

92<sup>nd</sup> Legislative District

DATE:

April 13, 2011

SUBJECT: Co-sponsor of Legislation

In the near future, I will be introducing legislation to amend the Prevailing Wage Act (Act 442 of 1961) to require that at least 51% of a construction/renovation/repair project be paid for by public monies before it is covered by the act. Currently, the Prevailing Wage Act states that a project (in excess of \$25,000) that is paid for "in whole or in part" out of funds of public body is subject to the act. Thus, projects that receive any public money unfortunately become subject to the act and its unnecessarily expensive requirements.

I believe that it is poor public policy to require projects that are basically funded by private monies to be drawn into the bureaucracy and higher construction costs that are associated with the act. Under the provisions of the current act, a project could receive 99% private funding and still be subject to the law's requirements. Many of us have heard the horror stories about local communities getting grants from DCED for various purposes or to fund a small part of a project (baseball field, etc.), only to find out that receiving the money made the project subject to Prevailing Wage act requirements.

This legislation proposes establishing a specific threshold whereupon the use of public monies to complete a project triggers the requirements of the act. This legislation states that if a majority (51%) of a project's costs are paid for out of public funds, then it is subject to the act. I believe this is a reasonable threshold.

Should you wish to co-sponsor this legislation, please contact Lisa Seilhammer in my office at 783-8783 or through e-mail at <a href="mailto:lseilham@pahousegop.com">lseilham@pahousegop.com</a>

SP/lls