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***PENNSYLVANIA HOUSE OF REPRESENTATIVE'S LABOR & INDUSTRY  
COMMITTEE TESTIMONY***

***August 17, 2011***

Thank you Mr. Chairman and members of the Pennsylvania House of Representatives Labor & Industry Committee for the opportunity to speak with you today in support of House Bill 1271 introduced by Representative Marsico. The Pennsylvania Council of General Contractors (PennCGC) believes in the principles of fair, efficient, and competitive construction (bidding, awarding, and building). This morning the PennCGC is submitting testimony in support for House Bills. 1271. This testimony is short and to the point.

For years, inserting the state's prevailing wage on the local governments' maintenance work changes from administration to administration. The inserting of this mandated wage has always been political and not what is best for Pennsylvania. So, I would like to remove the politics of this issue and talk about the basics.

1. There are currently very limited resources to improve our infrastructure. Let the market decide the price for road maintenance and not set an arbitrary price.
2. Local governments are under a constituent mandate to improve as many miles of roads as possible. The Commonwealth should work in partnership with the local governments to reduce the bureaucracy and mandated wages to help improve our roads.

3. In the spring of 2004, there was an attempt to mandate the prevailing wage for road maintenance through an executive order. After only a few days of announcing the order, the local governments in the western portion of the state pronounced their outrage towards the Governor. The difference from the original bids without prevailing wage to the increased cost of the road maintenance work with prevailing wage was a loss of miles and miles of needed work in each respective municipality and township. The executive order was rescinded and instead the mandate was quietly implemented at a later date without a public order.
  
4. Without a consistent set of work responsibilities for local governments to know the payment of the workers (are the workers paid a laborer's rate or an operating engineer's rate for their work), the local governments are opening themselves to additional government scrutiny through the arbitrary enforcement by the prevailing wage officers.

We have all heard the comments that prevailing wage assures safe, quality work; yet, during the bouncing of prevailing wage in and out of road maintenance work, there has been no correlation to the safety or quality of the work. It is time to stop making road maintenance work a political issue and help the local governments optimize their limited resources for their road improvements.

If we, as Pennsylvanians, expect our local communities to have a strong infrastructure and safe roads, then we need to help our local leaders attain this objective and not hinder their efforts with additional bureaucracy, mandated wages above the local market, and arbitrary prevailing wage enforcement. House Bill 1271 will help to accomplish this need.

I wish to once again thank the committee for the opportunity to present my testimony before you today.