PREVAILING WAGE FACTS

Updated October 2023

THIS IS A TOOLKIT ON ALL THINGS PREVAILING WAGE

This toolkit provides evidence-based core messages, informational tables, resources, and research by state. This toolkit can deliver results for those fighting for prevailing wage standards.

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National Map (80) California Colorado Connecticut Delaware Hawaii
Illinois Indiana Iowa Kansas Kentucky Maryland
Massachusetts Michigan Minnesota Missouri Montana Nevada
New Hampshire New Mexico New York Ohio Oregon Pennsylvania
Utah Vermont Washington West Virginia Wisconsin British Columbia

MESSAGING

This section provides core messages, talking points that work, and evidence-based responses to debates on prevailing wage. This section will help you communicate why prevailing wage is the best value for America.

Core Messages

As of 2024, a total of 29 states plus the District of Columbia have prevailing wage laws. Since 2019, Colorado and Virginia have passed prevailing wage laws on state construction projects. Michigan also brought back prevailing wage standards in 2024. The District of Columbia is subject to the federal Davis-Bacon Act.

➔ Prevailing Wage Levels the Playing Field and Strengthens the Economy

- Prevailing wage laws increase the hiring of local contractors and local workers.
- Prevailing wage laws keep more tax dollars and more income in the community, creating additional jobs across all sectors of the economy.
- Public construction contracts go to the lowest bidder. Without minimum local market standards, firms have incentives to cut corners on wages, apprenticeship training, and safety to win short-term bids.

➔ Prevailing Wage Boosts Productivity, Safety, and Efficiency

- Prevailing wage laws promote the hiring, development, and retention of higher-skilled workers.
- Prevailing wage laws prevent skilled labor shortages by boosting investment in apprenticeship training programs—in states that repealed prevailing wage laws, training fell by as much as 40%.
- Worksite productivity is 14% higher and injury rates are 14% lower in states with prevailing wage laws.

➔ Prevailing Wage Promotes Ladders into the Middle Class for All Workers

- Prevailing wage laws boost blue-collar construction worker incomes, expand health insurance coverage, increase homeownership, and reduce poverty.
- Prevailing wage laws deliver pathways into the middle class for veterans, who are more likely to work in construction than non-veterans.
- Prevailing wage laws ensure equal pay for equal work, regardless of racial background or gender.

➔ Prevailing Wage Is the Best Value for Taxpayers

- The economic consensus is that prevailing wage laws do not increase total construction costs.
- Construction wages and benefits account for a small and historically declining share of total public construction costs—about 20%-25% across the United States.
- Prevailing wage stabilizes construction costs, with the use of skilled local workers improving project efficiency and reducing spending on fuels, materials, and equipment.
- Prevailing wage projects are more likely to be completed on time and on budget.
- Prevailing wage laws decrease spending on government assistance programs like food stamps, Medicaid, and the Earned Income Tax Credit while increasing state, federal, and local tax revenues.
- The research is clear and consistent. A strong America is built locally with highly-trained workers.

➔ Prevailing Wage Is Transparent and Reflects Local Market Standards

- Prevailing wage is a local minimum wage for different types of skilled construction work on public works projects, based on what skilled craft workers in the community are paid for comparable work.
- By including wages, fringe benefits, and workforce training investments where the work is performed, prevailing wages reflect and uphold local standards of compensation and craftsmanship.
- Changing prevailing wage laws to base them on Bureau of Labor Statistics (BLS) data or other faulty procedures would impose significant pay cuts on middle-class construction workers.

Talking Points That Work

➔ Top Messages

- A strong America is built locally with highly-trained workers.
- Prevailing wage laws establish minimum wages for skilled construction workers employed on taxpayer-funded projects based on what workers actually earn in a community.
- Prevailing wage is an investment in a skilled construction workforce that ensures our schools, roads, and bridges are built safely and at a high quality.
- Prevailing wage standards promote middle-class construction workers.
- Prevailing wage standards attract more military veterans to careers in the skilled construction trades.

➔ 2016 Poll of 600 Voters in Two Midwest States: Top 3 Messages

1. **77% of voters found the following argument convincing**: "Prevailing wage laws are like minimum wage laws for skilled construction workers who operate dangerous heavy machinery, build our bridges, and make sure our buildings are built to quality standards. It's only fair to be paying those workers a wage that they deserve."
2. **72% of voters found the following argument convincing**: "Prevailing wage standards have proven to attract military veterans to pursue careers in the construction trades at far higher rates than non-veterans. With veterans facing high rates of unemployment and a difficult transition back to civilian life, we should be protecting the middle-class career pathways they need."
3. **68% of voters found the following argument convincing**: "According to most economists and nonpartisan academic research, prevailing wage laws boost our state's economy, create jobs and reduce poverty. The research shows they promote more efficient public construction projects and don't increase cost to taxpayers."

- In total, 60% of voters supported prevailing wage laws while 30% opposed.

➔ Magic Words vs. Tragic Words

Use these "magic" words in messaging about prevailing wage laws:

- earn
- skills
- quality
- middle class
- attract and retain
- community
- safety
- grow
- deliver
- local
- highly-trained workers
- build
- strong
- standards

Avoid these "tragic" words in messaging about prevailing wage laws:

- benefit
- assist
- help
- support
- force
- mandate
- regulations
- requirements

Arguments by Issue

THE PURPOSE OF PREVAILING WAGE IS TO REFLECT LOCAL MARKET STANDARDS

➔ Core Messages:

- The main purpose of a prevailing wage law is to protect local construction market standards in the competitive low-bid process.
- By including wages, fringe benefits, and apprenticeship training contributions by job classification *where the work is performed*, prevailing wage levels the playing field for local contractors.
- Prevailing wage laws prevent skilled workforce shortages by promoting investment in apprenticeship training programs.
- A strong majority of all voters (68%) support prevailing wage laws.

