



**Public Hearing Testimony of  
Sharon Palmer, Commissioner  
Department of Labor  
Labor and Public Employees Committee  
March 11, 2014**

Good Afternoon Senator Holder-Winfield, Representative Tercyak, Senator Markley and Representative Smith and members of the Labor and Public Employees Committee. Thank you for the opportunity to provide you with testimony regarding **Senate Bill No. 318, AAC Electronic Prevailing Wage Notices, Information and Records**. My name is Sharon Palmer and I am the Commissioner of the Department of Labor.

I am here to speak in opposition to this bill. The bill requires the Department of Labor (DOL) to make available electronically on its website the prevailing wage rate schedules so that employers seeking to submit a bid for a state contract can access the rates independently. The proposed bill undermines the intent of prevailing wage rates and the procedures used by DOL to ensure that contractors to state agency contracts pay their employees the proper prevailing wage rate. Every week, the U.S. Department of Labor issues prevailing wage rate schedules. The schedules can change at any time. When a state agency seeks to issue a request for proposed bids for a project, the agency will request from DOL the prevailing wage rate schedules for the particular project. Our agency provides the correct schedule for that project based on what has been issued by the U.S. Department of Labor. The state agency will then issue the request for proposals with the schedule attached. The schedule is only good for 20 days. This procedure ensures that the contractor that wins the bid will be paying their employees at the correct prevailing wage rate. In addition, such a process provides a record of the correct wage rate schedule if there are any problems with the contractor and the Department of Labor has to intervene. If the Department posts schedules on our website and allows contractors to select the schedule themselves rather than following our current procedure, there would be no protections in place to ensure that workers are being paid the correct prevailing wage.

In addition, the proposed bill seeks to allow agencies to provide and receive electronic certifications. DOL already allows for electronic communications, so there is no need to amend the statute to add this language.

Thank you for the opportunity to provide this testimony. I am available to answer any questions you may have.