

DAILY ROLL CALL
BUSINESS & LABOR COMMITTEE

50th LEGISLATIVE SESSION -- 1987

Date JANUARY 15, 1987

NAME	PRESENT	ABSENT	EXCUSED
REP. LES KITSELMAN, CHAIRMAN	✓		
REP. FRED THOMAS, VICE-CHAIRMAN	✓		
REP. BOB BACHINI	✓		
REP. RAY BRANDEWIE	✓		
REP. JAN BROWN	✓		
REP. BEN COHEN	✓		
REP. JERRY DRISCOLL	✓		
REP. WILLIAM GLASER	✓		
REP. LARRY GRINDE	✓		
REP. STELLA JEAN HANSEN	✓		
REP. TOM JONES	✓		
REP. LLOYD MCCORMICK	✓		
REP. GERALD NISBET	✓		
REP. BOB PAVLOVICH	✓		
REP. BRUCE SIMON	✓		
REP. CLYDE SMITH	✓		
REP. CHARLES SWYSGOOD	✓		
REP. NORM WALLIN	✓		

MINUTES OF THE MEETING
BUSINESS AND LABOR COMMITTEE
50TH LEGISLATIVE SESSION

January 15, 1987

The meeting of the Business and Labor Committee was called to order by Chairman Les Kitselman on January 15, 1987 at 8:00 a.m. in Room 325 of the State Capitol.

ROLL CALL: All members were present.

HOUSE BILL NO. 119 - Eliminate Prevailing Wage Requirements in Public Works Contracts sponsored by Representative Dennis Nathe. Mr. Nathe stated that the bill was created to correct some problems of the impact of incurring cost to local government because of the standard prevailing wage. He stated that this bill will strike the prevailing wage section of the Davis Bacon Act. Rep. Nathe stated that the federal Davis Bacon Act was passed in 1931 by the U. S. Government and had a restriction as to where in the specific locality those prevailing wages were set; in 1931 the state of Montana enacted the same act, which stated that the prevailing wage would be set in the county seats in the state, and that was expanded from the county seat to five areas that are used to establish the prevailing wage for all public works contracts within those areas in the state. Rep. Nathe distributed information that showed the first public works act in the state of Montana. Exhibits 1, 2, 3, and 4.

Rep. Nathe stated that the school administrators and the local governments feel that the groupings in the five areas are grouped in such a manner that they are not reflective of their particular locality because of a heavily unionized county used in each of the groupings which results in a heavier cost to them. Rep. Nathe referred to a letter from a school district in Wolf Point. Exhibit No. 5.

Rep. Nathe cited an example of a school district that contracted their housekeeping services on the bidding process, and a grievance was filed by one of the employees employed by the firm that had lost the contract and was asking for the difference between the wage he was paid and the prevailing wage rate for that type of work. He said the school thought they would be safe, but because of the public works contract that stated that if the contractor doesn't pay the employees, the public agency is responsible for the difference; the school district estimates that it will cost \$120 to \$160 thousand. Rep. Nathe stated that the Department has not communicated with the school districts to keep

them appraised of the situation, the law has imposed a lost of costs on those entities of local government, and the bill was created to try to correct the problems.

PROPONENTS

Stuart Doggett, representing the Montana Chamber of Commerce. Mr. Doggett stated that they support the bill because the Little Davis Bacon Act as it exists artificially establishes wage rates for all contracts let for public works, and they feel that wage rates should be established by the market place, since it is the taxpayer who pays for the cost of public works projects, why should the taxpayers of small local communities have to pay the same prevailing wage rate as contracts for larger communities, that they do not reflect the average local wages, but the highest local wages. He feels the repeal of the act will create more jobs for Montanans. Exhibit No. 7 and 8.

John Ravenberg, Wolf Point Chamber of Commerce, Wolf Point. Mr. Ravenberg stated that the prevailing wage which is set by the state is not a realistic wage, it is higher than the wage in their area. He said that the surveys were sent to the people that were getting the inflated wage and felt that everyone should have been surveyed.

Robert Laumeyer, Superintendent of Boulder Public Schools. Mr. Laumeyer stated that they recently completed a high school that cost \$2 million and after he talked to the architect he found that the cost was more that it need be because they had to comply with the Davis Bacon Act. He stated that the Davis Bacon Act is not the reflection of the prevailing wage in Boulder, but the taxpayers of Boulder have to pay the cost of building at a greater cost. He feels it decreases employment opportunities because they had to cut some things out of the plan because the costs were too great and gives undue taxation to the taxpayers.

James McCauley, Commissioner, Jefferson County. Mr. McCauley stated that the county had just completed a jail project, and because of the Little Davis Bacon Act they estimated that the additional cost was about 10% more. He commented that the Davis Bacon Act has increased the cost to their county and has taken away the local peoples' option to the jobs.

Keith Anderson, representing the Montana Taxpayers' Association. Mr. Anderson stated that the Davis Bacon Act has artificially increased the mandatory costs on their counties, cities, and school districts. He said the costs of construction would have to be paid through increased costs of bond interest as the bonds are retired.

Jack Mehlhose, Jefferson County, Clancy. Mr. Mehlhose said he is a taxpayer, and wanted to add to what School Superintendent Laumeyer had said about the cost of the schools for Boulder; it is not just Boulder but all of Jefferson County that is being affected by the mammoth expense.

Brian Enderle, representing the Missoula Chamber of Commerce. Mr. Enderle stated that the Missoula Chamber of Commerce strongly recommends passage of this bill.

Dave McClure, Lewistown, representing himself as a taxpayer. Mr. McClure commented that he doesn't disagree with the concept of the prevailing wage law, but not if it has to be two to three times as high.

Vernon Peterson, Commissioner of Fergus County. Mr. Peterson stated that the prevailing wage does not represent the prevailing wage for Fergus County, so they have to spend more on public projects. He commented that if a pay scale were raised it would not raise the abilities or capabilities of the employees.

Gordon Morris, Montana Association of Counties. Mr. Morris pointed out that the Montana Association of Counties have had a long standing position in support of repealing the Davis Bacon provisions as they apply to local government. He stated that a resolution was adopted by the Montana Association of Counties and presented to the 47th session of the Legislature requesting repeal or at least exemption for the provisions for local governments which has been consistently reaffirmed.

Ben Havdahl, Montana Motor Carriers Association. Mr. Havdahl stated that the effect of the requirements in the law is to double the cost of the truckdriver's wages involved in a public project which has the impact of about a 25% to 30% impact on the freight costs involved to the taxpayer.

George Allen, representing the Montana Retail Association. Mr. Allen stated that they feel the Davis Bacon Act is creating undue tax increases particularly in the small counties in the rural part of Montana where they are being forced to pay more than the fair wage that prevails in their county.

OPPONENTS

Gene Huntington, Commissioner, Department of Labor and Industry. Mr. Huntington stated that the point he wanted to raise in opposition to this legislation is that it fails to recognize the changes that have taken place in the last

two years as a result of HB 387 which gave the Department the rulemaking authority to set the prevailing wage. He commented that the two main concerns that he has heard are that the rates do not reflect local areas, and that they are based on collective bargaining agreements that do not reflect local wages. He said that they had a process to put the basic framework for adopting the state prevailing wage by surveys in the five areas of the state, and they did not use the collective bargaining agreements that were in place. Mr. Huntington stated that an advisory committee was established that was equally balanced to carry out the legislative intent. He further commented that the survey results were based on the best information available on what the wages for the areas were, reflecting union and non-union, public and commercial construction. He stated that that they did not find that the rural areas necessarily have lower rates than urban areas; the kind of major construction in rural areas sometimes consists of transportation, utilities which are, at times the highest paid jobs. Exhibit No. 9.

James Murry, Executive Secretary, Montana State AFL-CIO. Mr. Murry stated that eliminating prevailing wage laws would only add instability to the construction industry, and would be detrimental and harmful to the economies of the local communities where the projects are located. He commented that the federal legislation has provided four major advantages, it has protected workers by guaranteeing fair competition in bidding for public projects; protects the public by encouraging high-grade public construction based on sound management, good engineering; excellence in design and quality construction, and has protected mainstreet businesses by insisting that wages are not substandard. He said that if Montana's prevailing wage law is abolished, many of the state's construction workers will be forced to seek employment in other states which would result in an erosion of our tax base. Exhibit No. 10.

Blake Wordahl, representing the City of Helena. Mr. Wordahl stated that by official action, they oppose this bill. He commented that their main concern is the negative impact on the area's economy by taking the money out of the city's and state's economy.

Marvin House, United Food and Commercial Workers. Mr. House said he was representing the Missoula City Council and read the message from the Missoula City Council. Exhibit No. 11.

Gene Fenderson, Montana State Building Construction Trades Council. Mr. Fenderson stated that he was appointed to the Labor Advisory Committee to the Commissioner of the Department of Labor and attended public hearings on the concerns

of the citizens in the state. He said they formed trade regions in the different areas in the state, and no where in the state did they hear from the people that attended the hearings that they wanted to repeal the Little Davis Bacon Act. Mr. Fenderson submitted documentation by the Department of Housing (HUD). Exhibits No. 11 and 12.

Mr. Fenderson submitted another report, entitled, "Prevailing Wage Laws Are Not Inflationary", which is a study of school buildings. He said that this study showed that there was no correlation that there is a cost increase when the Davis Bacon Act is in effect, that it is almost the opposite. Exhibits No. 12 and 13.

Randy Semers, representing the Engineers Union. Mr. Semers stated that the merits of the Davis Bacon legislation is obvious and needed to be protected. He said that the school board members and educators have an obligation to the students in their classrooms which extends to the time they leave school and enter the job market. He said future Montana workers would see a tremendous purchasing power of state and local governments turned against them, that the fair Montana contractor and worker would not be able to compete for work that was created by their own tax dollars.

Darrell Holzer, Local 30, Plumbers and Pipefitters, Billings. Mr. Holzer stated that Montana's prevailing wage law is a good law which promotes stability in the construction industry. He said the current law ensures the workers of earning a liveable wage, and ensures consumers and taxpayers against shoddy craftsmanship.

Ernest Zilz, carpenter and business representative, Billings. Mr. Zilz stated that if it weren't for the applicable prevailing wage rates, there would be several times the amount of out of state bidders which would hurt the Montana contractors. He said the Davis Bacon Act has served Montana well by allowing competition on an equal footing, assuring quality workmanship, and the expectation for the workers that they will receive a fair days' pay.

Reggie McMurdo, Business Manager of the Local 768 of the International Brotherhood of Electrical Workers, Whitefish. Mr. Murdo stated that the main goal of the prevailing wage law has been quality construction of public facilities. He feels that passage of this bill would have a devastating effect on the construction industry in Montana by lowering the quality of employees, training programs would suffer because of less funding. He said that the long term costs of maintenance and premature replacement of a finished product would surpass any short term savings that the repealing of

the prevailing wage law would possibly produce. Exhibit No. 14.

Tom Herzig, Secretary Manager of the National Electrical Contractors Association. Mr. Herzig stated that if the state repeals the Davis Bacon Act they feel that the wage rates would drop and they could not get skilled craftsmen, resulting that the government jobs would decrease in productivity and the costs would be higher. He said that job quality would deteriorate and more money would be spent on maintaining and repairing.

Curt Wilson, President of Construction and General Laborers, Local 1334. Mr. Wilson stated he is speaking on behalf of the Montana Laborers District Council. He read an excerpt from a report by the "Economic Transition Task Force" which was appointed by Governor Schwinden, which stated that Montanans take pride in their work, a fact acknowledged in numerous surveys and studies showing productivity in the state is among the highest in the nation. He continued to say that the survey also showed that Montana ranked fourth highest in the United States in terms of value added per worker, per year, and the workers are rated fourth most productive in the country. Exhibit No. 15.

Vic Jungers, Business Manager of Iron Workers Local 708, Billings. Mr. Jungers stated that if you repeal the prevailing wage you would not increase the job opportunities in Montana as suggested by others. Also, he said, the committee in the Department of Labor should think of ways of more enforcement for the prevailing wage law.

Walt Morris, Bricklayers Union, Billings. Mr. Morris said he agreed with the testimony that opposed the bill, and that Montana has to keep up the economical situation.

John Manzer, business representative for Teamster Local 45, Great Falls. Mr. Manzer stated that the joint council of teamsters in the state want to oppose HB 119. He said this type of legislation would not benefit Montana; that it would eventually erode the tax base because if the wage rate is lowered, there would be less money spent, and less taxes paid.

Claudia Clifford, representing the United Food and Commercial Workers. Ms. Clifford stated that they oppose this bill because of its potentially detrimental effect on local economies. She said that maintaining higher wages helps the local tax base and generates more revenue for local schools, roads, and other community services. She commented that this legislation contradicts efforts to help Montana businesses. Exhibit No. 16.

Jim Maze, representing Council 9, American Federation of State, County and Municipal Employees, AFL-CIO. Mr. Maze stated they wanted to go on record in opposition of HB 119.

Larry Solmenson, Hardin. Mr. Solmenson stated that the argument that lowering wages will save money and the contractor will hire extra people because they have saved money is wrong, the contractor would be out of business if he did that.

QUESTIONS

Rep. McCormick asked Rep. Nathe how much the taxpayer would have to pay because the working people will be losing their health and welfare benefits and will be going on relief. Rep. Nathe responded that he did not have any figures relating to that.

Rep. Glaser asked Mr. Huntington if the committee could get a copy of the new rules and a copy of the prevailing wages that were set in September. Mr. Huntington stated that he would provide them.

CLOSING

Rep. Nathe stated that the prevailing wage does not apply only to construction, it also applied to maintenance, and it specifically states schools in those statutes. Rep. Nathe stated that there is a problem in that the providers of service are protected by the public contract law, and the issue is that the Department of Labor has not balanced the interests of both, and it is getting extremely costly for local government.

The committee recessed at 9:45 a.m., and reconvened at 10:00 a.m. in Room 312-F.

EXECUTIVE ACTION - January 15, 1987 - 10:00 a.m.

ACTION ON HOUSE BILL NO. 30

Rep. Driscoll moved that House Bill No. 30 DO PASS.

Rep. Nisbet moved amendment No. 1. The motion carried unanimously. See Standing Committee Report.

Rep. Driscoll moved amendment No. 2. The motion carried unanimously. See Standing Committee Report.

Rep. Driscoll moved that House Bill No. 30 DO PASS AS AMENDED.

ACTION ON HOUSE BILL NO. 98

Rep. Thomas moved that House Bill No. 98 DO PASS.

Rep. Thomas moved amendment No. 1. The motion carried unanimously.

Rep. Thomas moved amendment No. 2. The motion carried unanimously.

Rep. Brandewie moved amendment No. 3. The motion carried unanimously.

Rep. Cohen moved to amend amendment No. 2, to change the word "the" to "each". The motion carried unanimously. See Standing Committee Report for amendments.

Rep. Driscoll moved that House Bill No. 98 DO PASS AS AMENDED. The motion carried unanimously.

ADJOURNMENT

The meeting adjourned at 10:30 a.m.



REP. LES KITSELMAN, Chairman

STANDING COMMITTEE REPORT

January 15

19 87

Mr. Speaker: We, the Committee on **BUSINESS AND LABOR**

report **HOUSE BILL NO. 99**

☒ do pass
☐ do not pass

☐ be concurred in
☐ be not concurred in

☒ as amended
☐ statement of intent attached

REP. LES FITZELMAN

Chairman

ALLOWING A FARM MUTUAL TO INSURE LIABILITY RISKS

AMENDMENTS AS FOLLOWS:

1) Page 1, line 22

Following: "insurance"

Insert: ", and no person may offer, solicit, take applications for, procure, or place for others liability insurance by a farm mutual insurer unless he or she is licensed under chapter 17"

2) Page 2, line 18

Following: "33-4-502 (3)"

Insert: "and only if every policy bears on its face in bold face type a statement that each member of the farm mutual insurer is subject to a contingent liability under 33-3-411."

3) Page 3, line 19

Following: "that"

Strike: "ceded business"

Insert: "liability insurance"

FIRST

WHITE

reading copy ()
color

601-10 1234567890 Rep. Kitser

CLERICAL

H Bill 98

In accordance with Joint Rule 3-7(b) the following clerical
may be corrected:

Business & Labor Comm. Rep. of 1/15

#1

sent : "... licensed under Title 33, chapter 17"

(incomplete reference)

W. H. H. H.
Sponsor

Secretary of Senate
or
Chief Clerk

Legislative Council

STANDING COMMITTEE REPORT

January 15

19 37

Mr. Speaker: We, the committee on BUSINESS AND LABOR

report HOUSE BILL NO. 30

☒ do pass
☐ do not pass

☐ be concurred in
☐ be not concurred in

☒ as amended
☐ statement of intent attached

REP. LES KITSELMAN

Chairman

RESPONSIBILITIES OF BEER WHOLESALER

AMENDMENTS AS FOLLOWS:

1) Page 3, lines 7 and 8

Following: "retailer" on line 7

Strike: remainder of line 7 and line 8 through "LICENSEE,"

2) Page 3, line 13

Following: "LICENSE"

Insert: "or a photocopy of his license"

DAVIS-BACON ACT

Act March 3, 1931, c. 411, 46 Stat. 1494, as amended

Title 40, U.S.C.A., §§ 276a to 276a-5

- Sec.**
 276a. Rate of wages for laborers and mechanics.
 276a-1. Termination of work on failure to pay agreed wages; completion of work by Government.
 276a-2. Payment of wages by Comptroller General from withheld payments; listing contractors violating contracts.
 276a-3. Effect on other Federal laws.
 276a-4. Effective date of sections 276a to 276a-5.
 276a-5. Suspension of sections 276a to 276a-5 during emergency.

§ 276a. Rate of wages for laborers and mechanics

(a) The advertised specifications for every contract in excess of \$2,000, to which the United States or the District of Columbia is a party, for construction, alteration, and/or repair, including painting and decorating, of public buildings or public works of the United States or the District of Columbia within the geographical limits of the States of the Union, or the District of Columbia, and which requires or involves the employment of mechanics and/or laborers shall contain a provision stating the minimum wages to be paid various classes of laborers and mechanics which shall be based upon the wages that will be determined by the Secretary of Labor to be prevailing for the corresponding classes of laborers and mechanics employed on projects of a character similar to the contract work in the city, town, village, or other civil subdivision of the State in which the work is to be performed, or in the District of Columbia if the work is to be performed there; and every contract based upon these specifications shall contain a stipulation that the contractor or his subcontractor shall pay all mechanics and laborers employed directly upon the site of the work, unconditionally and not less often than once a week, and without subsequent deduction or rebate on any account, the full amounts accrued at time of payment, computed at wage rates not less than those stated in the advertised specifications, regardless of any contractual relationship which may be alleged to exist between the contractor or subcontractor and such laborers and mechanics, and that the scale of wages to be paid shall be posted by the contractor in a prominent and easily accessible place at the site of the work; and the further stipulation that there may be withheld from the contractor so much of accrued payments as may be considered necessary by the contracting officer to pay to laborers

and mechanics employed by the contractor or any subcontractor on the work the difference between the rates of wages required by the contract to be paid laborers and mechanics on the work and the rates of wages received by such laborers and mechanics and not refunded to the contractor, subcontractors, or their agents.