Fact Sheet:

Prevailing wage laws create a level playing field for all construction contractors by ensuring that public expenditures reflect local market standards of compensation and craftmanship (Duncan, Philips, & Manzo, 2017). Public bodies are usually required to select the lowest bidder. In the low-bid model, contractors aim to lower their bids however possible, including through cutthroat reductions in worker wages, benefits, and apprenticeship training. Contractors often jettison long-term investments in worker training, health care, and retirement security in order to win bids on short-term projects. Additionally, large infusions of government spending into an area and a process that rewards the lowest bidder may attract contractors from areas with low wages and less investment in workforce training, which could erode standards in the local construction market. A prevailing wage law takes labor costs out of the equation, incentivizing construction contractors to compete based on core competencies and efficiencies rather than on undermining job quality (Philips, 2015).

Prevailing wage standards attract, develop, and retain experienced workers and reduce the likelihood that those same workers will need to rely on public assistance to make ends meet. This institutional framework for the construction industry promotes the training of skilled construction workers who are required to build the infrastructure needed for thriving economies. To ensure there are enough journeyworkers and apprentices available to rebuild America's roads, bridges, schools, buildings, utility lines, energy projects, and other vital infrastructure systems and to avoid skills shortages in which 75% of contractors have a difficult time finding qualified craft workers (AGC, 2023), prevailing wage laws serve as important safeguards by promoting investment in apprenticeship training programs and encouraging skilled young workers to enter the trades.

Prevailing wage surveys are also transparent and reflect wages that are actually paid by private contractors to construction workers on local projects (Jordan et al., 2006). Survey results are based on certified payroll records and are market-specific for the heavy, highway, building, and residential construction sectors.

It is no accident that support for the Davis-Bacon Act and state prevailing wage laws has been bipartisan for over 90 years. It is only fair that skilled construction workers who operate dangerous heavy machinery, build roads and bridges, and ensure that schools are built to quality standards are paid a market-competitive wage. That is why 68% of all voters support prevailing wage laws, including 55% of self-identified Republicans (Smart Cities Prevail, 2017). Prevailing wage laws build strong communities and are the best deal for taxpayers.

STUDIES: The Purpose of Prevailing Wage Laws Is to Reflect Local Market Standards

"New Survey Shows Significant Flaws In Nation's Approach To Preparing Workers For Construction Careers And How That Hurts The Economy." Associated General Contractors of America (AGC). September 2023.
Key Finding: 85% of construction firms have open positions. Of those, 88% are having trouble filling at least some of those positions. Mathematically, this means that about 75% of construction firms have open positions *and* are having a difficult time filling them. This includes 73% of union contractors and 84% of nonunion contractors, an 11% in 2023.

"What Does the Research Tell Us About Prevailing Wage Laws?" *Labor Studies Journal*, 44(2): 139-160. Kevin Duncan & Russell Ormiston. Colorado State University-Pueblo; Allegheny College. June 2019.
Key Finding: This paper is as a comprehensive literature review of the last 20 years of research on prevailing wage laws which finds that prevailing wage laws do not affect project costs, do promote worker safety and training, and do not have a discriminatory impact.

"National Poll: Most Voters Support Prevailing Wage on Public Infrastructure Projects." Smart Cities Prevail. April 2017.
Key Finding: A national survey of 1,000 voters shows that strong majorities of Democrats and Republicans each oppose the elimination of prevailing wage laws. 68% of all voters support prevailing wage laws, including 55% of self-identified Republicans.

"Building America with Prevailing Wage: The Davis-Bacon Act Delivers Good Middle-Class Jobs, a Stronger Economy, and the Best Value for U.S. Taxpayers." Kevin Duncan, Peter Philips, & Frank Manzo IV. Colorado State University-Pueblo; University of Utah; Illinois Economic Policy Institute. April 2017.
Key Finding: This paper reviews the research on the Davis-Bacon Act and finds that it is transparent, reliable, and reflects market standards.

"The Prevailing Wage is the Local Market Rate: Employment and Job Turnover Evidence from the Border of Illinois." Frank Manzo IV. Illinois Economic Policy Institute. August 2016.
Key Finding: Prevailing wage is effective at determining the local market rate, contrary to the assertion that it "inflates" wages. Based on data for 32 counties along the state line of Illinois and 33 border counties, a higher prevailing wage is influenced by local market conditions.

"Prevailing Wages and the Free Market." Peter Philips. University of Utah. April 2015.
Key Finding: "The government has a special minimum wage by craft and location in its procurement policy in order to stay as neutral as possible in affecting local construction wages. … [A]bsent prevailing wage regulations, public works procurement has a natural tendency to undercut local free market wages, benefits, and training."

"An Evaluation of Prevailing Wage in Minnesota: Implementation, Comparability and Outcomes." Lisa Jordan, Robert Bruno, Phil Schrader, & Tony Sindone. Brevard College; University of Illinois at Urbana-Champaign; University of Minnesota; Indiana University—South Bend. October 2006.
Key Finding: The survey method to gather data for determining prevailing wage rates is both valid and reliable.

PREVAILING WAGE BOOSTS THE ECONOMY AND STRENGTHENS LOCAL BUSINESSES

➔ **Core Messages:**

- Prevailing wage laws increase hiring of local contractors and local workers.
- Prevailing wage laws keep more tax dollars, more income, and more spending in the local community—creating jobs in all sectors of the economy.
- The overall level of bid competition is not affected by prevailing wage laws.

Fact Sheet:

Prevailing wages laws boost local economies across the United States. Studies consistently find that without prevailing wage laws, nonlocal contractors with less-trained workers come in, undermine the local market rate, and take taxpayer dollars back with them to their home states upon project completion. Conversely, by maintaining local market standards for construction worker wages and promoting training and productivity, prevailing wage laws have positive economic and social impacts (Stepick & Manzo, 2021; Manzo & Duncan, 2018; Ormiston, Belman, & Hinkel, 2017; Kelsay, 2016; Duncan & Lantsberg, 2015; Philips, 2014).

