



Testimony in Opposition re: Assembly Bill 190 – Assembly Government Affairs Committee
 Wednesday, March 20, 2019
 8:30am

My name is Daniel Honchariw. I represent the [Nevada Policy Research Institute](http://www.npri.org) as its senior policy analyst and registered lobbyist.

We oppose AB190 because it will cost taxpayers tens of millions of dollars, according to the fiscal notes submitted by government agencies, just so union workers on public-works projects can be paid wages that are, on average, 62 percent above market rates.

The below chart compares the 2017 prevailing wage rates for 14 job categories in Clark County, which represented over half of all construction employment that year, against the average wage earned for all workers in that same profession.

Because the prevailing wage rate also includes the cost of benefits, we increased the average market wage by 50 percent to account for the cost of benefits in the private sector. This is an extremely conservative assumption, meaning that the actual disparity is likely even greater than what is reported here.

The Clark County prevailing wage ranged from 14 percent above the market wage for roofers, to a staggering 109 percent above the market wage for glaziers, with the average prevailing wage rate coming in at 62 percent above the market wage:

Table 1: Average wage and prevailing wage in Clark County, Nevada (2017)

Occupation	Employment	Avg. BLS hourly wage	Wage + Benefits	Prevailing Wage	% PW is above market wage
Glaziers	650	\$21	\$32	\$66	109%
Plasterers and Stucco Masons	1160	\$17	\$25	\$51	101%
Sheet Metal Workers	790	\$24	\$35	\$69	95%
Security and Fire Alarm Systems Installers	740	\$25	\$38	\$63	66%
Painters, Construction and Maintenance	2370	\$22	\$32	\$53	64%
HVAC Mechanics and Installers	1160	\$25	\$38	\$61	62%
Plumbers, Pipefitters, and Steamfitters	3890	\$26	\$39	\$61	58%
Tapers	650	\$22	\$34	\$53	57%
Carpenters	7490	\$24	\$36	\$57	57%
Cement Masons and Concrete Finishers	1780	\$22	\$33	\$52	57%



Heavy and Tractor-Trailer Truck Drivers	5030	\$24	\$35	\$53	49%
Brickmasons and Blockmasons	740	\$23	\$34	\$48	40%
Electricians	4610	\$31	\$46	\$63	38%
Roofers	1180	\$20	\$30	\$35	14%
Simple Average					62%
Weighted Average					56%

Sources: U.S. Bureau of Labor Statistics and Nevada Labor Commissioner, 2017 data for Clark County, Nevada.

AB190 will increase the tax burden on ordinary Nevadans by requiring governments to pay wildly-inflated labor rates on their construction projects. This committee should oppose AB190 and the unwarranted giveaway of taxpayer money it represents.

Respectfully submitted,

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