(b) As used in sections 276a to 276a-5 of this title the term "wages", "scale of wages", "wage rates", "minimum wages", and "prevailing wages" shall include—

- (1) the basic hourly rate of pay; and
- (2) the amount of—

(A) the rate of contribution irrevocably made by a contractor or subcontractor to a trustee or to a third person pursuant to a fund, plan, or program; and

(B) the rate of costs to the contractor or subcontractor which may be reasonably anticipated in providing benefits to laborers and mechanics pursuant to an enforceable commitment to carry out a financially responsible plan or program which was communicated in writing to the laborers and mechanics affected, for medical or hospital care, pensions on retirement or death, compensation for injuries or illness resulting from occupational activity, or insurance to provide any of the foregoing, for unemployment benefits, life insurance, disability and sickness insurance, or accident insurance, for vacation and holiday pay, for defraying costs of apprenticeship or other similar programs, or for other bona fide fringe benefits, but only where the contractor or subcontractor is not required by other Federal, State, or local law to provide any of such benefits:

Provided, That the obligation of a contractor or subcontractor to make payment in accordance with the prevailing wage determinations of the Secretary of Labor, insofar as sections 276a to 276a-5 of this title and other Acts incorporating sections 276a to 276a-5 of this title by reference are concerned may be discharged by the making of payments in cash, by the making of contributions of a type referred to in paragraph (2)(A), or by the assumption of an enforceable commitment to bear the costs of a plan or program of a type referred to in paragraph (2)(B), or any combination thereof, where the aggregate of any such payments, contributions, and costs is not less than the rate of pay

DAVIS-BACON ACT

40 § 276a-2

described in paragraph (1) plus the amount referred to in paragraph (2).

In determining the overtime pay to which the laborer or mechanic is entitled under any Federal law, his regular or basic hourly rate of pay (or other alternative rate upon which premium rate of overtime compensation is computed) shall be deemed to be the rate computed under paragraph (1), except that where the amount of payments, contributions, or costs incurred with respect to him exceeds the prevailing wage applicable to him under sections 276a to 276a-5 of this title, such regular or basic hourly rate of pay (or such other alternative rate) shall be arrived at by deducting from the amount of payments, contributions, or costs actually incurred with respect to him, the amount of contributions or costs of the types described in paragraph (2) actually incurred with respect to him, or the amount determined under paragraph (2) but not actually paid, whichever amount is the greater.

(Mar. 3, 1931, c. 411, § 1, 46 Stat. 1494; Aug. 30, 1935, c. 825, 49 Stat. 1011; June 15, 1940, c. 373, § 1, 54 Stat. 399; July 12, 1960, Pub.L. 86-624, § 26, 74 Stat. 418; July 2, 1964, Pub.L. 88-349, § 1, 78 Stat. 238.)

West's Federal Practice Manual

Laws applicable—labor conditions, see § 1530.5.
Wage and hour law, see § 1207.

Code of Federal Regulations

Labor standards, applicability, etc., see 29 CFR 3.1 et seq., 5.1 et seq.
Rules of practice, see 29 CFR 6.1 et seq.
Wage rates, procedures for predetermination, see 29 CFR 1.1 et seq.

Library References

Labor Relations —1092, 1132, 1268.
United States —66.
C.J.S. Labor Relations §§ 1022, 1047, 1141, 1142.
C.J.S. United States § 85.

Selected Court Decisions

Contracting agency has initial responsibility for determining whether particular contract is subject to Davis-Bacon Act, and if agency determines such contract is subject to Act, it must determine appropriate prevailing wage rate and ensure that rate chosen is inserted in requests for bids on project, as well as in any resulting contract. *Universities Research Ass'n, Inc. v. Coutu*, Ill.1981, 101 S.Ct. 1451, 450 U.S. 754, 67 L.Ed.2d 662.

The Davis-Bacon Act, requiring that wages of workmen on government construction projects be "not less" than minimum wages specified in schedule furnished by Secretary of Labor and that schedule be based upon prevailing rates, does not authorize or contemplate any assurance to successful bidder that specified minima will in fact be the prevailing rates, since the quoted phrase presupposes possibility that bidder might have to pay higher rates. *U.S. v. Binghamton Const. Co.*, Ct.Cl.1954, 74 S.Ct. 438,

347 U.S. 171, 98 L.Ed. 594, rehearing denied 74 S.Ct. 625, 347 U.S. 940, 98 L.Ed. 1089.

§ 276a-1. Termination of work on failure to pay agreed wages: completion of work by Government

Every contract within the scope of sections 276a to 276a-5 of this title shall contain the further provision that in the event it is found by the contracting officer that any laborer or mechanic employed by the contractor or any subcontractor directly on the site of the work covered by the contract has been or is being paid a rate of wages less than the rate of wages required by the contract to be paid as aforesaid, the Government may, by written notice to the contractor, terminate his right to proceed with the work or such part of the work as to which there has been a failure to pay said required wages and to prosecute the work to completion by contract or otherwise, and the contractor and his sureties shall be liable to the Government for any excess costs occasioned the Government thereby.

(Mar. 3, 1931, c. 411, § 2, as added Aug. 30, 1935, c. 825, 49 Stat. 1011.)

West's Federal Practice Manual

Laws applicable—labor conditions, see § 1530.5.
Wage and hour law, see § 1207.

§ 276a-2. Payment of wages by Comptroller General from withheld payments; listing contractors violating contracts

(a) The Comptroller General of the United States is authorized and directed to pay directly to laborers and mechanics from any accrued payments withheld under the terms of the contract any wages found to be due laborers and mechanics pursuant to sections 276a to 276a-5 of this title; and the Comptroller General of the United States is further authorized and is directed to distribute a list to all departments of the Government giving the names of persons or firms whom he has found to have disregarded their obligations to employees and subcontractors. No contract shall be awarded to the persons or firms appearing on this list or to any firm, corporation, partnership, or association in which such persons or firms have an interest until three years have elapsed from the date of publication of the list containing the names of such persons or firms.

(b) If the accrued payments withheld under the terms of the contract, as aforesaid, are insufficient to reimburse all the laborers and mechanics, with respect to whom there has been a failure to pay the

wages required pursuant to sections 276a to 276a-5 of this title, such laborers and mechanics shall have the right of action and/or of intervention against the contractor and his sureties conferred by law upon persons furnishing labor or materials, and in such proceedings it shall be no defense that such laborers and mechanics accepted or agreed to accept less than the required rate of wages or voluntarily made refunds.

(Mar. 3, 1931, c. 411, § 3, as added Aug. 30, 1935, c. 825, 49 Stat. 1011.)

West's Federal Forms

Intervention, matters pertaining to, see § 3111 et seq.

West's Federal Practice Manual

Intervention of right—first ground—United States statute, see § 8839.

Laws applicable—labor conditions, see § 1530.5.

Practice and procedure, see § 1208.

Wage and hour law, see § 1207.

§ 276a-3. Effect on other Federal laws

Sections 276a to 276a-5 of this title shall not be construed to supersede or impair any authority otherwise granted by Federal law to provide for the establishment of specific wage rates.

(Mar. 3, 1931, c. 411, § 4, as added Aug. 30, 1935, c. 825, 49 Stat. 1011.)

West's Federal Practice Manual

Laws applicable—labor conditions, see § 1530.5.

Wage and hour law, see § 1207.

§ 276a-4. Effective date of sections 276a to 276a-5

Sections 276a to 276a-5 of this title shall take effect thirty days after August 30, 1935, but shall not affect any contract then existing or any contract that may thereafter be entered into pursuant to invitations for bids that are outstanding on August 30, 1935.

(Mar. 3, 1931, c. 411, § 5, as added Aug. 30, 1935, c. 825, 49 Stat. 1011.)

West's Federal Practice Manual

Laws applicable—labor conditions, see § 1530.5.

Wage and hour law, see § 1207.

§ 276a-5. Suspension of sections 276a to 276a-5 during emergency

In the event of a national emergency the President is authorized to suspend the provisions of sections 276a to 276a-5 of this title.

(Mar. 3, 1931, c. 411, § 6, as added Aug. 30, 1935, 49 Stat. 1011.)

West's Federal Practice Manual

Laws applicable—labor conditions, see § 1530.5.

Wage and hour law, see § 1207.

FORTY-FIRST LEGISLATIVE ASSEMBLY CHAPTERS 264-265

authority of the regents of the university of Montana are subject to the provisions of subsection (1) of this section."

Approved: March 7, 1969.

CHAPTER NO. 265

An Act to Amend Section 41-701, R.C.M. 1947, by Defining Standard Prevailing Rate of Wages Including Fringe Benefits for Health and Welfare and Pension Contributions, and Travel Allowance Provisions, by Providing for Approval of Public Works Contracts, and by Providing for the Notification of the Commissioner of Labor.

Be it enacted by the Legislative Assembly of the State of Montana:

Section 1. Section 41-701, R.C.M. 1947, is amended Amending clause.
to read as follows:

"41-701. Preference of Montana labor in public works — wage scale — not to conflict with federal statutes.
In all contracts hereafter let the state, county, municipal, school, heavy highway or municipal construction, repair and maintenance work under any of the laws of this state there shall be inserted in each of said contracts a provision by which the contractor must give preference to the employment of bona fide Montana residents in the performance of said work, and that the said contractor must further pay the standard prevailing rate of wages *including fringe benefits for health and welfare and pension contributions, and travel allowance provisions* in effect *and applicable to the county or locality* in which the work is being performed. Standard prevailing rate of wages *including fringe benefits for health and welfare and pension contributions, and travel allowance provisions, applicable to the county or locality in which the work is being performed,* means those wages *including fringe benefits for health and welfare and pension contributions, and travel allowance provisions* which are paid in the county or locality by other contractors for work *of a similar character performed in that county or locality by each craft, classification or type of workman needed to complete a contract under this act.* When work of a

Preference of Montana labor in public works— wage scale—not to conflict with federal statutes.

similar character is not being performed in the county or locality, the standard prevailing rate of wages including fringe benefits for health and welfare and pension contributions, and travel allowance provisions shall be those rates established by collective bargaining agreements in effect in the county or locality for each craft, classification or type of workmen needed to complete the contract. No contract shall be let to any person, firm, association or corporation refusing to execute an agreement with the above-mentioned provisions in it; provided that, in contracts involving the expenditure of federal aid funds this act shall not be enforced in such a manner as to conflict with or be contrary to the federal statutes prescribing a labor preference to honorably discharged soldiers, sailors and marines, and prohibiting as unlawful any other preference or discrimination among citizens of the United States. All public works contracts under this act shall be approved in writing by the legal advisor of the contracting state, county, municipal corporation, school district, assessment district or special improvement district body or officer prior to execution by the contracting public officer or officers. The Montana commissioner of labor and industry shall undertake to keep and maintain copies of collective bargaining agreements and other information from which rates and jurisdictional areas applicable to public works contracts under this act may be ascertained. Whenever the employer is not signatory party to a collective bargaining agreement, those monies designated as negotiated fringe benefits shall be paid to the employee as wages."

Approved: March 7, 1969.

CHAPTER NO. 266

An Act to Amend Section 72-627, R.C.M. 1947, Relating to the Duty of Railroads to Maintain Certain Facilities in Townsites, by Increasing the Minimum Population of Places Where Such Facilities Are Required and by Requiring Minimum Staffing of Such Facilities.

CHAPTER 102.

An Act Requiring All Contracts for State, County, Municipal and School Construction or Repair Work and Maintenance to Contain Provisions Requiring Preference to Bona Fide Residents of Montana in Said Work When Not in Violation of Federal Statutes and Providing for the Payment of the Standard Prevailing Rate of Wages as Paid at the County Seat of the County in Which the Work is Being Performed, and Providing for the Forfeiture of These Provisions by the Contractor and Providing a Method for the Completion of Said Contract, and Repealing All Acts and Parts of Acts in Conflict Herewith.

Be it enacted by the Legislative Assembly of the State of Montana:

Section 1. In all contracts hereafter let for state, county, municipal and school construction, repair and maintenance work under any of the laws of this State there shall be inserted in each of said contracts a provision by which the contractor must give preference to the employment of bona fide Montana residents in the performance of said work, and that the said contractor must further pay the standard prevailing rate of wages in effect as paid in the county seat of the county in which the work is being performed and no contract shall be let to any person, firm, association or corporation refusing to execute an agreement with the above-mentioned provisions in it; provided that, in contracts involving the expenditure of Federal Aid funds this Act shall not be enforced in such a manner as to conflict with or be contrary to the Federal Statutes prescribing a labor preference to honorably discharged soldiers, sailors and marines, and prohibiting as unlawful any other preference or discrimination among citizens of the United States.

Section 2. LABOR is hereby defined to be all services performed in the construction, repair or maintenance of all state, county, municipal and school work and does not include engineering, superintendence, management, or office or clerical work.

A bona fide resident of Montana is hereby declared to be a person, who at the time of his said employment and immediately prior thereto, has lived in this State in such a manner and for such time as is sufficient to clearly

Preference
employment
to Montana
residents.

Standard
wages only.

Federal
exception
ex-service
men.

Labor
defined.

Bona fide
resident
defined.

justify the conclusion that his past habitation in this State has been coupled with intention to make it his home. Sojourners, or persons who come to Montana solely in pursuance of any contract or agreement to perform such labor, shall under no circumstance be deemed to be bona fide residents of Montana within the meaning and for the purpose of this Act.

Section 3. If any person, firm or corporation shall fail to comply with the provisions of this Act the state, county, municipal or school officers who have executed the contract shall retain five hundred dollars (\$500.00) of the contract price as liquidated damages for the violation of the terms of the contract and said money shall be credited to the proper funds of the state, county, municipal or school districts. In all contracts entered into under the provisions of this Act at least five hundred dollars (\$500.00) of the contract price shall be withheld at all times until the termination of the contract.

Penalty.

Withholding
amount
of penalty.

Section 4. If any part of this Act shall be held to be unconstitutional such decision shall not affect the validity of any other provisions of this Act.

Saving
clause.

Section 5. All Acts and parts of Acts in conflict herewith are hereby repealed.

Repealing
clause.

Section 6. An emergency existing therefor, which emergency is hereby declared to exist, this Act shall take effect and be in force and effect from and after its passage and approval.

Emergency.

Approved March 9, 1931.

CHAPTER 103.

An Act to Amend Section 5135 of the Revised Codes of Montana 1921, as Amended by Chapter 58 of the Laws of 1927, Relating to the Use of Disability and Pension Fund of Fire Department Relief Associations.

Be it enacted by the Legislative Assembly of the State of Montana:

Section 1. That Section 5135 of the Revised Codes of Montana, of 1921, be and the same is hereby amended to read as follows:

shall post in a prominent and accessible site on the project or work area, not later than the first day of work, a legible statement of all wages to be paid to the employees employed on such site or work area.

18-2-407. Forfeiture for failure to pay prevailing wages. (1) Any contractor, subcontractor, or employer who shall pay workers or employees at less than the standard prevailing wage as established under the public works contract shall forfeit to the contracting agency the sum of \$25 a day for each worker so underpaid.

(2) Whenever it shall appear to the contracting agency or to the Montana commissioner of labor that there are sufficient moneys due to the contractor or the employer under the terms of the contract to cover such penalties, the Montana commissioner of labor may, within 90 days after the filing of notice of completion of the project and its acceptance by the contracting agency, maintain an action in district court to recover all such penalties and forfeitures due. Nothing in this part shall prevent the individual worker who has been underpaid from maintaining an action for recovery of the wages due under the contract as provided in Title 39, chapter 3, part 2.

18-2-408. Penalty for violation. (1) If any person, firm, or corporation shall fail to comply with the provisions of this part, the state, county, municipal, or school officers who have executed the contract shall retain \$1,000 of the contract price as liquidated damages for the violation of the terms of the contract and said money shall be credited to the proper funds of the state, county, municipal, or school districts.

(2) Any firm or corporation violating the provisions of this part shall have his or its license suspended in the manner prescribed by 15-50-302 for a period of 1 year after the date of final judgment of said violation by any district court or the supreme court.

(3) Whenever any action shall have been instituted in any district court in this state against any person, firm, or corporation for the violation of this part, the court in which said action is pending shall be and it is hereby authorized to issue an injunction to restrain any such person, firm, or corporation from proceeding with his or its contract with the state, county, municipal, or school districts, pending the final determination of said action so instituted.

18-2-409 through 18-2-420 reserved.

18-2-421. Notice. When a public works project is accepted by the public contracting agency, a notice of acceptance and the completion date of the project shall be sent to the department. However, in the case of projects that amount to \$50,000 or less in cost, the notice of acceptance and the completion date of the project is not required unless the department requests that information. The 90-day limitation for filing an action in district court as provided in 18-2-407 does not begin until the public contracting agency notifies the department of its acceptance of the public works project.

18-2-422. Bid specification and contract to contain prevailing wage rates. All bid specifications and contracts for public works projects must contain a provision stating for each job classification the prevailing wage rate, including fringe benefits, that the contractors and subcontractors must pay during construction of the project.

18-2-423. Submission of payroll records. If a complaint is filed with the department alleging noncompliance with 18-2-422, the department may require the project to submit to it certified copies of the payroll records for workers employed on that project.

18-2-424. Enforcement. If a contractor or a subcontractor refuses to submit payroll records requested by the department pursuant to 18-2-423, the commissioner or his authorized representative may issue subpoenas compelling the production of those records.

PUBLIC CONTRACTS

18-2-401. Definitions. Unless the context requires otherwise, in this part the following

definitions apply:

- (1) "Labor" is hereby defined to be all services performed in the construction, repair, or maintenance of all state, county, municipal, and school work and does not include engineering, superintendence, management, or office or clerical work.
- (2) "Commissioner" means the commissioner of labor and industry provided for in 2-15-1701.
- (3) "Department" means the department of labor and industry provided for in 2-15-1701.
- (4) A "bona fide resident of Montana" is hereby declared to be a person who, at the time of his employment and immediately prior thereto, has lived in this state in such a manner and for such time as is sufficient to clearly justify the conclusion that his past habitation in this state has been coupled with intention to make it his home. Sojourners or persons who come to Montana solely in pursuance of any contract or agreement to perform such labor shall under no circumstance be deemed to be bona fide residents of Montana within the meaning and for the purpose of this part.
- (5) (a) "Standard prevailing rate of wages, including fringe benefits for health and welfare and pension contributions and travel allowance provisions applicable to the county or locality in which the work is being performed," means those wages, including fringe benefits for health and welfare and pension contributions and travel allowance provisions, which are paid in the county or locality by other contractors for work of a similar character performed in that county or locality by each craft, classification, or type of worker needed to complete a contract under this part.
- (b) When work of a similar character is not being performed in the county or locality, the standard prevailing rate of wages, including fringe benefits for health and welfare and pension contributions and travel allowance provisions, shall be those rates established by collective bargaining agreements in effect in the county or locality for each craft, classification, or type of worker needed to complete the contract.

18-2-402. Standard prevailing rate of wages. (1) The Montana commissioner of labor may determine the standard prevailing rate of wages in the county or locality in which the contract is to be performed. The commissioner shall undertake to keep and maintain copies of collective bargaining agreements and other information from which rates and jurisdictional areas applicable to public works contracts under this part may be ascertained.

- (2) The provisions of this part do not apply in those instances where the standard prevailing rate of wages is determined pursuant to federal law.
- (3) In no instances where this part is applicable shall the standard prevailing rate of wage be determined to be greater than the applicable rate of wage in the area for the particular work in question as negotiated under existing and current collective bargaining agreements.

18-2-403. Preference of Montana labor in public works -- wages -- federal exception.