Prevailing wage laws are associated with more work for local contractors. Data from the *Economic Census of Construction* indicates that states with prevailing wage laws have 2% more of the total value of construction work completed by in-state contractors. Impacts are larger in certain areas. In Iowa, for example, local contractors are 8% more likely to be awarded highway projects when they include Davis-Bacon prevailing wage standards (Manzo, 2021). In Minnesota, local contractors account for a 10% higher market share when prevailing wages are paid on public school projects—keeping tax dollars in the local economy (Manzo & Duncan, 2018a). Another study on library construction in Santa Clara County, California revealed that 39% of subcontractors employed on prevailing wage projects were county-resident businesses but the corresponding figure when prevailing wages did not apply was 23%, a 16% difference (Duncan, 2011).

Two case studies from the Midwest illustrate how weakening prevailing wage negatively affects local contractors. In Indiana, public works construction employment in the 13 southernmost counties decreased by more than 800 jobs (-21%) after the wage policy was weakened. Over the same period, public works construction employment grew by nearly 800 jobs (+21%) in 14 border counties across the river in Kentucky (Manzo, 2016). Similarly, after Wisconsin repealed prevailing wage, the state experienced a 60% increase in highway projects going to out-of-state companies (Manzo et al., 2020).

Economic research has further found that while prevailing wage laws promote a level playing field for local contractors, they do not reduce bid competition. There have been five peer-reviewed studies since 2000 that examine the cost of prevailing wage laws on overall bid competition—an important determinant of construction costs. Together, these studies examine more than 5,500 bids on highway, school, and municipal building projects in five states: California, Colorado, Kentucky, Nevada, and Ohio. All five studies concluded that prevailing wage laws do not reduce the number of bidders on public projects (Duncan, Gigstad, & Manzo, 2022; Duncan & Waddoups, 2020; Onsarigo, Duncan, & Atalah, 2020; Duncan, 2015; Kim, Kuo-Liang, & Philips, 2012). In fact, an analysis of 81 school construction projects in the Las Vegas area found that weakening prevailing wage in Nevada reduced bid competition by 25%, with union contractors in particular submitting fewer bids as they pursued other opportunities (Duncan & Waddoups, 2020).

Prevailing wage laws perform an important economic development function by reducing the leakage of construction funds and jobs from the local economy. By promoting livable middle-class wages and producing more local hiring, prevailing wage laws stimulate more spending and jobs across the local economy.

STUDIES: Prevailing Wage Boosts the Economy and Strengthens Local Businesses

"Prevailing Wage Repeal, Highway Construction Costs, and Bid Competition in Kentucky: A Difference-in-Differences and Fixed Effects Analysis." Kevin Duncan, Jill Gigstad, & Frank Manzo IV. *Public Works Management & Policy*. Colorado State University-Pueblo; Midwest Economic Policy Institute. June 2022.
Key Finding: An analysis of 2,155 highway projects and 3,480 total bids finds no statistically significant differences in bid costs and bid competition between federal projects and state projects before and after repeal of prevailing wage in Kentucky. Policies increasing competition in Kentucky would be more effective in reducing costs than prevailing wage repeal.

"The Effect of 'Federal-Aid' Swap Programs and Davis-Bacon Prevailing Wages on Highway Construction Costs and Contractor Composition: Evidence from Iowa." Frank Manzo IV. *Labor Studies Journal*, 47(1): 75–98. Illinois Economic Policy Institute. November 2021.
Key Finding: The payment of Davis-Bacon prevailing wages is statistically associated with an 8% decrease in the chances that a highway project is awarded to an out-of-state contractor. The federal-aid swap program reduces the likelihoods that a project is covered by the Davis-Bacon Act by 10% and by Disadvantaged Business Enterprise (DBE) goals by 4%. The swap program is not associated with any change in project costs.

"The Effects of Repealing Prevailing Wage in Wisconsin: Impacts on Ten Construction Market Outcomes." Frank Manzo IV, Kevin Duncan, Jill Gigstad, & Nathaniel Goodell. Midwest Economic Policy Institute; Colorado State University-Pueblo. October 2020.
Key Finding: There was a 60% increase in Wisconsin Department of Transportation projects being awarded to out-of-state contractors, primarily from Iowa, Michigan, and Florida—states which did not have prevailing wage laws at the time.

"The Effect of Prevailing Wages on Building Costs, Bid Competition, and Bidder Behavior: Evidence from Ohio School Construction." Lameck Onsarigo, Kevin Duncan, & Alan Atalah. *Construction Management and Economics*, 1-17. Kent State University; Colorado State University-Pueblo; Bowling Green State University. February 2020.
Key Finding: An analysis of 669 bids on 113 school construction projects in Ohio found that prevailing wage standards do not affect building costs or the level of bid competition. In fact, the cost-reducing effect of increased competition is stronger on projects covered by prevailing wage.

"Unintended Consequences of Nevada's Ninety-Percent Prevailing Wage Rule." Kevin Duncan & Jeffrey Waddoups. *Labor Studies Journal*, 1-20. Colorado State University-Pueblo; University of Nevada, Las Vegas. June 2020.
Key Finding: An analysis of 81 school construction projects in the Las Vegas area revealed that Nevada's attempt to weaken prevailing wage by reducing prevailing wage rates on education-related construction to 90% of the applicable rate for state-funded construction contributed to decreased bid competition and increased construction costs. Union contractors in particular submitted fewer bids as they pursued other opportunities.

"An Examination of Minnesota's Prevailing Wage Law: Effects on Costs, Training, and Economic Development." Frank Manzo IV & Kevin Duncan. Midwest Economic Policy Institute; Colorado State University-Pueblo. July 2018.
Key Finding: Based on an analysis of 640 bids on school construction projects in the Minneapolis-St. Paul area, local contractors accounted for a 10% higher market share when school districts chose to include prevailing wage on projects.

