



**RESOLUTION 04-2013  
PREVAILING WAGE REFORM**

A RESOLUTION OF THE BOROUGH OF MARIETTA, COUNTY OF LANCASTER, COMMONWEALTH OF PENNSYLVANIA URGING THE PENNSYLVANIA GENERAL ASSEMBLY TO ELIMINATE OR AMEND THE STATE PREVAILING WAGE ACT (ACT 442 of 1961)

**WHEREAS**, the Pennsylvania Prevailing Wage Act requires that workers on public construction, reconstruction, demolition, alteration, and/or repair projects with an estimated cost greater than \$25,000 be paid a wage set by the Secretary of Labor and Industry rather than local market rates; and

**WHEREAS**, the prevailing wage rates set by the Secretary of Labor and Industry is generally 5 to 20 percent higher than local market labor rates; and

**WHEREAS**, the cost and burden of these artificially inflated wages are borne by taxpayers in the form of higher construction costs and higher service costs than would otherwise be necessary; and

**WHEREAS**, local contractors often choose not to bid on prevailing wage projects due to the administrative and financial overhead required; and

**WHEREAS**, according to the U.S. Bureau of Labor Statistics' CPI Inflation Calculator, \$25,000 in 1963 dollars equals \$190,174 in 2013 dollars; and

**WHEREAS**, current state law and regulations that determine prevailing wage rates are fundamentally vague and often favor collective bargaining agreements and union wages, which skews rates unnecessarily higher than they otherwise would have been if determined under alternative means; and

**WHEREAS**, associations of municipalities throughout the state have standard policies that urge the General Assembly to adopt common sense reforms to the Prevailing Wage Act including increasing the threshold, establishing clearer guidelines in the determination of wage rates, providing for a local option, or the complete repeal of the law; and

**WHEREAS**, HB 796 (Session of 2013) would, if adopted, increase the prevailing wage threshold from \$100,000; and

**WHEREAS**, HB 665 (Session of 2013) would, if adopted, expand the types of road maintenance projects that would be exempt from the Prevailing Wage Act requirements;

**NOW, THERE, BE IT RESOLVED**, the Borough of Marietta, County of Lancaster, supports meaningful and commonsense reforms to the Prevailing Wage Act; and

**FURTHER RESOLVED**, that the Borough of Marietta urges the General Assembly to support and pass House Bill 665, and support an amendment to House Bill 796 to increase the threshold to \$185,000 plus add an annual inflation index, as well as any other proposal that offers relief to Pennsylvania's local governments from the burdens of the Prevailing Wage Act.

**ADOPTED** by the Council of the Borough of Marietta, County of Lancaster, the Commonwealth of Pennsylvania, this day of 9<sup>th</sup> day of July, 2013.

Attest:

Marietta Borough Council

Shawn A. Bradnick  
Borough Secretary/Treasurer

David M. deVitry  
David M. deVitry, President

SEAL

Council members: John L. Rice, Vice-President  
Eric P. Kramer  
Everett E. Nagel  
William B. Roberts  
James P. Sargen  
Corinna L. Yohe  
Oliver C. Overlander, II, Mayor