- (1) In any contract let for state, county, municipal, school, or heavy highway construction, services, repair, or maintenance work under any law of this state, there shall be inserted in the bid specification and the contract a provision requiring the contractor to give preference to the employment of bona fide Montana residents in the performance of the work and to pay the standard prevailing rate of wages, including fringe benefits for health and welfare and pension contributions and travel allowance provisions, in effect and applicable to the county or locality in which the work is being performed.
- (2) No contract may be let to any person, firm, association, or corporation refusing to execute an agreement with the above-mentioned provisions in it, provided that in contracts involving the expenditure of federal-aid funds this part may not be enforced in such a manner as to conflict with or be contrary to the federal statutes prescribing a labor preference to honorably discharged veterans of the armed forces and prohibiting as unlawful any other preference or discrimination among citizens of the United States.
- (3) Failure to include the provisions required by 18-2-422 in a public works contract relieves the contractor from his obligations to pay the standard prevailing wage rate and places such obligation on the public contracting agency.

18-2-404. Approval of contract -- bond. (1) All public works contracts under this part shall be approved in writing by the legal adviser of the contracting state, county, municipal corporation, school district, assessment district, or special improvement district body or officer prior to execution by the contracting public officer or officers.

- (2) In all contracts entered into under the provisions of this part at least \$1,000 of the contract price shall be withheld at all times until the termination of the contract.

18-2-405. When fringe benefits paid as wages. Whenever the employer is not signatory party to a collective bargaining agreement, those moneys designated as negotiated fringe benefits shall be paid to the employee as wages.

18-2-406. Posting wage scale. Contractors, subcontractors, and employers who are performing work or providing services under public works contracts as provided in this part

EXHIBIT 4
DATE 11/15/87
HB 119

Wolf Point School Distr Wolf Point, Mo

59201-1593

PHONE:
SUPERINTENDENT
653-2361



November 6, 1986

Mr. Eugene Huntington
Commissioner
Department of Labor and Industry
State of Montana
Helena, MT 59624

Commissioner Huntington:

The following testimony concerning prevailing wage rates is presented by the School Board of Trustees, District 45-45A, Wolf Point, Montana, for your consideration.

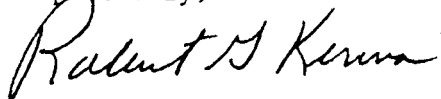
1. Grouping counties by region for determining prevailing wage rates is not equitable. Each region has within its group of counties one heavily unionized county. Unfortunately prevailing wage rates seem to follow those collective bargaining agreements rather than actual wages paid in each county. Establishing a prevailing wage for each county would be much more equitable.
2. In doing a survey to establish the prevailing wage rate, those governmental agencies that are affected by the Little Davis-Bacon Act should be surveyed, not just the providers of workers and labor unions. Of the 5,000 surveys sent out, 600 were returned and only 550 were used to set prevailing wage rates. Our school district was not contacted, and as of this date we have heard of no other school district that received the survey.
3. School districts are in a difficult time financially and with the passage of CI 105, which may cap many property tax sources, the schools' ability to feed the pork barrel has ended. Labor rates of \$14.00 per hour and grounds keeper rates at \$10.15 per hour, as examples, are totally out of line for Wolf Point and Roosevelt County. Additonally, money for most contracts comes from local sources, not the State of Montana.
4. Logically the Commissioner of Labor should have some responsibility to the consumer of the prevailing wage law (governmental agencies), not just the provider (labor). Further, the Commissioner has great latitude in setting prevailing wage rates, defining regions, and determining the definition of a "contract." In these days of hard economic times school districts should either be exempt from Little Davis-Bacon or the compliance rules changed.

EXHIBIT 5
DATE 1/15/87
HB 119
DENNIS -
ON POINT #2 the
Companies surveyed
reported pay records of
only jobs that required
prevailing wage rates,
therefore, the survey shows
prevailing wage rates not
actual wage paid unless
in a locality. Only one
survey was sent to the
governmental agency in
Roosevelt Co. and that was the
Co Commissioner.

EXHIBIT 5
DATE 1/15/87
HB 119

In summary, we believe that the Commissioner of Labor should provide school districts with much more flexibility in these hard economic times, and /or allow some consumer input to setting the prevailing wage, and/or set prevailing wages by county rather than regions.

Respectfully,



Robert G. Kinna for
The Board of Trustees
Wolf Point Public Schools

RGK/gb

SACO PUBLIC SCHOOLS

P. O. Box 298

Telephone 527-3221

Area 406 - Zip Code 59261

DISTRICT No 12

PHILLIPS COUNTY

SACO, MONTANA

EXHIBIT 6
DATE 1/15/87
HB 119

OFFICE OF THE
SUPERINTENDENT

From: Michael A. Lowe
President Northeastern Montana Assoc. of School
Administrators

To: Ed Smith - Dennis Nathe

The following information has been compiled from the administrators of the following schools most of which also received input from their local boards and communities. This report is prepared in two parts. The first section will include items which our group has agreed should be worked on during the legislative session. The second section are items we feel should not be approved during the legislative session.

Section I

1. Because of the shift nation wide from an industrial society to a technological society and the fact that students now are being trained for jobs not yet in existence, education should not be cut, but in fact, needs further emphasis. Therefore our group would support the existing structure of the foundation program with a 5% and 5% increase during the next biennium.
2. We would support the fiscal analysts recommendation #3 which would close the loop hole in computing foundation program funding in certain schools outside of city limits.
3. We would support the fiscal analysts recommendation #4 which would require a larger taxable valuation before it would be possible to open a new school district.
4. We would support legislation that would equalize the Comprehensive Insurance fund by a state wide levy as well as some type of self insurance for all public agencies.
5. We would support legislation which would allow a roll over budgeting process.
6. We would support legislation which would allow a unitary budget for school units which include both a high school and elementary district.
7. We would support legislation that would allow the use of the Bus Depreciation fund for reconditioning buses to allow longer use.
8. We would strongly support a General Sales Tax with the exclusion of non-processed foods and medical expenses.

9. We would support legislation which would limit foundation program payments for more than 180 pupil instruction and 7 pupil instruction related days.
10. We would support the legislators to encourage relaxation of librarian and counselor endorsement. ie. Librarian endorsement K-12 only and counselors 15 credits, working toward a master's degree and one year teaching experience.
11. We would support legislation which would not allow tuition payments except when out of state students are involved.
12. We would support the legislature recommending the State Board of Education to allow 32 classroom hours per teacher instead of 28.
13. We would support the legislature recommending the State Board of Education to change the rules requiring the hiring of master degree teacher in speech, with a B.A. speech teacher allowed only at last resort. This forces schools to hire a higher paid person not necessarily the best teacher available and rules requiring supervision of Speech Pathologist (M.A. or B.A. persons) during their first year by a licensed Speech Pathologist at a rate of not less than 20% of their instructional time. This forces districts to pay other districts or agencies to provide the supervisor and cause loss of instructional time for the supervisor.
14. We would support the legislature directing the O.P.I. reevaluate distribution of funding to provide primary service. An increase in the number of students used to generate an F.T.E. for school psychologists, speech pathologists and resource room teachers would serve our students better than a flat reduction in special education budgets. The readjustments would occur more often.
15. We would support legislation which would control the Human rights commissions regulatory power. After having read the "Rules for Governing Sex Equity for Education," promulgated by The Human Rights Commission, here are several observations.

Generally the entire rule is exceedingly redundant. Title IX and the recent settlement agreement produced by the Ridgeway Case cover all the areas in public education, with the exception of Rule VII governing the use of textbooks and instructional materials. This rule has gone beyond any agency, including the legislature, in mandating a school curriculum. We did not think that the Human Rights Commission had authority to mandate curriculum and instructional materials at any level.

Rule VIII is already spoken to in Ridgeway, et al. vs MHSA, et al.

Rule III on pregnancy certainly overlooks the school liability issue in dealing with pregnant students (for example, the safety of a pregnant seventh grade student in physical education). Furthermore, Rule III compliance would require baby sitting services paid for by the school district.

In adopting such rules the Human Rights Commission is stepping far beyond its bounds in the area of curriculum and instructional materials and then wasting a great deal of time and money to rewrite rules that already exist.

16. We would support legislation which would eliminate regulations making maintenance and remodeling of schools more expensive. ie. Little Davis Bacon Act rescinded or at least modified and modification and simplification of the Building Codes Regulations.
17. We would support the legislature recommending to the State Board of Public Education the retraction of rules pertaining to the Gifted and Talented.

Section II

1. We would not support the fiscal analysts recommendation #1 on Equalized Retirement costs because of the differences in teacher salaries and the methods of computing the percentage to be equalized.
2. We would not support the fiscal analysts recommendation #2 Isolation status which is simply a consolidation proposal.
3. We would not support the fiscal analysts recommendation #5 student achievement testing. All schools presently give standardized tests and this would force many schools to buy the same tests so that the same publisher would be used.
4. We would not support the fiscal analysts recommendation #6 Interim Study. These have been done before and the results are at best poor.
5. We would not support an administrative consolidation plan such as the Rafter or the SBPE plan as it takes away local control and there is questionable cost savings.
6. We would not support any legislation which would change the 875 allocations.
7. We would not support any legislation which would reduce allowable reserves or use reserves from any district for equalization.
8. We would not support legislation which would give educational services co-op any greater authority than now exists.

9. We would not support an income surtax.
10. We would not support a selective local option tax.
11. We would not support a state wide salary schedule.
12. We would not support a cap on education salaries.
13. We would not support a limit on the amount of salary that retirement is paid on.
14. We will not support any legislation dealing with extracurricular activities.
15. We will not support any legislation which will cut state funding for Driver Education.
16. We will not support any legislation which will cut state funding of Kindergarten.
17. We will not support any legislation which will stop districts from levying an adult education mill.

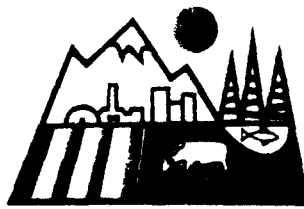


EXHIBIT 7
DATE 1/15/87
HB 119

MONTANA CHAMBER OF COMMERCE

P O BOX 1730

• HELENA MONTANA 59624

• PHONE 442-2411

Testimony
of the
Montana Chamber of Commerce
by
Stuart Doggett
Public Affairs Manager
to the
House Business and Labor Committee
HB-119
January 15, 1987

Mr. Chairman and members of the Committee, for the record, my name is Stuart Doggett representing the Montana Chamber of Commerce. Our support for this legislation is conceptual in nature but the bottom line here is dollars -- namely saving Montana taxpayers dollars unnecessarily spent.

The Montana Chamber has long supported the repeal of the Little Davis-Bacon Act and this legislation comes before you at a most unique time when you have recently received a mandate from the voters of this state to reduce government spending. We support HB-119 for some of the following reasons: First, and foremost, we feel the Little Davis-Bacon Act, as it currently exists, artificially establishes wage rates for all contracts let for public works. We disagree with this concept and feel wage rates should be established by the market place. It is the taxpayer who ultimately pays for the cost of public works projects. For example, why should taxpayers of smaller local communities have to pay the same prevailing wage rate as contracts for larger

communities. For example, communities in Lewistown and Gardiner should not, in our mind, have to pay the same wage rate to construct a school as possibly in Great Falls or Billings.

The problem with Little Davis-Bacon Act wages are that they are suppose to reflect average local wages, but often end up reflecting the highest local wages. For example, the federal Davis-Bacon Act uses the 30% rule which means that if 30% of the workers in a community work at a certain rate then that wage becomes the prevailing rate, even if 70% of the workers in the community work at a substantially lower rate. This is pointed out to the Committee because the rules governing the Montana Little Davis-Bacon Act look to the federal act as a guideline to establish prevailing wage rates.

We feel the repeal of the Little Davis-Bacon Act will ultimately create more jobs for Montanans. State and local governments in our state only have X number of dollars to spend for a particular public works project. If contractors are forced by the Little Davis-Bacon Act to employ workers at an artificially higher rate of so much an hour, then it is only logical that the numbers of workers who can be employed by the construction project will be limited. Without the Little Davis-Bacon Act it is conceivable, and likely, that contractors would spend the same total amount of money on wages, but would be given the freedom to employ more people at a lower rate if they felt it was cost beneficial.

The Little Davis-Bacon Act clearly inflates the construction cost for any public works projects, particularly for projects in small county and municipal governments.

The real loser is Montana taxpayers. The Little Davis-Bacon Act clearly means higher wage costs for public projects which in return means that the cost is paid for by Montana taxpayers.

During a time of economic crisis for Montana state and local governments the way to solve economic problems is not to establish artificial rates, but a time to scale back and keep from spending too much money.

In conclusion, what you have before you is a bill to repeal a law that has been in place since 1931. This is not an easy decision you will make on HB-119. None the less it is a decision we feel you must make and we strongly urge your support on this piece of legislation.

Thank you.

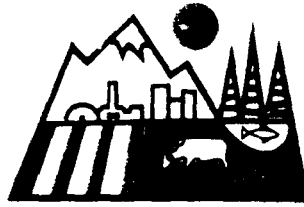


EXHIBIT 8
DATE 1/15/87
HB 119

MONTANA CHAMBER OF COMMERCE

P O BOX 1730

• HELENA MONTANA 59624 •

PHONE 442-2400

January 20, 1987

TO: House Business and Labor Committee
FROM: Stuart Doggett, Montana Chamber of Commerce
RE: TESTIMONY ON HB 119

This memo is sent to you to help clarify our supporting testimony of HB 119 presented on January 15, 1987.

As a proponent we testified that one problem we have with the Little Davis-Bacon Act is that when applied it often ends up reflecting the highest local wages. To make our point we cited the Federal Davis-Bacon Act which has and continues to use the 30% rule. This means that if 30% of the workers in a community work at a certain rate then that rate becomes the prevailing wage even if 70% of the workers in the community work at a substantially lower rate.

Testimony was later introduced that Montana does not use the 30% rule, but uses a 50% rule to establish local prevailing wage rates. This is true to the extent that the 50% rule is used by the Department of Labor as the first of many steps to help establish the local prevailing wage rate.

Enclosed for your information is an illustration of how the Department of Labor applies the 50% rule. The use of the 50% rule was initially recommended by the Prevailing Wage Rate Advisory Council, and made a procedure after the idea was discussed during five public hearings throughout the state in 1986.

The Montana Chamber of Commerce continues to urge your support of HB 119. We feel the repeal of the Little Davis-Bacon Act, as we indicated in our testimony, would both save taxpayers money and create a better business climate in Montana. If we can provide any further information, do not hesitate to call on us.

Thank you.

SD/dd

HR 111
EXHIBIT 9(a)
DATE 1/15/87
HB 119

STATE OF MONTANA
PREVAILING WAGE RATES

EFFECTIVE DECEMBER 1, 1986 - NOVEMBER 30, 1987

Department of Labor & Industry
Employment Relations Division
P.O. Box 1728
Helena, MT 59624
(406) 444-5600

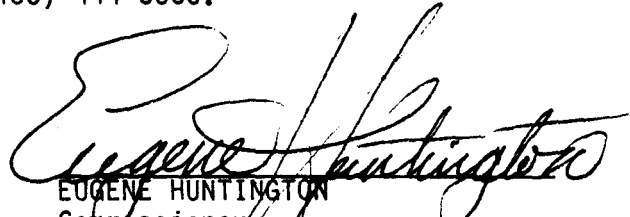
MONTANA PREVAILING WAGE RATES

The wages herein specified and set by the Commissioner of Labor and Industry are controlling as to the minimum for the purposes of Section 18-2-401, et. seq., MCA. It is incumbent upon each employer to pay, as a minimum, the rate of wages, including fringe benefits for health and welfare and pension contributions and travel allowance provisions, applicable to the county or locality in which the work is being performed, provided in the attached wage determinations. Wage rates for apprentices registered in approved Federal or State apprenticeship programs are contained in those programs. However, apprentices not registered in approved Federal or State apprenticeship programs will be paid the prevailing wage rate.

Section 18-2-406, MCA, provides that contractors, subcontractors, and employers who are performing work or providing services under public works contracts as provided in this part shall post in a prominent and accessible site on the project or work area, not later than the first day of work, a legible statement of all wages to be paid to the employees on such site or work area.

18-2-403, MCA, requires contractors to give preference to the employment of bona fide Montana residents in the performance of the work on a public works project.

Inquiries about the state prevailing wage law or rates should be directed to the Department of Labor and Industry, Employment Relations Division, P.O. Box 1728, Helena, Montana, 59624, (406) 444-5600.



EUGENE HUNTINGTON
Commissioner
Department of Labor and Industry
State of Montana

MONTANA PREVAILING WAGE RATES

The Commissioner of the Montana Department of Labor and Industry, in accordance with Sections 18-2-401 and 18-2-402 Montana Code Annotated, has determined the standard prevailing rate of wages for the occupations listed below.

Section I "Heavy/Highway" wage rates are used statewide and pertain to projects involved in the construction fields (other than building or residential), alteration or repair of roads, streets, highways, alleys, runways, trails, parking areas, utility projects and so forth. Federal Davis-Bacon wage rates have been adopted by the Montana Department of Labor for use in Heavy/Highway projects. Section II "All Other" wage rates contain prevailing wage rates for the state on a regional basis and are categorized by the type of industry under which the occupation occurs. The categories are: Section A - Construction and Special Trades, Section B - Equipment Operators, Section C - Metal Workers, Section D - Services. The five regions are described below. The "All Other" wage rates are applicable for any occupation involved in projects other than those which are considered Heavy/Highway. However, if an occupation is not listed under the section which applies to your project, a rate from the other section should be used as the prevailing wage rate.

The prevailing wage rates listed in this publication were compiled from a survey of major occupations common to public work projects in the state. Every major occupation is comprised of one or more sub-occupations. "Communications Technician" is an example of a sub-occupation within the major occupation of Electricians. Since sub-occupations were not surveyed the prevailing wage rate for some sub-occupations will be the collectively bargained rate. Sub-occupations qualifying for separate rates will be listed as a sub-group with the major occupation. Electricians also have a split scale wage rate. In most regions a lower wage rate has been provided for lower cost projects.

Note that Section 18-2-405 of the wage and hour laws states that..."when-ever the employer is not a signatory party to a collective bargaining agreement, those monies designated as negotiated fringe benefits shall be paid to the employee as wages." The health and welfare, pension, annuity, and apprenticeship training fringe benefits where indicated in both sections, or total fringe benefits package for some occupations in Section I, are to be paid in addition to the prevailing wage rate. The vacation benefit amount is included in the prevailing wage rate and is to be paid as wages unless the employer is signatory to a collectively bargained agreement which provides a vacation fund for its workers. It is not to be considered a part of the hourly rate of pay for overtime purposes.