"Weakening Prevailing Wage Hurts Local Contractors and Workers: A Case Study from Southern Indiana." Frank Manzo IV. Midwest Economic Policy Institute. June 2016.
Key Finding: Public works construction employment in the 13 southernmost Indiana counties decreased by more than 800 jobs (-21%) after Indiana weakened its prevailing wage law. Over the same period, it grew by nearly 800 jobs (+21%) in 14 border counties across the river in Kentucky.

"The Effect of Prevailing Wage Regulations on Contractor Bid Participation and Behavior: A Comparison of Palo Alto, California with Four Nearby Prevailing Wage Municipalities." Jaewhan Kim, Chang Kuo-Liang, & Peter Philips. *Industrial Relations*, 51(4). University of Utah; South Dakota State University. October 2012.
Key Finding: This sample of 565 bids on 140 municipal projects in the San Francisco Bay area finds that the presence of prevailing wage standards does not decrease the number of bidders or alter the bidding behavior of contractors relative to the engineer's estimate of the value of the project.

Economic Impact Studies on State Prevailing Wage Laws

➔ **Key Findings**:

1. Since 2010, 17 economic impact studies of state prevailing wage laws have been published.
2. Although methodologies differ, the studies all conclude that prevailing wage laws boost economic activity and generate additional tax revenues in each state.
3. The average state-level economy would shrink by $723 million without a prevailing wage law.

Table 1: Summary of Economic Impact Analyses on State Prevailing Wage Laws Since 2010

Study	Researchers	State	Year	Economic Impact ("Multiplier")	State and Local Tax Revenues
1	Kevin Duncan; Matthew Hinkel; Frank Manzo IV	Montana	2023	$248 million	$19 million
2	Lina Stepick; Frank Manzo IV	Oregon	2021	$752 million	$35 million
3	Frank Manzo IV; Kevin Duncan	Minnesota	2018	$981 million	$37 million
4	Lameck Onsarigo; Alan Atalah; Frank Manzo IV; Kevin Duncan	Ohio	2017	$1.4 billion	$45 million
5	Kevin Duncan; Frank Manzo IV	Kentucky	2016	$400 million	$13 million
6	Kevin Duncan; Stephen Herzenberg; Alex Lantsberg; Frank Manzo IV	New Hampshire	2016	$298 million	$7 million
7	Frank Manzo IV; Alex Lantsberg; Kevin Duncan	United States	2016	$65 billion	$8 billion
8	Michael Kelsay	Missouri	2016	$361 million	$14 million
9	Kevin Duncan; Alex Lantsberg; Frank Manzo IV	New Mexico	2016	$288 million	$8 million
10	Kevin Duncan; Alex Lantsberg; Frank Manzo IV	Michigan	2015	$1.7 billion	$28 million
11	Kevin Duncan; Alex Lantsberg	Wisconsin	2015	$1.2 billion	$40 million
12	Kevin Duncan; Alex Lantsberg	California	2015	$1.4 billion	N/A
13	Michael Kelsay	West Virginia	2015	$71 million	$6 million
14	Frank Manzo IV; Robert Bruno; Scott Littlehale	Indiana	2014	$696 million	$21 million
15	Peter Philips	Kentucky	2014	$253 million	$20 million
16	Alison Dickson Quesada; Frank Manzo IV, Dale Belman; Robert Bruno	Illinois	2013	$1.1 billion	$44 million
17	Peter Philips; Cihan Bilginsoy	Connecticut	2010	$432 million	$30 million
Average Impact of 16* Studies (*U.S. Analysis Not Included)				**$723 million**	**$25 million**

Research on the Effect on Bid Competition

➔ **Key Findings**:

1. There are 9 studies to examine the effect of prevailing wage laws on bid competition since 1999, including 6 that have been peer-reviewed.
2. These 9 studies analyze 14,044 total bids in 9 different states or provinces.
3. All 9 (100%) find that prevailing wage does not reduce bid competition—and 6 of the 9 studies (67%) suggest that prevailing wage standards *increase* bid competition.

Table 2: Studies on the Impact of Prevailing Wage Laws on Contractor Bid Competition Since 1999

Study	Authors	Year	Project Focus	Bids	Geography	Effect
1	Kevin Duncan; Jill Gigstad; Frank Manzo IV	2022	Highways	3,480†	Kentucky	No Effect
2	Lina Stepick; Frank Manzo IV	2021	Highways	1,138	Oregon	+19%
3	Frank Manzo IV; Kevin Duncan; Jill Gigstad; Nathaniel Goodell	2020	Highways	4,890	Wisconsin	+0.56 bids (+19%)
4	Jeffrey Waddoups; Kevin Duncan	2020	School Construction	291†	Nevada	+0.53 bids (+25%)
5	Lameck Onsarigo; Kevin Duncan; Alan Atalah	2020	School Construction	669†	Ohio	+1.19 bids*
6	Frank Manzo IV; Kevin Duncan	2018	Public Projects	2,062	Indiana	+0.08 bids*
7	Kevin Duncan	2015	Highways	497†	Colorado	No Effect
8	Jaewhan Kim; Chang Kuo-Liang; Peter Philips	2012	Municipal	565†	California	No Effect
9	Cihan Bilginsoy	1999	School Construction	452†	British Columbia	+8.4 bids**

†These six studies have been peer-reviewed. *Although there were more bidders on average with prevailing wage standards, these effects were not statistically significant. **Bilginsoy's (1999) prevailing wage effect is statistically significant but diminishes by -0.2 bids per year over time.

PREVAILING WAGE IS AN EFFECTIVE JOB SKILLS ADVANCEMENT POLICY

➔ Core Messages:

- Prevailing wage rates include base pay, fringe benefits, and training contributions, which bolsters the apprenticeship system in the United States.
- Prevailing wage laws combat skilled labor shortages by promoting investment in apprenticeship training. States that have repealed prevailing wage have seen training drop by as much has 40%.
- Worksite productivity is at least 14% higher in states with prevailing wage laws.
- Apprenticeship training is key to a productive workforce that builds quality projects on time and safely.

