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## **Davis-Bacon**

## **Construction Employers of America (CEA) Position:**

To protect local workers and local economies, Congress should not repeal the Davis-Bacon Act, in whole or in part. CEA opposes the "Davis-Bacon Repeal Act" (H.R. 743 and S. 244), the "TIRE Act" (S.195), and the "Responsibility in Federal Construction Act" (H.R.1042). We support prevailing wage provisions in innovative financing and believe that Congress needs to actively work to increase funding for infrastructure improvements. Our infrastructure will continue to deteriorate until Congress begins to fund these projects.

The improvement of America's infrastructure demands the highest quality and safest work product. To ensure this high-quality construction and jobsite safety, and to encourage apprenticeship and training, Davis-Bacon prevailing wages should be applied to these projects.

## The Issue:

The Davis-Bacon Act requires that the locally prevailing wage rate be paid to various classes of laborers and mechanics working under federally financed or federally assisted contracts for construction, alteration, and repair of public buildings or public works.

#### **Key Points:**

- Davis-Bacon is as valid today as it was when it was enacted in 1931. It still protects
  local economies and the government's interest in job quality, cost-effective
  construction and safety.
- Some legislators attempt to repeal the Davis-Bacon Act piecemeal by exempting more and more construction from its provisions. This is a back-door attempt to achieve what Congress would not allow in through the front door.
- Objective studies show that the Davis-Bacon Act and its implementation at the state level protects builders, workers, and local economies alike, while maintaining competitive prices, job quality, and job-site safety – all of which suffer where Davis-Bacon requirements are removed.
- Davis-Bacon's detractors suggest that coverage for so-called "innovative" financing is expansion of the Act. In fact, Davis- Bacon coverage has been applied to a variety of

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- federal programs that provide financial assistance other than, or in addition to, the traditional method of financing construction with direct federal grants.
- Infrastructure authorizations need to be passed and need to provide full Davis-Bacon coverage. Every billion dollars in infrastructure funding that the government puts into the economy creates 47,000 jobs.
- The highly technical mechanical and electrical systems required for infrastructure repair and new technology systems will require highly skilled labor for installation.
   Application of the Davis-Bacon Act (prevailing wage law) facilitates the bona fide apprenticeship programs that produce these skilled workers.
- Dr. Peter Phillips of the University of Utah has researched prevailing wage and found that when Kansas repealed its state prevailing wage laws, there were no significant savings in school construction costs. Further, after repeal of the state prevailing wage law in Kansas, apprenticeship training fell 38 percent, employer contributions to pension and health funds declined 17 percent and worker injuries rose 19 percent.

### **Status:**

**H.R. 743 – Davis-Bacon Repeal Act** was introduced on January 30, 2017 by Representative Steve King (R-IA-4), and has been referred to the House Education and Workforce Committee.

Co-Sponsors (As of 4/21/2017)

King, Steve (R-IA-4) Franks, Trent (R-AZ-8) Sanford, Mark (R-SC-1) Harper, Gregg (R-MS-3) Amash, Justin (R-MI-3) Duncan, Jeff (R-SC-3) Jenkins, Lynn (R-KS-2) Farenthold, Blake (R-TX-27) Gosar, Paul (R-AZ-4)

**S.244 – Davis-Bacon Repeal Act** was introduced on January 30, 2017 by Senator Mike Lee (R-UT), and has been referred to the Committee on Health, Education, Labor, and Pensions.

Co-Sponsors (As of 4/21/2017)

Cruz, Ted (R-TX) McCain, John (R-AZ) Cornyn, John (R-TX)
Scott, Tim (R-SC) Flake, Jeff (R-AZ) Perdue, David (R-GA)
Johnson, Ron (R-WI) Alexander, Lamar (R-TN) Rubio, Marco (R-FL)
Thune, John (R-SD) Risch, James (R-ID)

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# **Status (continued):**

**S. 195 – TIRE (the Transportation Investment Recalibration to Equality) Act** was introduced on January 24, 2017 by Senator Jeff Flake (R-AZ), and has been referred by Environment and Public Works Committee.

Co-Sponsors (As of 4/21/2017) - NONE

**H.R. 1042 - Responsibility in Federal Construction Act** was introduced on February 14, 2017 by Representative Paul Gosar (R-AZ), and has been referred to the Education and Workforce Committee.

Co-Sponsors (As of 4/21/2017)

Gosar, Paul (R-AZ-4) DesJarlais, Scott (R-TN-4) Duncan, Jeff (R-SC-3) Duncan, John J. Jr. (R-TN-2) Franks, Trent (R-AZ-8) Hensarling, Jeb (R-TX-5) Schweikert, David (R-AZ-6) Stewart, Chris (R-UT-2)

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