"All Other" wage rates vary according to the region of the state in which a project is being completed. The counties within each region are listed below:

REGION 1: Flathead, Lake, Lincoln, Mineral, Missoula, Ravalli, and Sanders Counties

REGION 2: Beaverhead, Broadwater, Deer Lodge, Gallatin, Granite, Jefferson, Lewis and Clark, Madison, Meagher, Park, Powell, and Silver Bow Counties

- REGION 3: Blaine, Cascade, Chouteau, Fergus, Glacier, Hill, Judith Basin, Liberty, Pondera, Teton, and Toole Counties
- REGION 4: Carter, Custer, Daniels, Dawson, Fallon, Garfield, McCone, Petroleum, Phillips, Powder River, Prairie, Richland, Roosevelt, Rosebud, Sheridan, Treasure, Valley, and Wibaux Counties
- REGION 5: Big Horn, Carbon, Golden Valley, Musselshell, Stillwater, Sweet Grass, Wheatland, and Yellowstone Counties

SECTION I: HEAVY/HIGHWAY

November 1986

LABORERS

CODE NUMBER	CLASSIFICATION	Decision MT-84-5041 U.S. Dept. of Labor Minimum Wage Rates			
		Zone 1	Zone 2	Zone 3	Zone 4
1-1	Axeman; Carpenter Tender; Car and Truck Loaders; Scissorman; Chuck Tender and Nipper (above ground); Cosmolene applying and removing; Dumpman (Spotter); Fence Erector and Installer (includes the installation and erection of fences, guardrails, median rails, reference posts, right-of-way markers and guide posts); Form Stripper; General Laborer - Heavy Highway, Highway Bridge and Structure, Crusher and Batch Plant Laborers; Heater Tender (not covered by joint board decision - such as radiant type of butane fire, without blowers or fans - General Laborers scale); Landscape Laborer; Riprap Tender; Stake Jumper for Equipment; Sandblaster Tail Hoseman, Pot Tender; Sod Cutter, hand operated (General Laborers); Tool Checker; Tool Houseman	C 11.10	11.75	11.95	12.35
1-2	Burning Bar; Cement Mason Tender; Caisson Workers (free air); Cement Handlers; Choker Setter; Concrete Laborers (wet or dry); Bucketmen and Signalmen; Curb Machine; Dumpman (Grade Man); Form Setter; Hand Faller; Jackhammer, Pavement Breaker, Wagon Driller, Concrete Vibrator, Mechanical Tamper Vibrating Roller, hand steered and other power tools; Nozzleman - air, water; Guniting and Placo Machine; Concrete or Asphalt Saws; Pipelayer (all types); Laser Equipment Operator; Pipewrapper; Posthole Digger (power auger); Power Saw (bucking); Powderman Tender; Power Driven Wheelbarrow; Rigger; Riprapper; Spike Driver, single, dual or hand; Switchman; Tar Pot Operator	C 11.21	11.86	12.06	12.46
1-3	Asphalt Raker, Concrete Vibrator (5" and over); Drills, Air Track, self-propelled, Cat and Truck mounted air operated Drills; Drills, Air Track with dual masts; Drills, Air Tract, self-propelled Mustang type and similar; Equipment Handler; High Scaler; High Pressure Machine Nozzleman; Power Saw (falling); Sandblaster	C 11.35	12.00	12.20	12.60
1-4	Core Drill Operator, Grade Setter, Powderman, Welder, Cutting Torch and Air Arc Operator	C 12.05	12.70	12.90	13.30
1-5	Bluetop Surveying, Bridge Control Surveyors, weigh persons, dump persons	-0- *	-0- *	-0- *	-0- *
1-6	Flagpersons	C 9.00	9.65	9.85	10.25
FRINGE BENEFITS C \$3.15					
Health & Welfare \$1.75 Training \$0.05					
Pension \$0.85 Vacation \$0.50					
		* Not covered by Federal Davis Bacon Wage Rates			

The weigh person shall record weights to the nearest hundred pounds and other required information on forms furnished by the engineer. The dump person shall, at the delivery point, record on forms furnished by the engineer all information required for loads delivered and placed.

The zone hourly rate applicable to each project shall be determined by measuring the road miles over the shortest practical maintained route from the nearest County Courthouse of the following listed towns to the center of the job:

Zone 1	0 - 15 miles	Billings	Glendive	Kalispell	Missoula
Zone 2	15 - 30 miles	Bozeman	Great Falls	Lewistown	Sidney
Zone 3	30 - 50 miles	Butte	Havre	Miles City	
Zone 4	Over 50 miles	Dillon	Glasgow	Helena	

T R U C K D R I V E R S

CODE NUMBER	CLASSIFICATION	Decision MT-84-5041 U.S. Dept. of Labor Minimum Wage Rates			
		Zone 1	Zone 2	Zone 3	Zone 4
	Combination Truck and Concrete Mixer and Transit Mixer				
2-1	To and including 4 cu. yds.	A \$14.20	14.85	15.05	15.45
2-2	Over 4 cu. yds. to and incl. 6 cu. yds.	A 14.28	14.93	15.13	15.53
2-3	Over 6 cu. yds. to and incl. 8 cu. yds.	A 14.36	15.01	15.21	15.61
2-4	Over 8 cu. yds. to and incl. 10 cu. yds.	A 14.44	15.09	15.29	15.69
2-5	Over 10 cu. yds. add 8¢ per hour each additional cu. yd. increment				
2-6	Distributor Driver and Helper	A 14.83	14.83	15.03	15.43
	Dry Batch Trucks				
2-7	3 batch or under	A 13.95	14.60	14.80	15.20
2-8	Over 3 batch to and incl. 5 batch	A 14.08	14.73	14.93	15.33
2-9	Over 5 batch to and incl. 10 batch	A 14.24	14.89	15.09	15.49
2-10	Over 10 batch to and incl. 15 batch	A 14.40	15.05	15.25	15.65
2-11	Over 15 batch add 15¢ per hour each additional 5 batch increment				
	Dumpman, Gravel Spreader Box Operator	13.95	14.60	14.80	15.20
	Dump Trucks and Similar Equipment				
	DW20, DW21 or Euclid Tractors, pulling PR 21 or similar Dump Wagons				
2-12	Water Level Capacity, including sideboards 7 cu. yds or less	A 13.95	14.60	14.80	15.20
2-13	Over 7 cu. yds. to and incl. 10 cu. yds.	A 14.08	14.73	14.93	15.33
2-14	Over 10 cu. yds. to and incl. 15 cu. yds.	A 14.24	14.89	15.09	15.49
2-15	Over 15 cu. yds. to and incl. 20 cu. yds.	A 14.38	15.03	15.23	15.63
2-16	Over 20 cu. yds. to and incl. 25 cu. yds.	A 14.44	15.09	15.29	15.69
2-17	Over 25 cu. yds. to and incl. 30 cu. yds.	A 14.50	15.15	15.35	15.75
2-18	Over 30 cu. yds. to and incl. 35 cu. yds.	A 14.56	15.21	15.41	15.81
2-19	Over 35 cu. yds. to and incl. 40 cu. yds.	A 14.62	15.27	15.47	15.87
2-20	Over 40 cu. yds. to and incl. 45 cu. yds.	A 14.68	15.33	15.53	15.93
2-21	Over 45 cu. yds. add 10¢ per hour each additional 5 cu. yd. increment.				
2-22	Dumpsters	A 14.08	14.73	14.93	15.33
	Flat Trucks				
2-23	To and incl. 3-ton Factory Rating	A 14.11	14.76	14.96	15.36
2-24	Over 3-ton Factory Rating	A 14.30	14.95	15.15	15.55
2-25	Servicemen	A 14.44	15.09	15.29	15.69
2-26	Lowboys, Four-wheel Trailer, Float Semi-Trailer	A 14.30	14.95	15.15	15.55
2-27	Lumber Carriers, Lift Trucks and Fork Lifts	A 14.20	14.85	15.05	15.45
2-28	Pickup Driver, hauling materials	A 14.05	14.70	14.90	15.30
2-29	Pilot Car Driver	A 10.45	11.10	11.30	11.70
2-30	Powder Truck Driver (bulk unloader type)	A 14.13	14.78	14.98	15.38
2-31	Power Boom	A 14.04	14.69	14.89	15.29
2-32	Service Truck Drivers, Fuel Truck Drivers, Tiremen	A 14.38	15.03	15.23	15.63
2-33	Teamsters and Helpers	A 13.95	14.60	14.80	15.20
2-34	Warehouseman, Partsman, Cardex Men and Warehouse Expediter	A 14.20	14.85	15.05	15.45
	Water Tank Drivers, Petroleum Products Drivers				
2-35	2,500 gals. and under	A 13.95	14.60	14.80	15.20
2-36	Over 2,500 gals. to and incl. 4,500 gals.	A 14.24	14.89	15.09	15.49
2-37	Over 4,500 gals. to and incl. 6,000 gals.	A 14.44	15.09	15.29	15.69
2-38	Over 6,000 gals. to and incl. 8,000 gals.	A 14.50	15.15	15.35	15.75
2-39	Over 8,000 gals. to and incl. 10,000 gals.	A 14.58	15.23	15.43	15.83
2-40	Over 10,000 gals. add 10¢ per hour each additional 2,000 gal. increment				
2-41	Trucks with power equipment, such as Winch, A-frame Truck, Swedish Crane, Hydralift, Grout-crete Truck and Combination Mulching, Seeding and Fertilizing Truck	A 14.20	14.85	15.05	15.45
2-42	Truck Mechanic	A 14.66	15.31	15.51	15.91

FRINGE BENEFITS \$2.97

Health & Welfare \$1.73

Pension \$1.24

T R U C K D R I V E R S (Continued)

CODE NUMBER	CLASSIFICATION	Decision MT-84-5041 U.S. Dept. of Labor Minimum Wage Rates
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All tunnel and underground work will be paid at 10% premium above the classification of equipment operated.

The zone hourly rate applicable to each project shall be determined by measuring the road miles over the shortest practical maintained route from the nearest County Courthouse of the following listed towns to the center of the job:

Billings	Butte	Glendive	Havre	Kalispell	Miles City	Missoula
Bozeman	Dillon	Great Falls	Glasgow	Lewistown	Helena	Sidney

Zone 1	0 - 15 miles	Zone 3	30 - 50 miles
Zone 2	15 - 30 miles	Zone 4	Over 50 miles

POWER EQUIPMENT OPERATORS

CODE NUMBER	CLASSIFICATION	Decision MT-84-5041 U.S. Dept. of Labor Minimum Wage Rates			
		Zone 1	Zone 2	Zone 3	Zone 4
3-1	A-frame Truck Crane, Winch Truck & Similar	F \$ 13.60	14.25	14.45	14.85
3-2	Air Compressor Operator, Single	F 13.29	13.94	14.14	14.54
3-3	Air Compressor Operator, 2 or more	F 13.46	14.11	14.31	14.71
3-4	Air Doctor	F 13.76	14.41	14.61	15.01
3-5	Belt Finishing Machine Operator	F 13.46	14.11	14.31	14.71
3-6	Bit Grinder	F 13.76	14.41	14.61	15.01
3-7	Bitum, Mixer Paving, Travel Plant	F 13.76	14.41	14.61	15.01
3-8	Boring Machine Operator, Jeep, Pickup or farm tractor mounted	F 13.35	14.00	14.20	14.60
3-9	Broom Operator self-propelled	F 13.43	14.08	14.28	14.68
3-10	Cement Silo Operator	F 13.55	14.20	14.40	14.80
3-11	Chain Bucket Loader	F 13.48	14.13	14.33	14.73
	Concrete Batch Oiler, Asst. to Engineer				
3-12	up to and incl. 2 mixers	F 13.28	13.93	14.13	14.53
3-13	3 mixers and over	F 13.59	14.24	14.44	14.84
3-14	Concrete Bucket Dispatcher	F 13.76	14.41	14.61	15.01
3-15	Concrete Curing Machine	F 13.76	14.41	14.61	15.01
3-16	Concrete Conveyor under 40'	F 13.34	13.99	14.19	14.59
3-17	Concrete Conveyor over 40'	F 14.09	14.74	14.94	15.34
	Concrete Mixer Operator				
3-18	3 bags and under	F 13.35	14.00	14.20	14.60
3-19	4 bags and over	F 13.52	14.17	14.37	14.77
3-20	Concrete Power Saw, self-propelled	F 13.76	14.41	14.61	15.01
3-21	Concrete Travel Batcher	F 13.76	14.41	14.61	15.01
	Conveyor Loader Operator				
3-22	up to and including 42' belt	F 13.34	13.99	14.19	14.59
3-23	over 42' belt	F 13.46	14.11	14.31	14.71
3-24	Crane Oiler, Asst. to Engineer	F 13.33	13.98	14.18	14.58
3-25	Crusher Oiler & Helper, Asst. to Engineer	F 13.25	13.90	14.10	14.50
3-26	Crusher Conveyor Operator, when required	F 13.22	13.87	14.07	14.47
3-27	DW 10, 15, 20 Tractor Pulling Roller	F 13.48	14.13	14.33	14.73
3-28	Elevating Grader	F 13.76	14.41	14.61	15.01
3-29	Farm Type Tractor, up to and including 50 h.p. engine	F 13.22	13.87	14.07	14.47
3-30	over 50 h.p. engine	F 13.30	13.95	14.15	14.55
3-31	Field Equipment Serviceman Helper	F 9.90	10.55	10.75	11.15
3-32	Fireman	F 13.35	14.00	14.20	14.60
3-33	Forklift, on Construction Site	F 13.57	14.22	14.42	14.82
3-34	Form Grader Operator	F 13.53	14.18	14.38	14.78
3-35	Grade Setter	F 13.22	13.87	14.07	14.47
3-36	Heavy Duty Drills, Helper	F 13.35	14.00	14.20	14.60
3-37	Herman Nelson Heater & Similar Types	F 13.30	13.95	14.15	14.55
3-38	Hoist Operator, Single Drum	F 13.53	14.18	14.38	14.78
3-39	Hoist Operator, two or more drums	F 13.76	14.41	14.61	15.01
3-40	Helicopter Hoist Operator	F 14.26	14.91	15.11	15.51
3-41	Hot Plant Oiler, Asst. to Engineer, 100 Ton per hour or over	F 13.25	13.90	14.10	14.50
3-42	Hydralift and similar types	F 13.66	14.31	14.51	14.91
3-43	Mechanic on job helper	F 9.90	10.55	10.75	11.15
3-44	Mixermobile	F 13.84	14.49	14.69	15.09
3-45	Mountain Logger or similar type	F 13.76	14.41	14.61	15.01
3-46	Oiler, Hoist House, Dams, Asst. to Engineer	F 13.66	14.31	14.51	14.91
3-47	Oiler-Driver, Rubber-tired Cranes, Asst. to Engineer	F 13.33	13.98	14.18	14.58
3-48	Oilers, other than shovels & cranes, Asst. to Engineer	F 13.25	13.90	14.10	14.50
3-49	Pavement Breaker, Emsco & similar	F 13.76	14.41	14.61	15.01
3-50	Power Mixer, single or double drum	F 13.76	14.41	14.61	15.01
3-51	Power Saw, self-propelled, multiple cut	F 13.76	14.41	14.61	15.01
3-52	Pumpman	F 13.29	13.94	14.14	14.54
3-53	Radiator Repairman	F 13.57	14.22	14.42	14.82
3-54	Refrigerator Plant Operator	F 13.76	14.41	14.61	15.01
3-55	Retort Operator	F 13.35	14.01	14.20	14.60
3-56	Roller, on other than hot mix oil paving	F 13.46	14.11	14.31	14.71
3-57	Roller, 25 ton or over	F 13.76	14.41	14.61	15.01
3-58	Shovel Oiler, Asst. to Engineer, 3 cy. and under	F 13.25	13.91	14.10	14.50
3-59	Shovel Oiler, Asst. to Engineer, over 3 cy.	F 13.66	14.31	14.51	14.91
3-60	Turnhead Conveyor Operator or Head Tower Operator on Batch Plant	F 13.76	14.41	14.61	15.01
3-61	Wagner Roller and similar type	F 13.76	14.41	14.61	15.01
3-62	Whirley Crane Oiler, Asst. to Engineer	F 13.66	14.31	14.51	14.91
3-63	Water Pull when used for compaction	F 13.76	14.41	14.61	15.01
3-64	Washing & Screening Plant Oiler, Asst. to Engineer	F 13.25	13.90	14.10	14.50

P O W E R E Q U I P M E N T O P E R A T O R S (Continued)

CODE NUMBER	CLASSIFICATION	Decision MT-84-5041 U.S. Dept. of Labor Minimum Wage Rates				
		Zone 1	Zone 2	Zone 3	Zone 4	
Group 2						
3-65	Chip-Gravel Spreader, self-propelled	F	13.58	14.23	14.43	14.83
3-66	Concrete Float Operator & Spreader	F	13.86	14.51	14.71	15.11
3-67	Distributor Operator	F	13.86	14.51	14.71	15.11
3-68	Electric Overhead Cranes	F	14.04	14.69	14.89	15.29
3-69	Heavy Duty Drills all types	F	13.86	14.51	14.71	15.11
3-70	Hot Plant Fireman (when in operation)	F	13.86	14.51	14.71	15.11
3-71	Roller, on blade or hot mix oil paving	F	13.86	14.51	14.71	15.11
3-72	Ross and similar type carriers on construction site	F	13.86	14.51	14.71	15.11
3-73	Scraper, DW 15, 20, 21 & similar Type if power is not used	F	13.86	14.51	14.71	15.11
3-74	Self-propelled Sheeps Foot & Similar Type	F	13.86	14.51	14.71	15.11
FRINGE BENEFITS \$3.34						
Group 3						
3-75	Asphalt Paving Machine Operator	F	13.96	14.61	14.81	15.21
3-76	Asphalt Paving Machine Screed Operator	F	13.96	14.61	14.81	15.21
3-77	Automatic Finegrader, Guries & other similar types	F	14.09	14.74	14.94	15.34
3-78	Boring Machine Operator, large	F	13.96	14.61	14.81	15.21
3-79	Cableway Highline Operator	F	14.47	15.12	15.32	15.72
3-80	Central Mixing Plants, concrete dams & stationary Concrete Batch Plant Operator	F	14.21	14.86	15.06	15.41
3-81	1 and 2 mixers	F	13.96	14.61	14.81	15.21
3-82	3 and 4 mixers	F	14.16	14.81	15.01	15.41
3-83	5 mixers and over	F	14.36	15.01	15.21	15.61
3-84	Concrete Finish Machine Paving	F	13.96	14.61	14.81	15.21
3-85	Concrete Pump	F	14.29	14.94	15.14	15.54
3-86	Crane Operator, to and including 80' boom	F	14.12	14.77	14.97	15.37
3-87	Crane Operator, 81' to 130' boom	F	14.27	14.92	15.12	15.52
3-88	Crane Operator, 131' to 180' boom (Additional \$.05 per hour is added for each 50' of boom. Jibs to be included in boom length.)	F	14.32	14.97	14.67	15.07
3-89	Creter Crane	F	14.12	14.77	14.97	15.37
3-90	Tower Crane Skyhorse & Ringer Crane	F	14.12	14.77	14.97	15.37
3-91	250 Ton through 399 Ton	F	15.12	15.77	15.97	16.37
3-92	400 Ton through 599 Ton	F	16.12	16.77	16.97	17.37
3-93	600 Ton and Over	F	17.12	17.77	17.97	18.37
3-94	Crusher Operator	F	13.96	14.61	14.81	15.21
3-95	Field Equipment Serviceman	F	13.88	14.53	14.73	15.13
3-96	Gradall Operator	F	13.96	14.61	14.81	15.21
3-97	Hot Plant Operator	F	13.96	14.61	14.81	15.21
3-98	Industrial Locomotives (all types)	F	13.96	14.61	14.81	15.21
3-99	Mechanic	F	14.06	14.71	14.91	15.31
3-100	Motor Patrol Operator	F	14.09	14.74	14.94	15.34
3-101	Mucking Machine Operator	F	13.96	14.61	14.81	15.21
3-102	Paving & Mixing Machine Operator	F	14.09	14.74	14.94	15.34
3-103	Power Auger, large truck or tractor, mounted & punch	F	13.96	14.61	14.81	15.21
3-104	Pumpcrete or Grout Machine Operator	F	13.96	14.61	14.81	15.21
3-105	Push Tractor, Dozer, or Side Boom, Rubber-tired Dozer	F	13.96	14.61	14.81	15.21
3-106	Quad Cat	F	14.26	14.91	15.11	15.51
3-107	Quad Loader & similar type	F	14.54	15.19	15.39	15.79
3-108	Raygo Giant Rubber-tired Front End Loader	F	14.54	15.19	15.39	15.79
3-109	1 cy and under	F	13.67	14.32	14.52	14.92
3-110	over 1 cy to and including 3 cy.	F	13.96	14.61	14.81	15.21
3-111	over 3 cy to and including 5 cy.	F	14.08	14.73	14.93	15.33
3-112	over 5 cy to and including 10 cy.	F	14.18	14.83	15.03	15.43
3-113	over 10 cy. to and including 15 cy.	F	14.28	14.93	15.13	15.53
3-114	over 15 cy (Factory rating, not to include sideboards)	F	14.38	15.03	15.23	15.63
3-115	Scraper, Single Engine	F	14.09	14.74	14.94	15.34
3-116	Scraper, Single or Twin Engine, pulling belly dump trailer	F	14.34	14.99	15.19	15.59
3-117	Scraper, Twin Engine	F	14.19	14.84	15.04	15.44
3-118	Scraper, Tandem or 3 engined	F	14.45	15.10	15.30	15.70
3-119	Shovels, including all attach under 1 cy.	F	13.96	14.61	14.81	15.21
3-120	Shovels, including all attach 1 cy to & including 3 cy.	F	14.14	14.79	14.99	15.39
3-121	Shovels, including all attach over 3 cy & including 5 cy.	F	14.41	15.06	15.26	15.67
3-122	Shovels, including all attach over 5 cy.	F	14.54	15.19	15.39	15.79

P O W E R E Q U I P M E N T O P E R A T O R S (Continued)

CODE NUMBER	CLASSIFICATION	Decision MT-84-5041 U.S. Dept. of Labor Minimum Wage Rates				
			<u>Zone 1</u>	<u>Zone 2</u>	<u>Zone 3</u>	<u>Zone 4</u>
3-123	Slip Form Paver Operator	F	14.09	14.74	14.94	15.34
3-124	Stiff-leg Derrick & Guy Derrick	F	14.41	15.06	15.26	15.66
	Track-type Front End Loaders					
3-125	up to and including 5 cy.	F	13.96	14.61	14.81	15.21
3-126	over 5 cy. to and including 10 cy.	F	14.19	14.84	15.04	15.44
3-127	over 10 cy. to and including 15 cy.	F	14.29	14.94	15.14	15.54
3-128	over 15 cy.	F	14.39	15.04	15.24	15.64
3-129	Track-type Tractor, on Euclid Loader	F	14.14	14.79	14.99	15.39
3-130	Trenching Machine Operator	F	13.96	14.61	14.81	15.21
3-131	Washing & Screening Plant Operator	F	13.96	14.61	14.81	15.21
3-132	Yo-Yo Cat. both ends	F	14.16	14.81	15.01	15.41
3-133	Whirley Crane Operator	F	14.49	15.14	15.34	15.74
3-134	Cold Mill Planer Operator	F	13.96	14.61	14.81	15.21

FRINGE BENEFITS \$3.34

Health & Welfare	\$1.62	Training	\$0.07
Pension	\$1.05	Vacation	\$0.60

All tunnel and underground work will be paid at 10% premium above the classification of equipment operated.