Fact Sheet:

Construction is the most volatile major industry in the United States. Seasonal, business cycle, and short-term fiscal factors all cause turbulence in the industry, creating strong disincentives for employers to make long-term investments in training a highly-skilled, efficient, and safe workforce. A prevailing wage law helps correct this "market failure" by reflecting local market-based standards for wages, benefits, and training contributions in the community where the project is being built. The law ensures that the next generation of workers is trained, the current skilled workforce is retained, and the previous generation is cared for in retirement.

Economic research shows that prevailing wage laws are successful at increasing apprenticeship training in construction (Duncan & Ormiston, 2017). In states with prevailing wage laws, apprenticeship enrollments are up to 8% higher and apprentices complete their on-the-job and classroom training at faster rates (Bilginsoy, 2005; Bilginsoy, 2017). Another study found that the apprenticeship share of the construction workforce is 14% in states with prevailing wage laws compared to just 8% in states with no law (Dickson Quesada et al., 2013). As a result, worksite productivity is 14%-33% higher in states with prevailing wage laws (Philips, 2014).

Studies conducted after the repeal of prevailing wage laws have shown a strong correlation with a decrease in worker training. Peer-reviewed research has found that the repeal of a state prevailing wage law leads to a 12%-13% increase in construction injury rates (Li et al., 2019). A related analysis of nine states that repealed their prevailing wage laws from 1979-1988 showed that repeal was associated with a 40% decrease in training and 15% rise in workplace injuries (Philips et al., 1995). Finally, after West Virginia repealed its prevailing wage law in May 2016, the number of active apprentices fell by 28%, leading to a 26% increase in the on-the-job construction worker injury rate (Kelsay & Manzo, 2019).

Prevailing wage laws support the largest privately-financed system of higher education in the United States. In 2022, there were more than 600,000 active apprentices registered across the United States, a growth of 104% since 2013 (DOLETA, 2023). In the construction industry, joint labor-management programs enroll the vast majority (75%) of these active apprentices (Bilginsoy et al., 2022). These programs allow young people to "earn while they learn" without burdensome student loan debt. Joint labor-management apprenticeship programs also deliver training hours, graduation rates, and competitive earnings that rival the performance of four-year universities (Manzo & Bruno, 2020; Manzo & Thorson, 2021). Registered apprentices earn significantly higher wages over their careers and are 31% less likely to suffer on-the-job injuries relative to similar non-participants (Reed et al., 2012; Wuellner & Bonauto, 2022).

Prevailing wage laws create construction *careers*, not just seasonal jobs. Prevailing wage laws promote investment in apprenticeship training programs, encourage skilled young workers to enter the trades, and promote a productive workforce that completes high-quality construction projects on time and on budget.

STUDIES: Prevailing Wage is an Effective Job Skills Advancement Policy

"Diversity, Equity, and Inclusion Initiatives in the Construction Trades." Cihan Bilginsoy, David Bullock, Amy Tracy Wells, & Roland Zullo. Institute for Construction Employment Research (ICERES); University of Utah; University of Michigan; Rutgers University. March 2022.
Key Finding: Joint labor-management apprenticeship programs (union programs) accounted for 75% of all construction apprentices across the United States from 1999 to 2019, including 85% of all women apprentices, 79% of all Black apprentices, and 79% of all Hispanic apprentices. Cancellation rates—or dropout rates—are 10% lower for joint programs. Joint programs have lower dropout rates across the board, regardless of race or gender.

"Are Plumbing Apprentice Graduates Safer than Their Non-Apprentice Peers? Workers' Compensation Claims Among Journey Level Plumbers by Apprenticeship Participation." *Journal of Safety Research*, 83: 349-356. Sara Wuellner & David Bonauto. Washington State Department of Labor and Industries. December 2022.
Key Finding: Researchers linked apprenticeship, plumber certification, and 2000-2018 workers' compensation data and found that journey-level plumbers who graduated from apprenticeship programs had workers' comp claim rates that were 31% lower than plumbers with no formal training.

"The Apprenticeship Alternative: Enrollment, Completion Rates, and Earnings in Registered Apprenticeship Programs in Illinois." Frank Manzo IV & Robert Bruno. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. January 2020.
Key Finding: Joint labor-management programs account for the vast majority of registered apprentices (97%) in Illinois' construction industry, require 27% more hours of training that four-year universities, have a 54% completion rate that is on par with public universities (61%), are more diverse than employer-only programs, and deliver middle-class careers with career earnings ($2.4 million) that rival bachelor's degrees ($2.5 million).

"The Effect of Prevailing Wage Law Repeals and Enactments on Injuries and Disabilities in the Construction Industry." Zhi Li, Chimedlkham Zorigtbaatar, Gabriel Pleités, Ari Fenn, & Peter Philips. *Public Works Management & Policy*, 1-17. University of Utah. October 2019.
Key Finding: Prevailing wage law repeals have been shown to lower wages and benefits—including benefits providing safety training and associated with worker retention in construction. Controlling for other factors, repealing state prevailing wage laws increase construction injury rates from 11.6% to 13.1% as the seriousness of injuries increases. Disabilities also increased by 7.5% to 8.2%.

"The Impact of Repealing West Virginia's Prevailing Wage Law: Economic Effects on the Construction Industry and Fiscal Effects on School Construction Costs." Michael Kelsay & Frank Manzo IV. University of Missouri — Kansas City; Midwest Economic Policy Institute. May 2019.
Key Finding: After West Virginia repealed its prevailing wage law in May 2016, inflation-adjusted construction wages fell 1%-8%, active apprentices fell by 28%, the on-the-job injury rate increased by 26%, and there were no savings for taxpayers based on an analysis of 107 school construction projects.

