

AGC of Missouri's legislative policies adopted by the Board of Directors contains the following language related to Missouri's prevailing wage:

**Issue Background:** The purpose of the establishment of a prevailing wage within a community is to create an environment that supports fair and competitive bidding. The concept of prevailing wage is a tool utilized in the creation of a trained, educated workforce which promotes worker productivity, safety and quality construction and generally enhances the standard of living in a community.

**AGCMO Position:** AGCMO supports the concept of prevailing wage and does not support any large scale changes to the current prevailing wage statutes.

The Missouri state Senate is currently planning debate in the coming days on a bill that would totally repeal Missouri's current prevailing wage statute without creating any system to replace the functions currently served by the prevailing wage statute. Various members of the leadership of the Missouri Legislature have asked AGCMO to work in conjunction with other entities in the state and try to agree on a proposal that we could tolerate short of total repeal.

AGC of Missouri leadership has worked with any number of contractors, industry groups, and construction interests to develop a list of operational changes that could strike some type of balance between the current system and complete repeal. After many hours of listening, working, and meeting, the following points for revision of the Missouri prevailing wage system have been developed:

1. All current provisions relating to collection of data & calculation of MO prevailing wage laws would be eliminated.
2. All charter counties, the City of St. Louis and first class counties with populations exceeding 150,000 would utilize 100% of the federal Davis-Bacon (D-B) calculation as their wage requirement for state/local public projects.
3. All remaining first class counties would utilize 85% of the D-B as their wage requirement.
4. The remainder of state would use 60% of their D-B calculation as their state/local wage requirement.
5. These percentages would be set in statute and apply to all crafts.
6. No exemptions would be made for MODOT projects.
7. New wage requirement for public works would not apply to any project less than \$500,000.
8. Eliminates legal issues surrounding the definition of work that is classified as construction and work that is designated maintenance. Work deemed "construction" under the current statute requires the payment of prevailing wage, but work deemed "maintenance" does not. These definitions, however, have been interpreted many ways leading to lawsuits and a general wariness of whether the work at hand requires payment of prevailing wage or not. .
9. Create a Governor's Department of Labor and Industrial Relations Advisory Panel (DOLIR) with a group of business, industry and public entity representatives to review processes and procedures within DOLIR.

The AGCMO lobbying team will deliver our proposal to legislative leadership beginning today. There are other proposals being put forth by other groups that have similar requirements but with different percentages of Davis-Bacon wages in the various areas that they represent. We have attempted to

compromise and put together a proposal that best meets the needs of all of our members in all parts of the state and that will attract support in the legislature in order to avoid total prevailing wage repeal with no alternative system put in its place to maintain living wage standards.

This is not perfect for our AGCMO members. It will be hard for the Missouri construction industry to live with these points but unfortunately it has become clearly evident to AGC of Missouri leadership that this proposal may be the industry's only option to avoid a complete and total repeal of a wage platform for public works.

As with all things political, this continues to be a work in progress. AGC of Missouri's legislative team continues to work to get the best conditions we can for our members and for the industry in general.

The AGC of Missouri Executive Committee asks that members and their employees please contact their legislators in the Missouri Senate and House to explain the positive financial impact that retention of a prevailing wage system has on their families and the ability to earn a living wage. **It is important that they hear this message from the very workers whose paychecks will be impacted.**

To find your Missouri State Representative or Missouri State Senator's name and contact information, [click here](#):