The zone hourly rate applicable to each project shall be determined by measuring the road miles over the shortest practical maintained route from the nearest County Courthouse of the following listed towns to the center of the job:

Billings	Butte	Glendive	Havre	Kalispell	Miles City	Missoula
Bozeman	Dillon	Great Falls	Glasgow	Lewistown	Helena	Sidney
Zone 1	0 - 15 miles	Zone 3	30 - 50 miles			
Zone 2	15 - 30 miles	Zone 4	Over 50 miles			

C A R P E N T E R S

CODE NUMBER	CLASSIFICATION	Decision MT-84-5041 U.S. Dept. of Labor Minimum Wage Rates			
		Zone 1	Zone 2	Zone 3	Zone 4
	All Counties except Area #1: Beaverhead & Silverbow				
4-1	Carpenters	C \$12.53	13.18	13.38	13.48
4-2	Piledriver	C 12.78	13.43	13.63	14.03
	Sawfiler, Stationary Power Saw Operator Carpenters working w/burned, charred, creosoted, or similar material				
4-3	Millwrights	C 13.53	14.18	14.38	14.78

FRINGE BENEFITS \$3.76

Health & Welfare	\$1.70	Vacation	\$0.50
Pension	\$1.50	Training	\$0.06

Area #2: Beaverhead & Silverbow Counties

4-4	Carpenters	C 13.06
4-5	Millwrights	C 14.06
4-6	Pile drivers	C 13.56

FRINGE BENEFITS C \$4.61

Health & Welfare	\$1.70	Vacation	\$1.35
Pension	\$1.50	Training	\$0.06

Zone Definitions - Carpenters

The zone hourly rate applicable to each project shall be determined by measuring the road miles over the shortest practical maintained route from the County Courthouse of the following listed towns to the center of the job:

Anaconda	Great Falls	Kalispell	Miles City	Sidney
Billings	Havre	Lewistown	Helena	Glendive
Bozeman	Glasgow	Livingston	Missoula	

Zone 1	0 - 15 miles	Zone 3	30 - 50 miles
Zone 2	15 - 30 miles	Zone 4	Over 50 miles

C E M E N T M A S O N S

CODE NUMBER	CLASSIFICATION	Decision MT-84-5041 U.S. Dept. of Labor Minimum Wage Rates			
		Zone 1	Zone 2	Zone 3	Zone 4
5-1	Cement Mason Journeyman	F 13.03	13.68	13.88	14.28
5-2	Grinder, Bush hammer, and chipping gun when finishing work is to follow	F 13.18	13.83	14.03	14.43
5-3	Epoxy Work	F 13.33	13.98	14.18	14.58

FRINGE BENEFITS C \$2.15

Health & Welfare \$1.35

Pension \$0.80

Zone Definitions - Cement Masons

The zone hourly rate applicable to each project shall be determined by measuring the road miles over the shortest practical maintained route from the County Courthouse of the following listed towns to the center of the job:

Billings	Butte	Glendive	Havre	Kalispell	Miles City	Missoula
Bozeman	Dillon	Great Falls	Glasgow	Lewistown	Helena	Sidney

Zone 1 0 - 15 miles

Zone 3 30 - 50 miles

Zone 2 15 - 30 miles

Zone 4 Over 50 miles

Geographical Jurisdiction

Statewide Montana

I R O N W O R K E R S

Area 6-1 Statewide (except those counties listed in Area 2).

Area 6-2 Flathead County, Glacier County, Lake County, Lincoln County, Mineral County, Missoula County, and Sanders County

CODE NUMBER	CLASSIFICATION	Decision MT-84-5041 U.S. Dept. of Labor Minimum Wage Rates	
6-1-1	Ironworker	Structural & Ornamental	C 15.36
6-1-2	Ironworker	Reinforcing	C 15.36
6-1-3	Ironworker	Fence Erector	C 15.36
		FRINGE BENEFITS	\$3.15
		Pension	\$1.60
		Health & Welfare	\$1.30
		Training	\$0.25
6-2-1	Ironworker	Structural & Ornamental	15.18
6-2-2	Ironworker	Reinforcing	15.18
6-2-3	Ironworker	Fence Erector	15.18
		FRINGE BENEFITS	\$6.71
		Pension	\$2.15
		Health Security	\$2.36
		Apprenticeship	\$0.25
		Vacation	\$1.50
		Annuity	\$.045

P A I N T E R SAREAS**A R E A - 1**

Deer Lodge County, Silver Bow County, Beaverhead County, Madison County, Jefferson County from a line running due west from the south limits of Toston, Montana, southern part of Granite County from a line running east and west through the southern city limits of Philipsburg.

A R E A - 2

Glacier County, excluding the northwest tip of the county; (that which contains Glacier National Park), Toole County, Pondera County, Teton County, Lewis and Clark County, Cascade County, Judith Basin County, Fergus County, Petroleum County, Wheatland County, Choteau County, Phillips County, Valley County, Daniels County, Sheridan County, Roosevelt County, Richland County, McCone County, Garfield County, Liberty County, Hill County, Blaine County, Meagher County, Broadwater County, the northern portion of Jefferson County from a line running east and west five (5) miles south of the southern city limits of Boulder, Montana; the southern portion of Powell County from a line running east and west through the southern city limits of Helmsville, Montana.

A R E A - 3

Sweetgrass, Golden Valley, Stillwater, Carbon, Musselshell, Yellowstone, Big Horn, Treasure, Rosebud, Custer, Powder River, Prairie, Dawson, Wibaux, Fallon, Carter, Gallatin and Park Counties.

A R E A - 4

Lincoln County, Flathead County, Sanders County, Lake County, Mineral County, Missoula County, Ravalli County, the northern portion of Granite County from a line running east and west through the southern city limits of Philipsburg, Montana, the northern part of Powell County from a line running east and west through the southern city limits of Helmsville, Montana.

CODE NUMBER	AREA	CLASSIFICATION	BASIC HR. RATE	FRINGE BENEFIT PAYMENTS PER HOUR IN ADDITION TO HOURLY RATE
7-1-1	A-1	Painter, Brush or Rollers, Prep. Work; Pot Tender; Water & Sandblasting.	12.99	1.87 + 1%
7-1-2	A-1	Application of Cold Tar, Epoxies, Polyurethanes and Acid Resistant Paints.	15.24	1.87 + 1%
7-1-3	A-1	Parking Lot Striping & Related Work.	12.99	1.87 + 1%
7-1-4	A-1	Brush or Roller on Steel.	12.99	1.87 + 1%
7-1-5	A-1	Spraying & Airless Spray.	12.99	1.87 + 1%
7-2-1	A-2	Painter, Brush or Rollers, Prep. Work; Pot Tender; Water & Sandblasting.	12.99	1.87 + 1%
7-2-2	A-2	Application of Cold Tar, Epoxies, Polyurethanes and Acid Resistant Paints.	15.24	1.87 + 1%
7-2-3	A-2	Parking Lot Striping & Related Work.	12.99	1.87 + 1%
7-2-4	A-2	Brush or Roller on Steel.	12.99	1.87 + 1%
7-2-5	A-2	Spraying & Airless Spray.	12.99	1.87 + 1%

P A I N T E R S (Continued)

<u>CODE NUMBER</u>	<u>AREA</u>	<u>CLASSIFICATION</u>	<u>BASIC HR. RATE</u>	<u>FRINGE BENEFIT PAYMENTS PER HOUR IN ADDITION TO HOURLY RATE</u>
7-3-1	A-3	Painter, Brush and Roll (Comm.).	12.82	1.97
7-3-2	A-3	Painter, Spray; Epoxies, Brush & Roller.	13.82	1.97
7-3-3	A-3	Painter, on Structural Steel & Tanks.	14.07	1.97
7-3-4	A-3	Sandblaster, Commercial & Steel Pot Tender.	13.07	1.97
7-3-5	A-3	Painter, Epoxies, Spray; Coal Tar, Brush & Roller.	14.82	1.97
7-3-6	A-3	Painter, Epoxies, Steel.	15.07	1.97
7-3-7	A-3	Painter, Coal Tar, Spray.	15.82	1.97
7-3-8	A-3	Painter, Coal Tar, Steel.	16.07	1.97
7-4-1	A-4	Painter, Brush; Prep Work; Pot Tender; Water & Sandblasting; Spraying & Airless Spray; Rollers; App. of Cold Tar Prod., Epoxies, Acid Res. Paints & Polyurethanes.	15.42	1.91

E L E C T R I C I A N S

(LINE CONSTRUCTION)

Decision MT-84-50241

CODE NUMBER	CRAFT Or TRADE	CLASSIFICATION	FLATHEAD LAKE LINCOLN	CODE NUMBER	REMAINDER OF COUNTIES
8-1	Line Const.	Cable Splicer	C 19.68	8-1-1	C 17.61
8-2	Line Const.	Lineman Operator	C 17.68	8-2-2	C 16.48
8-3	Line Const.	Line Equipment Operator	C 15.07	8-3-3	C 14.59
8-4	Line Const.	Jackhammerman, Compressorman	C 13.06	8-4-4	
8-5	Line Const.	Groundman A	C 12.26	8-5-5	C 11.86
8-6	Line Const.	Pole Sprayer	C 15.71	8-6-6	
8-7	Line Const.	Tree Trimmer	C 16.30	8-7-7	0
8-8	Line Const.	Powerman	C 13.06	8-8-8	

FRINGE BENEFIT PAYMENTS PER HOUR
IN ADDITION TO HOURLY RATE

CRAFT or TRADE	AREA	
Line Const.	Flathead, Lake, Lincoln	B 1.50 + 3½%
Line Const.	Remainder of Counties	B 1.75 + 3½%

All work for Power Utilities
all Highway Lighting, Street Lighting & Motor Traffic Controlling.

W A G E R A T E S - E L E C T R I C I A N S
(INSIDE CRAFT)

Decision MT-84-5041

FRINGE BENEFIT PAYMENTS PER HOUR
IN ADDITION TO HOURLY RATE

CODE NUMBER	CLASSIFICATION	RATE
AREA 1:	Beaverhead, Deer Lodge, Granite, Jefferson, Madison, Silver Bow and Powell Counties	
AREA 2:	Big Horn, Carbon, Carter, Dawson, Golden Valley, Musselshell, Powder River, Prairie, Rosebud, Stillwater, Treasure, Wibaux, and Yellowstone Counties.	
AREA 3:	Blaine, Chouteau, Daniels, Fergus, Glacier, Hill, Judith Basin, Liberty, McCone, Petroleum, Pondera, Phillips, Richland, Roosevelt, Sheridan, Teton, Toole, Valley and Wheatland Counties.	
AREA 4:	Broadwater, Lewis & Clark, and Meagher Counties.	
AREA 5:	Cascade County	
AREA 6:	Flathead, Lake, Lincoln, Mineral, Missoula, Ravalli and Sanders Counties	
AREA 7:	Gallatin County	
AREA 8:	Park and Sweet Grass Counties	

First Digit = Craft
Second Digit = Area of State
Third Digit = Classification within the Craft

9-1-1	Journeyman Electrician	C 16.35	C 1.55 + 3½%
9-2-1	Journeyman Electrician	C 18.05	C 1.55 + 3½%
9-2-2	Cable Splicers	C 18.95	C 1.55 + 3½%
9-3-1	Electrician	C 15.15	C 1.80 + 3½%
9-3-2	Cable Splicers	C 15.90	C 1.80 + 3½%
9-4-1	Journeyman Electrician	C 16.60	C 1.80 + 3½%
9-5-1	Journeyman Electrician	C 17.20	C 1.80 + 3½%
9-5-2	Cable Splicer	C 18.06	C 1.80 + 3½%
9-6-1	Journeyman Electrician	C 18.95	C 1.35 + 3½%
9-6-2	Cable Splicer	C 19.89	C 1.35 + 3½%
9-7-1	Journeyman Electrician	C 15.40	C 1.55 + 3½%
9-7-2	Cable Splicer	C 16.17	C 1.55 + 3½%
9-8-1	Journeyman Electrician	C 15.40	C 1.55 + 3½%
9-8-2	Cable Splicer	C 16.17	C 1.55 + 3½%

S H E E T M E T A L W O R K E R S (STATEWIDE)

				<u>FRINGE BENEFIT PAYMENTS PER HOUR</u> <u>IN ADDITION TO HOURLY RATE</u>	
<u>CODE</u> <u>NUMBER</u>	<u>CRAFT</u> <u>or TRADE</u>	<u>CLASSIFICATION</u>	<u>AREA</u>		
10-1	Sheet Metal	Journeyman	C 16.42	C 3.51	

P L U M B E R S

Decision MT-84-5041
US Department of Labor
Minimum Wage Rates

				<u>FRINGE BENEFIT PAYMENTS PER HOUR</u> <u>IN ADDITION TO HOURLY RATE</u>	
<u>CODE</u> <u>NUMBER</u>	<u>CRAFT</u> <u>or TRADE</u>	<u>CLASSIFICATION</u>	<u>AREA</u>	<u>RATE</u>	
11-1-1	Plumber	Journeyman	A-1	E 18.63	E 3.50
11-2-1	Plumber	Journeyman	A-2	E 17.95	E 2.42
11-3-1	Plumber	Journeyman	A-3	E 18.40	E 2.25
11-4-1	Plumber	Journeyman	A-4	E 19.25	E 3.00

A R E A D E S C R I P T I O N SPLUMBERS

AREA 1: Flathead, Lake, Lincoln, Mineral, Missoula, and Sanders Counties

AREA 2: Blaine, Cascade, Chouteau, Fergus, Glacier, Hill, Judith Basin, Liberty, McCone, Meagher, Phillips, Pondera, Roosevelt, Teton, Toole, and Valley Counties

AREA 3: Beaverhead, Broadwater, Deer Lodge, Gallatin, Granite, Jefferson, Lewis and Clark, Madison, Park, Powell, Silver Bow and Sweet Grass Counties

AREA 4: Big Horn, Carbon, Carter, Custer, Daniels, Dawson, Fallon, Garfield, Golden Valley, Musselshell, Petroleum, Powder River, Prairie, Richland, Rosebud, Sheridan, Stillwater, Treasure, Wheatland, Wibaux and Yellowstone Counties

SECTION II: ALL OTHER WAGE RATES

TITLE & DOT	REGIONS	PREVAILING WAGE	HEALTH & WELFARE	PENSION	APPRENTICESHIP TRAINING	VACATION* (TO BE DEDUCTED FROM WAGES)	TRAVEL AND PER DIEM

SECTION A - CONSTRUCTION AND SPECIAL TRADES

Bricklayer 861.381-018	1	14.25	1.60	.75	0	0	0-25 miles free zone
							25-34 miles \$ 5.00 per day
							35-59 miles \$10.00 per day
							60-89 miles \$20.00 per day
							90+ miles \$25.00 per day
2		17.60	0	1.00	0	0	0-30 miles free zone
							30-60 miles \$10.00
							60+ miles \$18.00
3		16.50	0	1.10	0	0	\$25.00 overnight
							0-25 miles free zone
							25-90 miles \$.25 per mile
4		15.00	0	1.10	0	0	\$25.00 overnight
							0-10 miles free zones
							10-20 miles \$ 4.00 per day
							20-35 miles \$13.00 per day
							35-55 miles \$17.00 per day
5		17.95	0	1.10	0	0	55+ miles \$24.00 per day
							0-10 miles free zones
							10-20 miles \$ 4.00 per day
							20-35 miles \$13.00 per day
							35-55 miles \$17.00 per day
1		12.98	1.70	1.50	.06	.50	0-15 miles free zone
							15-30 miles \$.65 per hour additional
							30-50 miles \$.85 per hour additional
							50+ miles \$1.25 per hour additional
							0-15 miles free zone
2		12.50	1.70	1.50	.06	.50	15-30 miles \$.65 per hour additional
							30-50 miles \$.85 per hour additional
							50+ miles \$1.25 per hour additional
							0-15 miles free zone
							15-30 miles \$.65 per hour additional
Carpenter 860.381-022		12.98	1.70	1.50	.06	.50	30-50 miles \$.85 per hour additional
							50+ miles \$1.25 per hour additional
							0-15 miles free zone
							15-30 miles \$.65 per hour additional
							30-50 miles \$.85 per hour additional
2		12.50	1.70	1.50	.06	.50	50+ miles \$1.25 per hour additional
							0-15 miles free zone
							15-30 miles \$.65 per hour additional
							30-50 miles \$.85 per hour additional
							50+ miles \$1.25 per hour additional

*Vacation benefits are included in the prevailing wage rate. It can be deducted from the wage rate provided the employer is signatory to a collectively bargained agreement which contains a vacation fund and the benefit is then paid into the fund. If an employer is not signatory to a collectively bargained agreement the benefit must be paid as wages.