"Kentucky's Prevailing Wage Law: An Economic Impact Analysis." Peter Philips. University of Utah. January 2014.
Key Finding: Construction workers in states with prevailing wage laws are more productive—21% more productive in water, sewer, and related construction; 31% more productive in highway, street, and bridge construction; and 33% more productive in other heavy and civil engineering work.

"An Effectiveness Assessment and Cost-Benefit Analysis of Registered Apprenticeship in 10 States." Debbie Reed, Albert Yung-Hsu Liu, Rebecca Kleinman, Annalisa Mastri, Davin Reed, Samina Sattar, & Jessica Ziegler. Mathematica Policy Research. July 2012.
Key Finding: Registered apprenticeship program participants had substantially higher earnings than nonparticipants ($123,906 more earned over a lifetime) and that the social benefits were much larger than costs.

"Registered Apprenticeship Training in the U.S. Construction Industry." Robert Glover & Cihan Bilginsoy. *Education + Training*, 47(4/5): 337-349. University of Texas at Austin; University of Utah. May 2005.
Key Finding: Joint labor-management programs were found to have much higher enrollments and greater participation of women and ethnic and racial minorities. Joint programs also exhibit markedly better performance for all groups on rates of attrition and completion.

"Losing Ground: Lessons from the Repeal of Nine 'Little Davis-Bacon' Acts." Peter Philips, Garth Mangum, Norm Waitzman, & Anne Yeagle. University of Utah. February 1995.
Key Finding: A major study of nine states—Alabama, Arizona, Colorado, Florida, Idaho, Kansas, Louisiana, New Hampshire, and Utah—that repealed prevailing wages finds that repeal reduced training by 40% and increased injuries by 15%.

Research on the Effect on Construction Worker Productivity

➔ **Key Findings**:

1. Since 2008, 9 studies have evaluated the difference in productivity between construction workers in states with prevailing wage laws and construction workers in states without prevailing wage laws.
2. On average, construction workers in prevailing wage states are found to be about 12% more productive than their counterparts in states without prevailing wage.
3. This average increase in productivity (12%) offsets the change in labor costs.

Table 3: Studies on Construction Worker Productivity in States with and without Prevailing Wage Laws Since 2008

Study	Authors	Year	Type	Geography	Best Estimate
1	Frank Manzo IV; Robert Bruno; Larissa Petrucci	2023	Growth in Value Added Per Hour	Three Full Repeal States vs. 28 States with PWLs	1.3%
2	Frank Manzo IV; Kevin Duncan	2018	GDP Per Worker	Minnesota vs. Indiana	7.7%
3	Frank Manzo IV; Kevin Duncan	2018	GDP Per Worker	Indiana (vs. Illinois, Ohio, Michigan)	5.3%
4	Michael Kelsay	2016	Value Added	12 North Central States	16.2%
5	Kevin Duncan; Alex Lantsberg	2015	Value Added	California and United States	11.0%
6	Peter Philips	2014	Value Added	United States	31.0%
7	Frank Manzo IV; Robert Bruno; Scott Littlehale	2014	Value Added	United States	8.5%
8	Michael Kelsay; James Sturgeon; Kelly Pinkham	2011	Value Added	Missouri	11.0%
9	Peter Philips	2008	Value Added	United States	15.0%
Average of 9 Studies					**11.9%**

Research on the Effect on Construction Worker Safety

➔ **Key Findings**:

1. Since 1995, 11 studies have examined the difference in construction worker safety in states with and without prevailing wage laws.
2. The "best estimate" is reported as the increase in injuries or fatalities in states *without* prevailing wage or *due* to the repeal of prevailing wage.
3. On average, construction workers in states without prevailing wage suffer 14% more injuries and fatalities than their counterparts in states with prevailing wage.

Table 4: Studies on Construction Worker Injury and Fatality Rates in States with and without Prevailing Wage Since 1995

Study	Authors	Year	Type	Geography	Best Estimate
1	Frank Manzo IV; Robert Bruno; Larissa Petrucci	2023	Fatalities	Four Repeal States vs. 19 States with PWLs	+14.3%
2	Zhi Li; Chimedlkham Zorigtbaatar; Gabriel Pleites; Ari Fenn; Peter Philips	2019	Injuries	United States	+13.1%
3	Michael Kelsay; Frank Manzo IV	2019	Injuries	West Virginia	+26.4%
4	Jill Manzo	2017	Fatalities	United States	+13.8%
5	Michael Kelsay	2016	Injuries	12 North Central States	+9.5%
6	Peter Philips	2014	Disabilities	United States	+12.0%
7	Alison Dickson Quesada; Frank Manzo IV; Dale Belman; Robert Bruno	2013	Fatalities	United States	+12.0%
8	Hamid Azari-Rad	2005	Injuries	United States	+10.0%
9	Peter Philips	1999	Injuries	Kentucky	+11.0%
10	Peter Philips	1998	Injuries	Kansas	+20.5%
11	Peter Philips; Garth Mangum; Norm Waitzman; Anne Yeagle	1995	Serious Injuries	United States	+15.0%
Average of 11 Studies					**+14.3%**

Research on the Joint Labor-Management Share of Apprentices

➔ **Key Findings**:

1. Since 2005, 18 studies have examined the share of active construction apprentices enrolled in joint labor-management programs.
2. Across the United States, 75% of all apprentices are enrolled in joint labor-management programs.
3. Shares are highest states that have prevailing wage laws—including Illinois (97%), Minnesota (93%), California (92%), Nevada (92%), and Pennsylvania (85%).

