



Representative Susan Manchester

Sponsor Testimony: House Bill 78

December 11, 2019

Good afternoon Chairwoman Manning, Vice Chairman Dean, Ranking Member Lepore-Hagan, and Members of the Committee. Thank you for the opportunity to testify in support of House Bill 78, which will allow political subdivisions, special districts, and state institutions of higher education to choose to apply the Prevailing Wage Law to public improvement projects.

Prevailing wages mandated on projects in small villages and townships, especially in my District, can make some public-improvement projects as much as 20 percent higher than the market rate. Not only is this an issue of local control, but House Bill 78 serves as a great cost-savings measure for our villages and townships.

House Bill 78 is similar to legislation introduced in the 132nd General Assembly: House Bill 163, sponsored by Representatives Riedel and Roegner, and Senate Bill 72, sponsored by Senator Matt Huffman. However, in our bill, the threshold for new construction projects is increased from \$250,000 to \$500,000 with the hopes of enabling many new construction projects throughout our state.

Understanding that Prevailing Wage does work well for some areas of the state, this bill will place decision making power in the hands of those individuals closest to the project. The purpose of House Bill 78 is to empower local governments and state institutions of higher education to make the best decisions for their constituencies, while also protecting taxpayer dollars and pursuing free markets. Local control is a hallmark of good government, and I am glad to sponsor this legislation with Representative Riedel. Thank you to the committee for the opportunity to testify and we welcome your questions.