TITLE & DOT	REGIONS	PREVAILING WAGE	HEALTH & WELFARE	PENSION	APPRENTICESHIP (TO BE DEDUCTED FROM WAGES)	VACATION*	TRAVEL AND PER DIEM
Carpenter (Continued) 860.381-022	3	12.93	1.70	1.50	.06	.50	0-15 miles free zone 15-30 miles \$.65 per hour additional 30-50 miles \$.85 per hour additional 50+ miles \$1.25 per hour additional
	4	13.03	1.70	1.50	.06	.50	0-15 miles free zone 15-30 miles \$.65 per hour additional 30-50 miles \$.85 per hour additional 50+ miles \$1.25 per hour additional
	5	12.50	1.70	1.50	.06	.50	0-25 miles free zone 25-50 miles \$10.00 per day 50-75 miles \$14.00 per day 75+ miles \$22.00 per day
	1	13.85	1.70	1.50	.06	.50	0-15 miles free zone 15-30 miles \$.65 per hour additional 30-50 miles \$.85 per hour additional 50+ miles \$1.25 per hour additional
	2	13.85	1.70	1.50	.06	.50	0-15 miles free zone 15-30 miles \$.65 per hour additional 30-50 miles \$.85 per hour additional 50+ miles \$1.25 per hour additional
Carpenters Foreman 860.131-018	3	13.90	1.70	1.50	.06	.50	0-15 miles free zone 15-30 miles \$.65 per hour additional 30-50 miles \$.85 per hour additional 50+ miles \$1.25 per hour additional
	4	13.85	1.70	1.50	.06	.50	0-15 miles free zone 15-30 miles \$.65 per hour additional 30-50 miles \$.85 per hour additional 50+ miles \$1.25 per hour additional
	5	13.50	1.70	1.50	.06	.50	0-25 miles free zone 25-50 miles \$10.00 per day 50-75 miles \$14.00 per day 75+ miles \$22.00 per day

*Vacation benefits are included in the prevailing wage rate. It can be deducted from the wage rate provided the employer is signatory to a collectively bargained agreement which contains a vacation fund and the benefit is then paid into the fund. If an employer is not signatory to a collectively bargained agreement the benefit must be paid as wages.

TITLE & DOT	REGIONS	PREVAILING WAGE	HEALTH & WELFARE	PENSION	APPRENTICESHIP (TO BE DEDUCTED FROM WAGES)	VACATION*	TRAVEL AND PER DIEM
Cement Mason 844.364-010	1	13.03	1.35	.75	0	0	All regions: 0-15 miles free zone
	2	13.03	1.35	.75	0	0	15-30 miles \$.65 per hour additional
	3	13.03	1.35	.75	0	0	30-50 miles \$.85 per hour additional
	4	13.03	1.35	.75	0	0	50+ miles \$1.25 per hour additional
	5	13.03	1.35	.75	0	0	
Construction Worker (General Laborer) 869.664-014	1	11.20	1.75	.85	.05	.50	All regions: 0-15 miles free zone
	2	11.10	1.75	.85	.05	.50	15-30 miles \$.65 per hour additional
	3	10.50	1.75	.85	.05	.50	30-50 miles \$.85 per hour additional
	4	12.25	1.75	.85	.05	.50	50+ miles \$1.25 per hour additional
	5	10.50	1.75	.85	.05	.50	
Dry Wall Applicator 842.381-010	1	13.03	1.70	1.50	.06	.50	Regions 1-4: 0-15 miles free zone
	2	13.03	1.70	1.50	.06	.50	15-30 miles \$.65 per hour additional
	3	13.15	1.70	1.50	.06	.50	30-50 miles \$.85 per hour additional
	4	13.03	1.70	1.50	.06	.50	50+ miles \$1.25 per hour additional
	5	12.98	1.70	1.50	.06	.50	0-25 miles free zone
Electrician 824.261-010	1	17.20 (16.25 for projects less than \$250,000)	1.30	3%+.50	$\frac{1}{2}\%$	0	0-10 miles free zone
	2	16.42 (15.15 for projects less than \$250,000)	1.30	3%+.50	$\frac{1}{2}\%$	0	10-45 miles \$.36 per mile
	3	17.20 (14.90 for projects less than \$250,000)	1.30	3%+.75	$\frac{1}{2}\%$	0	45+ miles \$36.00 per day
	4	15.35 (14.90 for projects less than \$250,000)	1.30	3%+1.00	$\frac{1}{2}\%$	0	0-5 miles free zone
	5	16.42 (15.75 for projects less than \$90,000)	1.30	3%+1.00	$\frac{1}{2}\%$	0	5-55 miles \$.33 per mile

*Vacation benefits are included in the prevailing wage rate. It can be deducted from the wage rate provided the employer is signatory to a collectively bargained agreement which contains a vacation fund and the benefit is then paid into the fund. If an employer is not signatory to a collectively bargained agreement the benefit must be paid as wages.

TITLE & DOT	REGIONS	PREVAILING WAGE	HEALTH & WELFARE	PENSION	APPRENTICESHIP TRAINING	VACATION* (TO BE DEDUCTED FROM WAGES)	TRAVEL AND PER DIEM
Communications Technician	1	12.50	1.30	3%+.50	0	0	All regions: \$.30 per mile using employees vehicle and expenses
	2	12.50	1.30	3%+.50	0	0	
	3	12.50	1.30	3%+.50	0	0	
	4	12.50	1.30	3%+.50	0	0	
	5	12.50	1.30	3%+.50	0	0	
Electrician Foreman 829.131-014	1	17.39 (All projects)	1.30	3%+.50	$\frac{1}{2}\%$	0	0-10 miles free zone 10-45 miles \$.36 per mile 45+ miles \$36.00 per day
	2	18.40 (16.21 for projects less than \$250,000)	1.30	3%+.50	$\frac{1}{2}\%$	0	0-5 miles free zone 5-55 miles \$.33 per mile 55+ miles \$33.00 per day
	3	18.40 (15.94 for projects less than \$250,000)	1.30	3%+.75	$\frac{1}{2}\%$	0	0-4 miles free zone 4-54 miles \$.32 per mile 54+ miles \$32.00 per day
	4	15.94 (All projects)	1.30	3%+1.00	$\frac{1}{2}\%$	0	0-18 miles free zone 18-50 miles \$.32 per mile 50+ miles \$32.00 per day
	5	20.00 (16.85 for projects less than \$90,000)	1.30	3%+1.00	$\frac{1}{2}\%$	0	0-18 miles free zone, 18-50 miles \$.32 per mile, 50+ miles \$32.00 per day
Millwright 638.281-018	1	14.23	1.70	1.50	.06	.50	Regions 1-4: 0-15 miles free zone
	2	14.03	1.70	1.50	.06	.50	15-30 miles \$.65 per hour additional
	3	14.15	1.70	1.50	.06	.50	30-50 miles \$.85 per hour additional
	4	14.03	1.70	1.50	.06	.50	50+ miles \$1.25 per hour additional
	5	13.98	1.70	1.50	.06	.50	0-25 miles free zone 25-50 miles \$10.00 50-75 miles \$14.00 75+ miles \$22.00
Painter 840.381-010	1	12.66	1.27	.50	.04	0	0-15 miles free zone 15+ miles \$.20 per mile using employee's vehicle \$25.00 overnight

*Vacation benefits are included in the prevailing wage rate. It can be deducted from the wage rate provided the employer is signatory to a collectively bargained agreement which contains a vacation fund and the benefit is then paid into the fund. If an employer is not signatory to a collectively bargained agreement the benefit must be paid as wages.

TITLE & DOT	REGIONS	PREVAILING WAGE	HEALTH & WELFARE	PENSION	APPRENTICESHIP TRAINING	VACATION* (TO BE DEDUCTED FROM WAGES)	TRAVEL AND PER DIEM
Painter (continued) 840.381-010	2	10.52	1.23	.50	0	0-30 miles free zone	
						30+ miles \$.20 per mile using employee's vehicle	
	3	12.99	1.37	.50	1%	0-10 miles free zone	\$20.00 overnight
						10+ miles \$.20 per mile using employee's vehicle	
	4	12.82	1.37	.50	.10	0-10 miles free zone	\$28.00 overnight
5						\$.25 per mile using employee's vehicle	
						\$25.00 overnight	
	5	12.66	1.37	.50	.10	\$.25 per mile using employee's vehicle	
						\$25.00 overnight	
Plumber 862.381-030	1	17.95	1.15	1.10	.25	0-20 miles free zone	
						20-35 miles ½ hours pay	
						35-50 miles 1 hours pay	
						50+ miles \$32.00 per day	
	2	18.55	1.30	1.10	.20	0-10 miles free zone	
						10-35 miles \$15.00 or transportation	
						35+ miles \$30.00 per day	
	3	17.95	1.15	1.10	.17	0-15 miles free zone	
						15+ miles \$.40 per mile using employee's vehicle	
						\$32.00 overnight	
	4	18.95	1.55	1.20	.25	0-10 miles free zone	
						10-20 miles \$ 4.50	
						20-25 miles \$ 6.00	
						25-30 miles \$ 7.50	
						30-35 miles \$ 9.00	
						35-40 miles \$10.50	
						\$35.00 per day	
5							
						0-10 miles free zone	
						10-20 miles \$ 4.50	
						20-25 miles \$ 6.00	
						25-30 miles \$ 7.50	
						30-35 miles \$ 9.00	
						35-40 miles \$10.50	
						\$35.00 per day	

*Vacation benefits are included in the prevailing wage rate. It can be deducted from the wage rate provided the employer is signatory to a collectively bargained agreement which contains a vacation fund and the benefit is then paid into the fund. If an employer is not signatory to a collectively bargained agreement the benefit must be paid as wages.

TITLE & DOT	REGIONS	PREVAILING WAGE	HEALTH & WELFARE	PENSION	APPRENTICESHIP TRAINING	VACATION* (TO BE DEDUCTED FROM WAGES)	TRAVEL AND PER DIEM
Sprinkler Fitters	1	18.13	1.70	1.60	.10	0	All regions: 0- 40 miles free zone
	2	18.13	1.70	1.60	.10	0	40- 60 miles \$10.50 per day
	3	18.13	1.70	1.60	.10	0	60- 80 miles \$15.00 per day
	4	18.13	1.70	1.60	.10	0	80-100 miles \$19.00 per day
	5	18.13	1.70	1.60	.10	0	100+ miles \$35.00 per day and \$.25 per mile using employee's vehicle
Plumber Foreman 862.131-018	1	20.41	1.15	1.10	.25	2.00	0-20 miles free zone
							20-35 miles ½ hour pay
							35-50 miles 1 hour pay
	2	20.40	1.30	1.10	.20	1.45	50+ miles \$32.00 per day
							0-10 miles free zone
							10-35 miles \$15.00 or transportation
							35+ miles \$30.00 per day
	3	20.64	1.15	1.10	.17	.75	0-15 miles free zone
							15+ miles \$.40 per mile using employee's vehicle
							\$32.00 overnight
	4	21.18	1.55	1.20	.25	1.00	0-10 miles free zone
							10-20 miles \$ 4.50
							20-25 miles \$ 6.00
							25-30 miles \$ 7.50
							30-35 miles \$ 9.00
							35-40 miles \$10.50
							\$35.00 per day
	5	21.18	1.55	1.20	.25	1.00	0-10 miles free zone
							10-20 miles \$ 4.50
							20-25 miles \$ 6.00
							25-30 miles \$ 7.50
							30-35 miles \$ 9.00
							35-40 miles \$10.50
							\$35.00 per day

SECTION B - EQUIPMENT OPERATORS

Dump Truck Driver 902.683-010	1	14.08	1.73	1.24	0	0	All regions: 0-15 miles free zone
	2	14.08	1.73	1.24	0	0	15-30 miles \$.65 per hour additional
	3	14.08	1.73	1.24	0	0	30-50 miles \$.85 per hour additional

*Vacation benefits are included in the prevailing wage rate. It can be deducted from the wage rate provided the employer is signatory to a collectively bargained agreement which contains a vacation fund and the benefit is then paid into the fund. If an employer is not signatory to a collectively bargained agreement the benefit must be paid as wages.

TITLE & DOT	REGIONS	PREVAILING WAGE	HEALTH & WELFARE	PENSION	APPRENTICESHIP TRAINING	VACATION* (TO BE DEDUCTED FROM WAGES)	TRAVEL AND PER DIEM	
Dump Truck Driver (continued) 902.683-010	4 5	14.08 14.08	1.73 1.73	1.24 1.24	0 0	0 0	50+ miles	\$1.25 per hour additional
Front-End Loader Operator 921.683-042	1 2 3 4 5	14.27 12.33 14.81 14.81 14.27	1.62 1.62 1.62 1.62 1.62	1.05 1.05 1.05 1.05 1.05	.07 .07 .07 .07 .07	.60 .60 .60 .60 .60	All regions: 0-15 miles free zone 15-30 miles \$.65 per hour additional 30-50 miles \$.85 per hour additional 50+ miles \$1.25 per hour additional	
Heavy Truck Driver 905.663-014	1 2 3 4 5	10.10 10.10 12.50 10.10 12.58	1.73 1.73 1.73 1.73 1.73	1.24 1.24 1.24 1.24 1.24	0 0 0 0 0	0 0 0 0 0	All regions: 0-15 miles free zone 15-30 miles \$.65 per hour additional 30-50 miles \$.85 per hour additional 50+ miles \$1.25 per hour additional	
Operating Engineer 859.683-010	1 2 3 4 5	14.13 14.13 14.13 14.13 14.13	1.62 1.62 1.62 1.62 1.62	1.05 1.05 1.05 1.05 1.05	.07 .07 .07 .07 .07	.60 .60 .60 .60 .60	All regions: 0-15 miles free zone 15-30 miles \$.65 per hour additional 30-50 miles \$.85 per hour additional 50+ miles \$1.25 per hour additional	
Truck Crane Operator 921.663-062	1 2 3 4 5	14.72 14.72 13.93 13.93 13.93	1.62 1.62 1.62 1.62 1.62	1.05 1.05 1.05 1.05 1.05	.07 .07 .07 .07 .07	.60 .60 .60 .60 .60	All regions: 0-15 miles free zone 15-30 miles \$.65 per hour additional 30-50 miles \$.85 per hour additional 50+ miles \$1.25 per hour additional	
Reinforced Steel Placing Foreman 801.134-010	1	18.18	2.36	2.15	.20	1.50	0-16 miles free zone 16-25 miles \$ 6.50 25-35 miles \$10.00 35-45 miles \$14.00 45-60 miles \$18.00 60+ miles \$30.00	

SECTION C - METAL WORKERS

*Vacation benefits are included in the prevailing wage rate. It can be deducted from the wage rate provided the employer is signatory to a collectively bargained agreement which contains a vacation fund and the benefit is then paid into the fund. If an employer is not signatory to a collectively bargained agreement the benefit must be paid as wages.

TITLE & DOT	REGIONS	PREVAILING WAGE	HEALTH & WELFARE	PENSION	APPRENTICESHIP TRAINING	VACATION* (TO BE DEDUCTED FROM WAGES)	TRAVEL AND PER DIEM
Reinforced Steel Placing Foreman (continued) 801.134-010	2	16.11	1.30	1.60	.25	0	0-7½ miles free zone 7½-12 miles \$ 2.50 12-25 miles \$ 4.50 25-50 miles \$ 9.00 50+ miles \$25.00 40+ miles \$.30 per mile transportation allowance \$25.00 subsistence per day 40+ miles \$.30 per mile transportation allowance \$25.00 subsistence per day 40+ miles \$.30 per mile transportation allowance \$25.00 subsistence per day
Reinforcing Metal Worker 801.684-026	1	16.68	2.36	2.15	.20	1.50	0-16 miles free zone 16-25 miles \$ 6.50 25-35 miles \$10.00 35-45 miles \$14.00 45-60 miles \$18.00 60+ miles \$30.00 0-7½ miles free zone 7½-12 miles \$ 2.50 12-25 miles \$ 4.50 25-50 miles \$ 9.00 50+ miles \$25.00 40+ miles \$.30 per mile transportation allowance \$25.00 subsistence per day 40+ miles \$.30 per mile transportation allowance \$25.00 subsistence per day 40+ miles \$.30 per mile transportation allowance \$25.00 subsistence per day
Sheet Metal Worker 804.281-010	1	12.50	1.15	1.73	.56	0	All regions: 0-20 miles free zone 21+ miles \$.25 per mile using employers vehicles \$.55 per mile using employees vehicles \$30.00 overnight \$12.00 return day

*Vacation benefits are included in the prevailing wage rate. It can be deducted from the wage rate provided the employer is signatory to a collectively bargained agreement which contains a vacation fund and the benefit is then paid into the fund. If an employer is not signatory to a collectively bargained agreement the benefit must be paid as wages.

TITLE & DOT	REGIONS	PREVAILING WAGE	HEALTH & WELFARE	PENSION	APPRENTICESHIP TRAINING	VACATION* (TO BE DEDUCTED FROM WAGES)	TRAVEL AND PER DIEM
Structural Steel Worker 801.361-014	1	16.68	2.36	2.15	.20	1.50	0-16 miles free zone 16-25 miles \$ 6.50 25-35 miles \$10.00 35-45 miles \$14.00 45-60 miles \$18.00 60+ miles \$30.00
	2	15.36	1.30	1.60	.25	0	0-7½ miles free zone 7½-12 miles \$ 2.50 12-25 miles \$ 4.50 25-50 miles \$ 9.00 50+ miles \$25.00
	3	15.36	1.30	1.60	.25	0	40+ miles \$.30 per mile transportation allowance \$25.00 subsistence per day
	4	15.36	1.30	1.60	.25	0	40+ miles \$.30 per mile transportation allowance \$25.00 subsistence per day
	5	15.36	1.30	1.60	.25	0	40+ miles \$.30 per mile transportation allowance \$25.00 subsistence per day

SECTION D - SERVICES

Garbage Collector 909.687-010	1	9.31	.52	.86	0	.36	None
	2	10.38	.87	.75	0	.48	None
	3	9.93	.45	.61	0	.55	None
	4	6.00	.36	.27	0	.40	None
	5	5.15	.89	.41	0	.37	None
Groundskeeper 406.684-014	1	5.83	.32	0	0	0	None
	2	5.83	.32	0	0	0	None
	3	5.83	.32	0	0	0	None
	4	5.83	.32	0	0	0	None
	5	6.00	.32	0	0	0	None
Janitor 382.664-010	1	5.57	1.21	0	0	0	None
	2	5.00	.33	0	0	0	None
	3	4.51	.52	0	0	0	None

*Vacation benefits are included in the prevailing wage rate. It can be deducted from the wage rate provided the employer is signatory to a collectively bargained agreement which contains a vacation fund and the benefit is then paid into the fund. If an employer is not signatory to a collectively bargained agreement the benefit must be paid as wages.

TITLE & DOT	REGIONS	PREVAILING WAGE	HEALTH & WELFARE	PENSION	APPRENTICESHIP TRAINING	VACATION* (TO BE DEDUCTED FROM WAGES)	TRAVEL AND PER DIEM
Janitor (continued)	4	4.50	.92	0	0	0	None
382.664-010	5	5.00	.65	0	0	0	None
Janitorial Services	1	8.10	1.21	0	0	0	None
Supervisor	2	7.52	.33	0	0	0	None
381.137-010	3	9.13	.52	0	0	0	None
	4	8.72	1.11	0	0	0	None
	5	7.37	1.48	0	0	0	None
Mechanic, Automobile	1	14.94	1.73	1.24	0	0	All regions: 0-15 miles free zone
620.261-010	2	12.32	1.73	1.24	0	0	15-30 miles \$.65 per hour additional
	3	14.94	1.73	1.24	0	0	30-50 miles \$.85 per hour additional
	4	14.94	1.73	1.24	0	0	50+ miles \$1.25 per hour additional
	5	14.94	1.73	1.24	0	0	
Mechanic, Construction	1	14.17	1.62	1.05	.07	.60	All regions: 0-15 miles free zone
Equipment	2	14.17	1.62	1.05	.07	.60	15-30 miles \$.65 per hour additional
620.261-022	3	14.17	1.62	1.05	.07	.60	30-50 miles \$.85 per hour additional
	4	14.17	1.62	1.05	.07	.60	50+ miles \$1.25 per hour additional
	5	14.17	1.62	1.05	.07	.60	

*Vacation benefits are included in the prevailing wage rate. It can be deducted from the wage rate provided the employer is signatory to a collectively bargained agreement which contains a vacation fund and the benefit is then paid into the fund. If an employer is not signatory to a collectively bargained agreement the benefit must be paid as wages.