Table 5: Studies with Share of Active Construction Apprentices in Joint Labor-Management Programs Since 2005

Study	Researchers	Year	Geography	Share of Active Construction Apprentices Enrolled in Joint-Labor Management Programs
1	Frank Manzo IV; Andrew Wilson; Robert Bruno	2023	Indiana	77%
2	Frank Manzo IV; Andrew Wilson; Robert Bruno	2023	Michigan	75%
3	Chihan Bilginsoy; David Bullock; Amy Tracy Wells; Roland Zullo	2022	United States	75%
4	Larissa Petrucci	2021	Portland, OR	72%
5	Frank Manzo IV; Jill Gigstad	2021	Iowa	55%
6	Lina Stepick; Frank Manzo IV	2021	Oregon	63%
7	Frank Manzo IV; Nathaniel Goodell; Robert Bruno	2021	Wisconsin	81%
8	Dan Calamuci	2020	California	92%
9	Frank Manzo IV; Robert Bruno	2020	Illinois	97%
10	Jeffrey Waddoups; Kevin Duncan	2019	Nevada	92%
11	Stephen Herzenberg; Diana Polson; Mark Price	2018	Pennsylvania	85%
12	Frank Manzo IV; Kevin Duncan	2018	Minnesota	93%
13	Cihan Bilginsoy	2017	Michigan	79%
14	Lameck Onsarigo; Alan Atalah; Frank Manzo IV; Kevin Duncan	2017	Ohio	82%
15	Kevin Duncan; Frank Manzo IV	2016	Kentucky	79%
16	Frank Manzo IV; Robert Bruno	2016	Illinois	98%
17	Peter Philips	2015	Wisconsin	82%
18	Cihan Bilginsoy	2005	United States	73%

PREVAILING WAGE DELIVERS MIDDLE-CLASS PATHWAYS AND REDUCES SOCIAL SAFETY NET COSTS

➔ Core Messages:

- Prevailing wage laws deliver pathways into the middle class for all workers.
- Prevailing wage laws boost earnings, expand health insurance coverage, and improve homeownership rates for construction workers and their families.
- Repeal of prevailing wage increases poverty and spending on government assistance programs.
- Taxpayers do not save from repealing or weakening prevailing wage laws, they subsidize.

Fact Sheet:

Prevailing wage laws foster good, middle-class careers for blue-collar workers in the United States. There is a significant difference in the wages paid to blue-collar construction workers in states with prevailing wage laws compared to those in states without prevailing wage (Philips, 2014). Prevailing wage laws statistically increase construction worker earnings by 5%-16% per year (Manzo, Gigstad, & Bruno, 2020; Manzo, Lantsberg, & Duncan, 2016; Duncan & Lantsberg, 2016; Philips, 2014). Research has also found that prevailing wage laws make construction workers less likely to rely on government assistance programs, such as Supplemental Nutrition Assistance Program (SNAP) food stamps and the Earned Income Tax Credit (EITC) assistance (Manzo, Lantsberg, & Duncan, 2016). Another analysis found that repeal of prevailing wage laws resulted in a 2%-4% decrease in blue-collar construction income and an 11%-16% drop in voluntary fringe benefits (Fenn et al., 2018). By removing local market-based standards, repeal means pay cuts for workers.

By promoting middle-class incomes, prevailing wage standards ensure that construction workers can afford to live in the communities where they build vital public infrastructure. Across America, prevailing wage laws extend homeownership to 2% more blue-collar construction workers and their families and improve their housing wealth by 13%. For Black workers employed in the construction trades, state prevailing wage laws boost homeownership by 8% and increase their housing wealth by 18% (Manzo, Gigstad, & Bruno, 2020).

Because they earn higher incomes, blue-collar construction workers in states with prevailing wage laws also contribute more in tax revenues than their counterparts in states without the laws. Recent research finds that 30% fewer construction workers live in poverty and income tax contributions and property tax contributions from construction workers are 17% higher in states with prevailing wage laws (Manzo, Lantsberg, & Duncan, 2016; Philips & Blatter, 2017). Prevailing wage laws also reduce worker misclassification and off-the-books employment by 2% lower for construction workers—which combats payroll tax fraud (Hinkel, 2021).

Conversely, repeal of prevailing wage increases taxpayer costs on government assistance programs. Economic research shows that prevailing wage laws expand health insurance coverage by 8%-10% while reducing the probability that a construction worker will rely on food stamps (Manzo, Lantsberg, & Duncan, 2016). Consequently, in the six states that repealed their prevailing wage laws between 2015 and 2018, construction worker health insurance coverage rates decreased by 2% and reliance on food stamps increased by 2% (Manzo, Bruno, & Petrucci, 2023). Repeal eroded job quality and pushed vulnerable workers into poverty.

Prevailing wage promotes a strong middle class and sound public budgets at all levels of government. Prevailing wage keeps construction costs stable by ensuring that the construction workforce is highly skilled, but it also reduces construction worker reliance on government assistance programs and increases state and local tax revenues. As a result, prevailing wage laws deliver great value for taxpayers.

STUDIES: Prevailing Wage Provides Middle-Class Pathways and Reduces Social Safety Net Costs

"The Economic Impact of Prevailing Wage Law Repeals on Construction Market Outcomes: Evidence from Repeals Between 2015 and 2018." Frank Manzo IV, Robert Bruno, & Larissa Petrucci. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. January 2023.
Key Finding: Using 2012-2017 *Economic Census* data and 2014-2019 *American Community Survey* data, this report finds that states that repealed prevailing wage laws experienced 4%-13% slower construction worker earnings growth, 7%-10% slower benefits growth, a 2% drop in health insurance coverage, a 2% increase in food stamp reliance, a 14% higher on-the-job fatality rate, and a 1%-2% drop in the market share of in-state contractors.

"The Effect of Prevailing Wage Laws on Informal Construction Employment." Matthew Hinkel. Alma College. August 2021.
Key Finding: From 2010 through 2019, worker misclassification and off-the-books employment was 2% lower for construction workers in states with prevailing wage laws. By improving transparency and enforcement on public projects, prevailing wage laws reduce wage theft and payroll tax fraud.

