



## **ABC SUPPORTS HOUSE BILL 297**

### ***Bill Summary***

House Bill 297 amends the Pennsylvania Prevailing Wage Act to clarify the definition of “public work” projects, which require the application of Prevailing Wage rates. This bill would broaden the exemption for maintenance work from Prevailing Wage so as to include work performed on dirt, gravel, or low-volume road maintenance projects.

### ***ABC Position***

**ABC supports House Bill 297 for the reasons listed below. We ask that you vote in support of the legislation.**

- **Increases taxpayer savings for routine municipal maintenance.** One of the biggest capital costs for Pennsylvania’s municipalities is the constant maintenance of our heavily used roadways. Pennsylvania is one of the top states in the nation for total road miles and the cost of keeping these roads functional takes a heavy toll on municipalities. Because of the application of Prevailing Wage on these minor maintenance projects, municipalities commonly end up paying as much as 200% of the estimated project cost because of inflated labor costs. HB 297 would drastically reduce the burden on taxpayers by allowing municipalities to pay accurate, efficient rates for routine maintenance projects.
- **Improves project efficiency.** Minor maintenance projects are routinely performed on a very short timeframe and take little commitment of administrative staff time to execute. The application of Prevailing Wage, however, extends the project schedule both during its preparation and execution, but also through the post-project reporting requirements. HB 297 would eliminate a large portion of staff time, which would allow municipal staff, particularly in rural areas, to focus on vital operational activities.