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DEPARTMENT OF LABOR AND INDUSTRY
COMMISSIONER'S OFFICE

EXHIBIT 9 (2)
DATE 11/15/87
HB 119
P.O. BOX 1728



TED SCHWINDEN, GOVERNOR

STATE OF MONTANA

(406) 444-3881

HELENA, MONTANA 59624

September 10, 1986

TO: Prevailing Wage Advisory Committee
FROM: Gene Huntington, Commissioner *Gene*
RE: Proposed Methodology for Determining Prevailing Wage

The Prevailing Wage Advisory Committee was created to initially provide advise on the following issues:

- Geographic areas for determination of prevailing wage,
- The methodology for calculating the prevailing wage.

The Advisory Committee has recommended a geographic division of the state for determining prevailing wage and a map of the areas is attached for your review.

The Advisory Committee also provided some advise and direction on how the prevailing wage rates should be calculated. I have listed below the major points from the committee's discussion:

1. Heavy highway rates should be calculated statewide and separate from other rates
2. Prevailing wage rate calculations should consider the surveyed rates, federal Davis-Bacon rates and collective bargaining agreements.
3. The calculations should also use the "50%" methodology as applied by federal Davis-Bacon rates.
4. Survey results that are extremely high or low in comparison to other regions, Davis-Bacon rates, or collectively bargained rates should be disregarded.
5. Fringe benefits should reflect the collectively bargained benefit rates for each region.

I have set out below a proposed methodology that incorporates the advisory committee's suggestions:

- A. Rates. The prevailing wage for Heavy Highway Construction shall be the wage rate paid to at least 50% of all surveyed workers on a statewide basis. All other prevailing wage rates shall be the wage rate paid to at least 50% of all surveyed workers in a region. If the same exact wage rate is not paid to at least 50% of the workers in an occupation the prevailing wage shall be the median wage rate paid to all workers surveyed in that occupation.
- B. Benefits. The fringe benefit rate for each region shall be the average rate of benefits provided in collective bargaining agreements for each occupation in that region for all other rates or statewide for Heavy Highway Construction.
- C. Extreme Survey Results. When survey results vary substantially from results from other regions, Davis-Bacon rates, and collectively bargained rates, the survey rates shall be disregarded. An extreme survey result is a surveyed wage rate that varies from the median surveyed rate of the average of all other regions by more than 25%, or varies from federal Davis-Bacon rates by more than 25%.
- D. Proxy Rates. If no survey data is received for a region or the survey results are disregarded as extreme, a rate shall be established as follows:
 - 1. If no data is available the prevailing rate for each occupation shall be the collectively bargained rates if available, otherwise the Federal Davis-Bacon rates will prevail.
 - 2. If the survey results are disregarded as extreme the prevailing rate shall be calculated by taking the lowest median rate from all other regions if the disregarded rate is extremely low. If the disregarded rate is extremely high, the prevailing wage rate shall be the highest median rate from all other regions.
- E. Maximum Rate. As provided in 18-2-402, MCA, the prevailing rate shall not exceed collectively bargaining rates. If a suboccupational group has

a collectively bargained rate less than the prevailing wage rate, the subgroup rate shall be the collective bargained rate.

I have attached examples of the proposed methodology in comparison to other rates. I would ask committee members to review the examples and methodology carefully. We will contact the Advisory Committee in the next few days to determine if further committee action is needed.

EXHIBIT 1
DATE 11/15/87
HB 119

WAGES AND HOURS

Sub-Chapter 67

Student Learner

Rule 24.16.6701 Employment of Student Learners

Sub-Chapter 68 Reserved

Sub-Chapter 69

Thrift or Savings Plan

Rule 24.16.6901 Requirements of a "Fona Fide or Savings Plan"

Sub-Chapter 70 through 74 Reserved

Sub-Chapter 75

Wage Claims

Rule 24.16.7501 Procedure for Filing

24.16.7502 Processing the Claim

Sub-Chapters 76 through 89 Reserved

Sub-Chapter 90

Minimum Wages on Public Contracts

Rule 24.16.9001 Purpose and Scope

24.16.9002 Definitions

24.16.9003 Establishing the Standard Prevailing Rate of Wages

24.16.9004 Department Assistance and Special Project Rates

24.16.9005 Obligations of Public Contracting Agencies

24.16.9006 Obligations of Public Contractors and Subcontractors

24.16.9007 Annual Adoption of Standard Prevailing Rate of Wages

NEXT PAGE IS 24-935

ADMINISTRATIVE RULES OF MONTANA

3/31/86

24-9

Sub-Chapter 90

Minimum Wages on Public Contracts

24.16.9001 PURPOSE AND SCOPE (1) These rules are adopted pursuant to 18-2-409 and 18-2-431, MCA, giving the commissioner rulemaking authority to implement the Montana Prevailing Wage law, commonly known as Montana's "Little Davis-Bacon" Act. (18-2-401, et seq., MCA). The purpose of the above-referenced statutes and these rules is to protect local labor markets, to maintain the general welfare of Montana workers on public works projects, to eliminate wage cutting as a method of competing for public contracts, to maintain wages and rates paid on public works at a level sufficient to attract highly skilled laborers performing quality workmanship and to prevent the rate of wages from adversely affecting the equal opportunity of Montana contractors to bid on public works.

(2) In 1931, the legislature enacted the Montana "Little Davis-Bacon" Act. The act requires a hiring preference for Montana workers in all contracts let for public works, a 50% preference on state or federally funded projects, and empowers the commissioner of the department of labor and industry to determine the minimum wage rates to be paid to all workers on public work contracts. (History: Sec. 18-2-403, 409 and 431 MCA; IMP, Sec. 18-2-403 and 409 MCA; NEW, 1985 MAR p. 1859, Eff. 11/30/85.)

24.16.9002 DEFINITIONS As used in these rules, the following definitions apply: (1) "Act" means section 18-2-401 through 432 MCA.

(2) "Apprentice" means a worker employed to learn a skilled trade under a written apprenticeship agreement registered with the department's apprenticeship bureau or complying with the provisions of ARM 24.21.401.

(3) "Bona fide resident of Montana" is defined at 18-2-401(4), MCA.

(4) "Commissioner" means the commissioner of labor and industry.

(5) "County or locality" means an area determined by the commissioner comprised of a single county, or a group of contiguous counties within which there exists a competitive labor market with a sufficient number of contractors and competent skilled workers of a particular craft, classification, or type such that a wage rate for the craft, classification or type of work may reasonably be determined to prevail.

(6) "Department" means the department of labor and industry.

(7) "Labor" is defined at 18-2-401, MCA.

- (8) "Public contracting agency" includes:
- (a) the state of Montana or any political subdivision thereof;
 - (b) the Montana university system;
 - (c) any local government or political subdivision thereof;
 - (d) school districts, irrigation districts, or other public authorities organized under the laws of the state of Montana; or,
 - (e) any board, council, commission, trustees or other public body acting as or on behalf of a public agency.
- (9) "Public contractor" means a contractor holding a valid public contractors license issued by the Montana department of commerce as provided for in section 37-71-201, et seq., MCA, or having entered into a contract for the performance of construction, service, repair or maintenance work with the federal government or a public contracting agency.
- (10) "Public works" means construction, repair and maintenance performed for a public contracting agency paid for wholly or in part by the funds of any public agency.
- (11) "Standard prevailing rate of wages" means those wages determined by the commissioner, in accordance with 18-2-401(5) and 18-2-402, MCA, to be the common or predominate rate of wages paid by contractors for work on projects of a similar character in the county or locality where a contract for public works is performed. It is not necessarily an average or mean wage paid. A standard prevailing rate of wages determined according to these rules is not a prescribed wage rate, but is rather, a minimum at or above which an individual performing labor on a public work project shall be compensated. (History: Sec. 18-2-409 and 18-2-431 MCA; IMP, Sec. 18-2-402, 403, 409 and 422 MCA; NEW, 1985 MAR p. 1859, Eff. 11/30/85.)

24.16.9003 ESTABLISHING THE STANDARD PREVAILING RATE OF WAGES

- (1) When deemed necessary, but no more frequent than once a year, the commissioner will establish standard rates and delineate the county or locality where the standard applies for each craft, classification or type of worker traditionally needed to complete a public works project.
- (2) The commissioner will compile wage rate information that reflects wage rates actually paid to workers on various types of construction state wide.
- (a) In setting a prevailing rate of wages for a craft classification or type of worker in a county or locality, the commissioner shall consider:
- (i) the established and special project rates of the previous year,
 - (ii) valid collective bargaining agreements,

- (iii) wage rates determined by the federal government under the Davis-Bacon Act and the Federal Service Contract Act,
- (iv) wage rate information compiled on a regular basis by the department,
- (v) appropriate information from such wage surveys as may be conducted by the department,
- (vi) other pertinent information.
- (b) The commissioner may also consider submissions of wage information reflecting wages paid on projects ongoing or completed within a year prior to its consideration. This information must be supported by adequate documentation and include the following information:
 - (i) the project name or identification, location and a brief description of the type of construction performed,
 - (ii) the date construction began and the completion date, if any,
 - (iii) the approximate cost of the project,
 - (iv) the names and addresses for the contractor, subcontractors and the contracting party letting the contract,
 - (v) a statement of whether wages were subject to federal prevailing wage laws, Montana prevailing wage laws, a negotiated collective bargaining agreement, or otherwise removed from the immediate and unilateral control of the employer, and
 - (vi) the number of workers employed to perform labor on the project, how they were classified and the rate of wages paid each worker or classification of worker.
- (vii) wage rate information may be submitted to the commissioner either on form DLI-PC-1 "Wage Information Survey", available from the office of the commissioner, at the address shown in subsection (3) below or by calling (406) 444-5600. Information may be submitted in any form substantially conforming to form DLI-PC-1.
- (c) The commissioner may request clarification, additional information or independent verification of information submitted pursuant to this rule.
- (d) The commissioner may conduct a survey of wage rates paid to workers on construction projects in one or more counties.
- (e) It is the obligation of any person having possession or knowledge of wage rate information, including collective bargaining agreements that the commissioner should consider, or it is desired that he consider, to timely deliver such information to the commissioner.
- (3) Wage information may be considered by the commissioner only if such information is delivered at the Office of the Commissioner, Department of Labor and Industry Building, corner of Roberts and Lockey, P.O. Box 1728, Helena, Montana 59624, by or before the close of business on

the first day of July or on the next business day, if the first day of July falls on a Saturday, Sunday or state holiday. After this deadline has passed, the commissioner will review each craft, classification or type of work by a county or locality and establish standard prevailing rates of wages.

(a) The boundaries of each county or locality will approximate as closely as practical, a unique labor market for a particular craft, classification, or type of worker.

(b) Within each county or locality delineated, the commissioner will consider current wage rate information on file and set the standard prevailing rate of wages for each craft, classification or type of worker for each county or locality.

(4) A determination of standard prevailing wage rates made pursuant to this section does not apply to:

(a) a building constructed solely for use as a residence by one or two families, or,

(b) projects not required by law to be publicly bid and the total cost of the project does not exceed \$7,500.00.

WAGE SURVEY INFORMATION

This form may be used to submit information of wage rates, fringe benefits or travel allowances actually paid to workers on construction projects within Montana. The Commissioner of the Montana Department of Labor and Industry may consider such information in determining standard prevailing wage rates to be paid as a minimum under contracts for public works, provided: (1) the construction project was ongoing or completed within one year prior to July 1, and (2) the information is received at the Office of the Commissioner, Department of Labor and Industry, corner of Roberts and Lockey, P.O. Box 1728, Helena, Montana 59624, on or before July 1. All sources must be completed.

- (1) Name or identification of Project: _____
- (2) Location of Construction Site: _____
- (3) Brief description of project work (building, heavy, history, maintenance and repair, etc.): _____
- (4) Date that construction began and completion date: _____
- (5) Approximate cost of project: \$ _____
- (6) Name and address of party letting the contract: _____
- (7) Name and address of general or principle contractor: _____
- (8) Names and addresses of subcontractors who employed workers: _____
- (9) Were wage rates subject to:
 - (a) Federal public works law or regulations: _____
 - (b) Montana public works law or regulations: _____
 - (c) A collective bargaining agreement (attach copy): _____
 - (d) Other legal restriction binding the employer (specify): _____
- (10) Remarks and other information: _____

I CERTIFY under penalty of perjury that the information furnished by me on this form is true and correct unless expressly qualified above.

Signature _____
 Address _____
 Telephone _____

Form DL-PC-1 (effective November 30, 1985).

24.16.9004 DEPARTMENT ASSISTANCE AND SPECIAL PROJECT RATES (1) At least thirty (30) days prior to advertising for bids or letting a contract for a public works project, a public contracting agency may request that a special job classification and commensurate rate of wages be established for a particular craft, classification or type of worker needed for that particular project. The commissioner will establish a standard prevailing rate of wages for any craft, classification or type of worker for which no rate has been previously determined.

(2) A request for a special project job classification and commensurate rate of wages does not relieve a contractor from the obligation to classify and pay workers in accordance with annually established standard prevailing wage rates pending the establishment of a special project rate.

(3) A request for a special project job classification and rate of wage shall include:

(a) identification of the project by name, number or description and location;

(b) the name and address of the public contracting agency and the successful public contractor if a contract for work on the project has been awarded;

(c) the name, address and signature of the requesting party, and the name, address and signature of a requesting party's representative;

(d) each proposed job classification and rate of wages requested;

(e) a brief description of the project and the character of the work to be performed;

(f) a detailed description of the job requirements, work to be performed and skills involved in each proposed job classification;

(g) an explanation as to why none of the classifications established for the standard prevailing rate of wages is applicable;

(h) any written items of information or documents the requesting party desires to be considered;

(i) the names and addresses of all parties entitled to notice and a signed and dated certificate showing that a copy of the request was mailed to each.

(4) A request for a special project job classification and rate of wages must establish:

(a) that the project is of such an unusual character that its performance requires unique skills not traditionally performed by any craft classification or type of worker for which there has been established a standard prevailing rate of wages;

(b) that there exists a classification of workers who commonly perform work involving such unique skills at the proposed rate of wages. (History: Sec. 18-2-431 MCA; IMP, Sec. 18-2-402 and 422 MCA; NEW, MAR p.1859, Eff. 11/30/85.)

24.16.9005 OBLIGATIONS OF PUBLIC CONTRACTING AGENCIES

(1) A public contracting agency will include in the bid specifications and contracts for any public works projects not described in ARM 24.16.9003(5) supra) the following:

(a) An unequivocal agreement by the contractor to give preference to employment of bona fide Montana residents in compliance with 18-2-403(1) MCA. For any state construction project except where specifically prohibited by federal law the bid specifications and the contract shall provide that at least 50% of the workers (including workers employed by subcontractors) will be bona fide Montana residents in compliance with 18-2-421(2), MCA. In the case of a particular contractor such percentage of Montana residents shall be modified to comply with any written directive by the commissioner specifying a different percentage.

(b) An unequivocal agreement by the contractor that a worker (including workers employed by a subcontractor) performing labor on the project will be paid the applicable standard prevailing rate of wages as determined by the commissioner pursuant to ARM 24.16.9003 and 24.16.9004, supra.

(c) A listing of standard prevailing wage rates determined by the commissioner applicable at the project sites and language in the contractor's agreement incorporating the same by reference or otherwise.

(d) The contract provisions must clearly show that the contractor and its subcontractors are bound to pay wages at rates determined by the commissioner, and to give required preferences.

(2) If a contract for public work is to be performed in more than one county where a different standard prevailing rate of wages is established for a particular craft, classification or type of worker, the highest rate is the rate to be included in the bid specifications and contract provision.

(3) Whenever a public works project, where the public contractor is required to be licensed pursuant to 37-71-201, et seq., MCA, is accepted by a public contracting agency, the agency shall promptly send to the department a notice of acceptance and the completion date of the project. This notice is required in all such instances, including those where the project cost is less than \$50,000. (See section 18-2-421, MCA). (History: Sec. 18-2-409 and 431 MCA; IMP, Sec. 18-2-403, 409, 421 and 422 MCA; NEW, 1985 MAR p. 1859, Eff. 11/30/85.)

24.16.9006 OBLIGATIONS OF PUBLIC CONTRACTORS AND SUBCONTRACTORS

(1) All public contractors and subcontractors shall give preference in hiring to bona fide Montana residents in the performance of contracts for public works.

(a) In the performance of a contract for a state project a public contractor shall ensure that at least fifty percent (50%) of all workers performing labor under the contract for public works are bona fide Montana residents.

(b) For cause as provided in 18-2-421(e), MCA, a contractor may in writing request that the commissioner modify percentage residency requirements on a particular state project. The commissioner may modify or waive residency requirements under the provision of the statute and shall by written directive notify the contracting agency of any such modification or waiver.

(2) All public contractors and its subcontractors shall classify each worker who performs labor on a public works project according to the applicable standard prevailing rate of wages for such craft, classification or type of worker established by the commissioner, and shall pay each such worker a rate of wages not less than the standard prevailing rate.

(3) A public contractor or subcontractor shall require its subcontractors to comply with the law for contractor's bonds for wages and benefits prescribed by sections 29-3-701, et seq., MCA unless excepted under section 39-3-704, MCA. A contractor is jointly responsible for its subcontractor's failure to comply with classification and wage payment provisions of state law and department rules, including penalties assessed thereon.

(4) Public contractors and subcontractors shall keep clear and legible records for each employee who performs labor on a public works project showing:

(a) the place where the employee was contacted for hiring;

(b) whether or not the employee is a bona fide Montana resident;

(c) the craft, classification or type of work performed by the employee in conformity with the applicable standard prevailing rate of wages;

(d) the date, the time worked, on an hourly basis, and the identification of the project for each day the employee performed work on a public works project;

(e) the hourly rate of wages, including fringe benefits for health, welfare, pension contributions, travel allowance and other terms by which the employee was compensated for such work. (History: Sec. 18-2-409 and 431 MCA; IMP, Sec. 18-2-403 and 18-2-409 MCA; NEW, 1985 MAR p. 1859, Eff. 11/30/85.)

24.16.900 ANNUAL ADOPTION OF STANDARD PREVAILING RATE OF WAGES (1) The commissioner's determination of minimum wage rates to be paid on public works projects shall be adopted in accordance with the Montana Administrative Procedures Act and rules implementing the act.

(a) A notice of proposed adoption of the commissioner's determination shall be published in the Montana Administrative Register on the regular publication next preceding the first day of September.

(b) A notice of adoption of minimum wage rates by project character, by county or locality and by craft, classification and type of worker shall be published in the Montana Administrative Register on the regular publication date next preceding the first day of October.

(c) Such minimum wage rates shall become effective on the first day of October and shall supercede and replace all previously adopted wage rates for corresponding classifications. Adopted wage rates shall remain in effect until superceded and replaced by a subsequent adoption.

(d) An adoption of wage rates shall have no effect on contracts for public works awarded during the effective period of a previous adoption of rates under these rules.

(e) The commissioner's determination of minimum wage rates proposed and the wage rates adopted shall be incorporated by reference in the above respective notices and copies of either the proposed wage rates or adopted wage rates will be mailed to all interested persons or agencies as evidenced by their inclusion on a mailing list maintained by the commissioner. All others may obtain a copy of the determination of proposed wage rates or adopted wage rates, or be included on the commissioner's mailing list by request made to the Office of the Commissioner, attention Labor Standards Division at the address shown in ARM 24.16.9003(3), above.

(f) During the transition and initial determination of standard prevailing wage rates pursuant to these rules, the commissioner will propose for adoption as interim rates, his previous determination as follows:

- (i) Building construction rates,
Date of publication: 08-27-84.
- (ii) Heavy and highway rates,
Date of publication: 08-27-84.
- (iii) General Rates,
Effective date: 6-11-84.

Such wage rates shall be enforced under applicable law on public works contracts awarded on or after the indicated dates and hereafter until the same are superceded and replaced by a subsequent adoption. ARM 24.16.9003(5) supra. (History: Sec. 18-2-409 and 431 MCA; IMP, Sec. 18-2-402 MCA; NEW, 1986 MAR p. 44, Eff. 1/16/86.)

DEPARTMENT OF LABOR & INDUSTRY
LABOR STANDARDS DIVISION

EXHIBIT 9.91
DATE 11/15/87
HB 119 STATE CAPITOL



TED SCHWINDEN, GOVERNOR

STATE OF MONTANA

(406) 444-5600

HELENA, MONTANA 59620

December 27, 1984

Dear

This project falls under the State Prevailing Wage Law (copy enclosed) which requires the prevailing wage rates be paid to all the employees of the contractors working on the project. 18-2-422 MCA says the bid specifications and contract must contain a provision stating for each job classification the prevailing wage rate, including fringe benefits, that the contractors and subcontractors must pay. 18-2-403(3) MCA says that failure to include the provisions as required by 18-2-422 in a public works contract relieves the contractor from his obligations to pay the standard prevailing wage rate and places such obligation on the public contracting agency. The contract for this project did not contain the rates as required by law.

I have checked the payroll records of and found the employees did not receive the prevailing wage rates. Enclosed is a copy of my calculations. This office takes the position the school district is responsible for these wages.

We request that you submit to this office the \$2,162.50 due within ten (10) days.

Sincerely,

Handwritten signature of Linda Sprau in cursive script.

Linda Sprau
Compliance Officer

Enclosure

- Foreman

Due: 77 hrs x \$16.35 = \$1,258.95
Paid: 77 hrs x \$10.00 = 770.00
\$488.95

- Journeyman

Due: 61 1/2 hrs x \$15.85 = \$974.78
Paid: 61 1/2 hrs x 10.00 = 615.00
\$359.78

- Laborer

Due: 61 1/2 hrs x \$12.80 = \$787.20
Paid: 61 1/2 hrs x 6.00 = 369.00
\$418.20

- Laborer

Due: 105 hrs x \$12.80 = \$1,344.00
Paid: 105 hrs x 5.00 = 525.00
\$819.00

TOTAL DUE \$2,085.93

WITNESS STATEMENT

EXHIBIT 10
DATE 1/15/87
HB 119

NAME

James W. Murray

BILL NO.

HB 119

ADDRESS

P.O. Box 1176 Helena

DATE

1-15-87

WHOM DO YOU REPRESENT?

Mont. State AFL-CIO

SUPPORT

OPPOSE

X

AMEND

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

Comments:



EXHIBIT 10
DATE 1/15/87
HB 119

JAMES W. MURRY
EXECUTIVE SECRETARY

Box 1176, Helena, Montana

ZIP CODE 59624
406/442-1708

TESTIMONY OF JAMES W. MURRY ON HOUSE BILL 119 BEFORE THE HOUSE BUSINESS
AND LABOR COMMITTEE, JANUARY 15, 1987

Mr. Chairman, my name is Jim Murry and I'm here today on behalf of the Montana State AFL-CIO to testify against House Bill 119.

This bill proposes to repeal Montana's prevailing wage law, more commonly referred to as the Little Davis-Bacon Act. House Bill 119 is harmful legislation . . . both to workers employed on public projects and to contractors who out of a sense of fairness, treat their employees well by paying decent wages. Eliminating prevailing wage laws would only add instability to the construction industry. At the same time, this legislation would be detrimental and hurtful to the economies of the local communities where these projects are located.

Mr. Chairman, in order to appreciate the significant value prevailing wage laws have, it is important to understand their history. Prevailing wage laws are not outdated, depression-era legislation. These laws were the result of a deep concern that wide-open bidding had a negative effect on legitimate contractors, on the construction workers and on communities across this nation.

In fact, the first prevailing wage law was passed in 1891 in the state of Kansas. The national Davis-Bacon law was introduced in 1927 by Congressman Robert L. Bacon, a Republican from New York. Enjoying bipartisan support from Congress, the bill ultimately passed in 1931 and was signed into law by then-President Herbert Hoover.

The federal legislation has provided four major advantages since passage of the federal Davis-Bacon Act over one-half century ago. The first advantage

Tesimony of Jim Murry
House Bill 119, January 15, 1987

is that the federal law has protected workers' interests by insuring that federal funds will not be used to undercut local prevailing wages. The second advantage is that the law has protected contractors by guaranteeing fair competition in bidding for public projects. The third advantage is that the federal legislation protects the public by encouraging high-grade public construction based on sound management, good engineering, excellence in design and quality construction. And finally, the Davis-Bacon Act has protected Mainstreet businesses by insisting that wages are not substandard.

And here in Montana, our lawmakers recognized that all of these problems which were addressed by the federal Davis-Bacon Act should be dealt with at the state and local levels. So, to provide those protections, they wisely enacted Montana's own "Little Davis-Bacon" Act that same year of 1931.

Mr. Chairman, there are many important reasons why we should keep Montana's prevailing wage law intact.

Our Little Davis-Bacon Act protects workers in local labor markets, but it also offers protection to fair-minded contractors and allows them to compete on an equal footing with unscrupulous employers that would otherwise gut wages in order to obtain bids on publicly funded contracts.

So, the benefits to workers are apparent, but prevailing wage stability also benefits Montana communities during these difficult economic times. We're concerned that if Montana's prevailing wage law is abolished, many of our state's construction workers will be forced to seek employment in other states. They will no longer spend their hard-earned dollars . . . earned at a living wage . . . with Mainstreet businesses. The result will be a further erosion of our tax base as these Montana workers will not be paying local taxes for roads, schools, and other vital community services. Conversely, many out-of-state contractors who regularly pay substandard wages will have a competitive bid advantage, by bringing in a low-paid

Testimony of Jim Murry
House Bill 119, January 15, 1987

out-of-state workforce who will be using our community services but contributing little to local economies.

We urge you to vote against House Bill 119 and thereby give Montana communities greater assurance that work performed on state or locally funded projects is done by highly skilled, well-trained, experienced workers; rather than by unqualified workers forced to work for substandard wages.

Members of the Committee, our children deserve the same quality in their schools and our citizens in their local government facilities as we expect on federally funded projects.

The reasons for the continuation of the worker and employer protections in our Little Davis-Bacon Act are just as apparent today as they were over one-half century ago. There is no justification for passing this bill.



CITY COUNCIL

201 W. SPRUCE • MISSOULA, MT 59802 • (406) 721-4700

EXHIBIT 11

DATE 1/15/87

HB 119

ATTENTION: MONTANA LEGISLATORS

The Missoula City Council, after considering the following points:

WHEREAS, we want our people to receive a living wage; and

WHEREAS, if a prevailing wage is required, the workers receive the fair wages; and

WHEREAS, if the prevailing wage is required, the better contractors will be encouraged to bid on the project; and

WHEREAS, the quality of work will be much better, as the prevailing wage will attract the most skilled workers, and the local government will be assured of the best constructed projects.

The Missoula City Council Opposes BOTH SENATE BILL 10 AND HOUSE BILL 119

Sincerely,

Bill M. Potts, President
Missoula City Council

January 13, 1987

EXHIBIT 13
DATE 1/15/87
HB 119

Prevailing Wage Laws Are Not Inflationary

A Case Study of Public School Construction Costs

by
Steven G. Allen
&
David Reich

Center to Protect Workers' Rights
815 - 16th Street, N.W.
Room 603
Washington, D.C. 20006
Robert A. Georgine, President

December 1980

EXHIBIT 12
DATE 1/15/87
HB 119



MONTANA STATE BUILDING & CONSTRUCTION TRADES COUNCIL
IN AFFILIATION WITH
THE NATIONAL BUILDING & CONSTRUCTION TRADES DEPARTMENT
AMERICAN FEDERATION OF LABOR — CONGRESS OF INDUSTRIAL ORGANIZATIONS

President Don Gimbel

Secretary-Treasurer Dan Jones

January 19, 1987

To: All Members of the Montana House of Representatives
Business and Labor Committee

Enclosed please find a copy of the prevailing wage study done by the Center to Protect Workers' Rights which I quoted in my testimony to your committee on January 15, 1987.

As I stated at that time, I believe that the study proves that the little Davis-Bacon Act is not inflationary.

If you have any questions, feel free to contact me at 442-1441.

Sincerely,

Eugene Fenderson
Lobbyist

EF/bcs
Enclosure

is behind the walls of a prevailing wage job. We all know that under our current system, public facilities are of the highest quality.

The same holds true of all construction crafts. Do you ever wonder about the structural integrity of the roof, when it holds a heavy snow load? Probably the trade that drives this home to me the most is the elevator constructors. I rarely pass the fifth floor without thinking about the technical ability of the man who installed the system I am riding in.

Everyone recognizes the taxpayer resentment that spawned Initiatives 27 and 105. These initiatives were brought about solely by the tax rate and the methods of determining who pays. If the prevailing wage law is diluted or repealed, construction workers will realize that their tax dollars are being used (by the state) to pressure their wages down. This added reason can only raise tax revolt feelings among this large segment of high bracket taxpayers.

Repealing or weakening the prevailing wage law could possibly produce a short term savings, but the long term costs of maintenance, repair, and premature replacement would surpass any short term savings by many times. Moreover, what is the cost of an unsafe elevator, for example, in human terms?

I have never felt that prevailing wage laws could be appropriately argued across labor-management lines. Or for that matter, across political party lines, or even in the conservative and liberal arena.

Prevailing wage laws are a public issue, and I urge you each to give careful consideration to the testimony presented today.

Every building trade representative here could speak for hours on this complex interacting subject. Undereducated employees doing construction trades work not only courts disaster, but could raise a liability issue sometime in the future.

House Bill 119 is indeed false economy.

REG MCMURDO, BUSINESS MANAGER
IBEW LOCAL 768
P.O. BOX 786
KALISPELL, MONTANA 59903

TESTIMONY ON HOUSE BILL 119, HEARINGS OF THE HOUSE BUSINESS AND LABOR COMMITTEE,
JANUARY 15, 1987

My name is Reggie McMurdo and I am the elected Business Manager of Local 768 of the International Brotherhood of Electrical Workers. Our local jurisdiction is the seven counties in Northwestern Montana and I live in Whitefish. Today I am authorized to speak for the Montana State Conference of Electrical Workers, representing over 4,000 members across the state.

To begin, I would like everyone here to know that prevailing wage laws are not exclusively American. Virtually all Western nations have some form of prevailing wage laws, most of them much broader and more encompassing than any in the United States.

The history of prevailing wage laws begins in the 1800s in Europe. The United States and Montana both enacted our prevailing wage laws in 1931.

Although wage protection has never been a part of conservative thinking, the Federal Davis-Bacon Law was passed during a conservative Administration. The reason for this is, wage protection is not the primary result sought by prevailing wage laws, but merely the means to achieve the result. The main goal of these laws has always been the quality construction of public facilities.

The Western world has 47 nations with prevailing wage laws. These, plus the various state prevailing wage laws and the recurring legislation to amend or rescind these laws means that this subject has been debated in legislatures literally hundreds of times, for nearly 100 years. The vast majority of these debates have left a strong prevailing wage law intact.

There is no doubt that passage of House Bill 119 would have a devastating effect on the construction industry in Montana. Chiseling employers would man the construction jobs with whoever would work for the least, in order to get the bid. This practice, in turn, would push down the quality of employees. Training programs would suffer because of less funding and because no one would want to learn a trade that doesn't have the potential to raise their lifestyle. The reduction in the quality of employees will in turn have a de-valuing effect on the finished product.

The construction trades have evolved training programs to assure journeyman level employees. This fact is generally taken for granted. For instance, I don't have to be a journeyman plumber to assure that explosive gasses are not released in my facility, or worry about water damage or sewer problems. I can hire a journeyman plumber who is well educated in his occupation. The same is true for electricians. Electricity has not only the possibility of instantaneous, invisible death, but also has the potential of a fire ignition source. Both the electricians' and the plumbers' work is almost entirely hidden when the building is complete, but no one questions what

TESTIMONY OF CURT WILSON, PRESIDENT
CONSTRUCTION & GENERAL LABORERS LOCAL #1334

BEFORE THE HOUSE BUSINESS & LABOR COMMITTEE

January 15, 1987

My name is Curt Wilson. I was recently elected President of Construction & General Laborers Local #1334. I was asked to speak to your committee on behalf of the Montana District Council of Laborers, whose membership is approximately 2,000 men and women.

I personally have worked in the construction industry for 17 years and am one of the high paid people that the proponents of this bill (HB 119) are talking about. When I purchased my home in 1984 I was required to give a statement of my wages for the past eight (8) years. That average was \$22,500.00 per year. I do not feel that I am overpaid at all, as I have a wife and three kids to support and my taxes to pay. Our local made a survey of our members and this average was higher than approximately 70% of our people.

Enclosed please find an excerpt (quoted below) from the report by the "Economic Transition Task Force" which was appointed by Governor Schwinden:

"Workforce: Montanans take pride in their work, a fact acknowledged in numerous surveys and studies in recent years showing productivity in the state is among the highest in the nation. Montana ranked fourth highest in the United States in terms of value added per worker per year, according to a study conducted by INC. magazine in October 1985. By adding value of more than \$62,000 per worker annually, Montanans are \$24,300 above the national median in this measure of productivity."

As you can see, Montana's working people are rated as the fourth most productive workforce in the country. Obviously, with the value added factors mentioned in this survey, the employers are receiving their fair day's work for a fair day's pay.

The construction workers of this state are proud of the work that they have done building this state. In the case of the Laborers, we have had only one (1) wage increase in the years 1981-1986. We do not feel that we are overpaid. Please do not cut our wages - we earn every penny. KILL HB 119.

Thank you for your valuable time.



UNITED FOOD & COMMERCIAL WORKERS INTERNATIONAL UNION

TESTIMONY OF CLAUDIA CLIFFORD ON HOUSE BILL 119, BEFORE THE HOUSE COMMITTEE ON BUSINESS AND LABOR, JANUARY 15, 1987.

Mr. Chairman, members of the committee, my name is Claudia Clifford and I am here today on behalf of the United Food and Commercial Workers in opposition to House Bill 119.

United Food and Commercial Workers represent approximately 4,000 workers in Montana and 1.5 million workers nationwide. Most members of UFCW are employed in retail businesses in Montana. The health and stability of local economies are of great concern to us. UFCW opposes HB119 because of its potentially detrimental effect on local economies.

The result of lowering wages in any sector of the economy soon impacts all businesses on Main Street. Simply said, the impacted workers have less money to spend at the store. Maintaining higher wages helps the local tax base to generate more revenue for local roads, schools, and community services.

The use of prevailing wage has an important effect on stabilizing local economies. Contractors can count on a reliable source of professional labor who provide quality work and contribute to the life of communities for many years. Without good wages Montana's population may become more transient as workers seek better paying jobs elsewhere.

This legislature has set important goals to bolster the businesses in Montana. Lowering wages seems detrimental to those efforts considering the impact on local economies. It is the health of local economies, and qualities services available which will attract new businesses to Montana.

Mr. Chairman, because this proposed legislation would be harmful to Montana workers and their families, and to the local economies and retail stores, and because it contradicts efforts to help Montana businesses, I urge this committee to give HB119 a DO NOT PASS recommendation.

VISITORS' REGISTER

BUSINESS AND LABOR

COMMITTEE

BILL NO. 119

DATE JANUARY 15, 1987

SPONSOR REP. DENNIS NATHE

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Don Havelle	Bozeman, MT	✓	
Don Havelle	Bozeman, MT		
Maurice Alves	Missoula, MT		✓
Randy Edwards	Helena, MT		✓
Don Eberle	Butte, MT		✓
Gene Huntington	Helena		✓
Algon W. Roberts	Helena		✓
Randy Sumis	Bozeman		✓
Lee Blancher	Helena		✓
Kay Foster	Billings	✓	
Wanell Holzer	Billings		✓
John Hickey	Wolf Point	✓	
Dennis Wilford	Helena		✓
John Brewster	Helena		✓
Blake Waddell	City of Helena		✓
Frank A. Miquito	St. Paul		✓
Steve Perry	Helena		✓
Curt Wilson	Missoula		✓
Ernest Zitz	Billings		✓
John Murray	Mont. RTH - CG Helena		✓

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

BUSINESS AND LABOR

COMMITTEE

BILL NO. 119

DATE JANUARY 15, 1987

SPONSOR REP. DENNIS NATHE

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
Dir. Jurgens	Billings		✓
Debra Jones	Whitahall		
John M. Hinkoff	Bozeman	✓	
Gordon Morris	MA Co.	✓	
James B. McCaskey	Jefferson Co.	✓	
Vernon Peterson	Fergus Co.	✓	
Dan H. McChes	Fergus Co.	✓	
Mary LaFont	OBPP		
Claudia Clifford	UPCW		✓
Larry Salmons	Hardin		✓
Nathan Jensen	AFSCME		✓
Patricia Knight	AFSCME		✓
Linda Ard	AFSCME		✓
James Tyckner	FVOE		✓
Ken Senger	Cascade County		✓
Vol. Hinkoff	Cascade County		✓
Jack Melhose	Jefferson County	✓	
Joseph Ball	Cascade County		✓
John A. Manzer	Cascade County		✓
Lerna Frank	Montana Park Bureau	✓	

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PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.

VISITORS' REGISTER

BUSINESS AND LABOR

COMMITTEE

BILL NO. 119

DATE January 15, 1987

SPONSOR Rep. Dennis Nathe

NAME (please print)	RESIDENCE	SUPPORT	OPPOSE
S. Keith Anderson	Montax Helena	✓	
Tom Hering	NECA Helena		✓
Jim Whalen	Billings		✓
Alvin Egan	GT Falls		✓
Jim Mays	Helena		✓
Pat Paine	Helena		✓
Rep. N. Kenna	Anacosta		✓
Ben Hovdahl	Montana Motor Comics Assn	✓	
Roger Mayor	Helena	NAH	✓
DICK KAVALLA	HELENA		✓
STUART DOGGETT	HELENA MT. CHAMBER	✓	
F.H. EYER ROLDS	MT CHAMBER HELENA	✓	
Bryan Enderle	Helena : Mission Chamber	✓	
George Allen	MT. Helena Park	✓	✓
Wes Paine	Helena		✓
Rep. M. Kenna	Whitotish		✓
Walt Morris	Billings		✓
Eugene Foyler	Helena - Mt St Bly Trk		✓
Bill Smith	Helena Mont		✓

IF YOU CARE TO WRITE COMMENTS, ASK SECRETARY FOR WITNESS STATEMENT FORM.

PLEASE LEAVE PREPARED STATEMENT WITH SECRETARY.