"Prevailing Wage and the American Dream: Impacts on Homeownership, Housing Wealth, and Property Tax Revenues." Frank Manzo IV, Jill Gigstad, & Robert Bruno. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. February 2020.
Key Finding: Prevailing wage increases the homeownership rate of construction workers by 2%, extending homeownership to more than 61,000 construction workers and generating $508 million in net property tax revenues for local communities. In addition, prevailing wage is associated with a 13% increase in housing wealth for the average construction worker who owns a home and has higher impacts on African Americans in construction.

"The Effect of Prevailing Wage Repeals on Construction Income and Benefits." Ari Fenn, Zhi Li, Gabriel Pleites, Chimedlkham Zorigtbaatar, & Peter Philips. *Public Works Management and Policy*, 1-17. University of Utah. February 2018.
Key Finding: Using data from the *Economic Census* from 1972 to 2012, the authors find that average annual construction worker income fell by 2%-4%, legally-required benefits fell by 4%-10%, and voluntary benefits (primarily health insurance, pension contributions, and apprenticeship training) fell by 11%-16% in states that repealed prevailing wage laws.

"The Social Costs of Repealing Wisconsin's Prevailing Wage Law." Frank Manzo IV & Jill Manzo. Midwest Economic Policy Institute. June 2017.
Key Finding: Using the assumptions made by critics of Wisconsin's prevailing wage law, this report finds that repeal would cost the state $224-337 million in social costs such as food stamps and public health insurance. 4%-12% of construction workers would newly qualify for government assistance.

"The Economic, Fiscal, and Social Effects of Ohio's Prevailing Wage Law." Lameck Onsarigo, Alan Atalah, Frank Manzo IV, & Kevin Duncan. Kent State University, Bowling Green State University, Midwest Economic Policy Institute, Colorado State University-Pueblo. April 2017.
Key Finding: Repealing Ohio's prevailing wage law would lower the incomes of blue-collar construction workers by 16% and reduce Ohio's economic activity by $1.4 billion.

"Two Roads Diverge: Hidden Costs of the Low Wage Approach to Construction." Peter Philips & David Blatter. University of Utah. January 2017.
Key Finding: The absence of state prevailing wage standards reduces income tax and property tax revenues from construction employment by 16%. The absence of state prevailing wage standards reduces unemployment and worker compensation tax revenues by 8%.

"The Economic, Fiscal, and Social Benefits of State Prevailing Wage Laws: Choosing Between the Low Road and the High Road in the Construction Industry." Frank Manzo IV, Alex Lantsberg, & Kevin Duncan. Illinois Economic Policy Institute; Smart Cities Prevail; Colorado State University-Pueblo. February 2016.
Key Finding: This report finds that a nationwide weakening of prevailing wage would cause over $8 billion to be lost in state, local, and federal tax revenues. 310,000 blue-collar construction workers would lose their health insurance coverage and about 99,000 would fall below the poverty line.

"Kentucky's Prevailing Wage Law: An Economic Impact Analysis." Peter Philips. University of Utah. January 2014.
Key Finding: Repeal of prevailing wage would reduce construction worker incomes by $75-152 million and reduce state tax revenues by $10-20 million.

Research on the Effect on Construction Worker Earnings

➔ **Key Findings**:

1. Since 1995, there have been 23 studies on prevailing wage laws and construction worker earnings.
2. Only 2 of these studies have been published in peer-reviewed academic journals.
3. On average, prevailing wage boosts blue-collar construction worker earnings by about 8%.

Table 6: Studies on the Impact of Prevailing Wage Laws on Blue-Collar Construction Worker Incomes Since 1995

Study	Authors	Year	Geography	Effect Range	Best Estimate
1	Kevin Duncan; Matthew Hinkel; Frank Manzo IV	2023	Montana (vs. Idaho, North Dakota, and South Dakota)		8.4%
2	Frank Manzo IV; Robert Bruno; Larissa Petrucci	2023	Six Repeal States vs. States with PWLs	3.9%-12.9%	3.9%
3	Lina Stepick; Frank Manzo IV	2021	Oregon (with Washington and Idaho)		8.3%
4	Frank Manzo IV	2021	Indiana (with Illinois and Ohio)	8.1%-8.4%	8.3%*
5	Frank Manzo IV; Kevin Duncan; Jill Gigstad; Nathaniel Goodell	2020	Wisconsin and 2 states with prevailing wage (Illinois, Minnesota)		6.4%
6	Frank Manzo IV; Robert Bruno	2020	United States		5.1%
7	Michael Kelsay; Frank Manzo IV	2019	West Virginia and 3 states with prevailing wage (Ohio, Pennsylvania, Maryland)	0.6%-8.3%	0.6%
8	Frank Manzo IV; Kevin Duncan	2018	7-state region, with Minnesota at center		5.2%
9	Frank Manzo IV; Robert Bruno; Jill Manzo	2018	United States	8.8%-27.1%	15.0%
10	Ari Fenn; Zhi Li; Gabriel Pleites; Chimedlkham Zorigtbaatar; Peter Philips	2018†	United States	1.9%-4.2%	3.1%*
11	Frank Manzo IV; Kevin Duncan	2018	Indiana and 3 states with prevailing wage (Illinois, Ohio, Michigan)	7.0%-15.1%	8.5%
12	Lameck Onsarigo; Alan Atalah; Frank Manzo IV; Kevin Duncan	2017	9-state region, with Ohio at center		16.1%
13	Kevin Duncan; Frank Manzo IV	2016	10-state region, with Kentucky at center		10.3%
14	Frank Manzo IV; Robert Bruno; Kevin Duncan	2016	United States (*veterans)	7.0%-10.7%	8.9%
15	Frank Manzo IV: Alex Lantsberg; Kevin Duncan	2016	United States	15.7%-17.2%	17.2%
16	Kevin Duncan; Stephen Herzenberg; Alex Lantsberg; Frank Manzo IV	2016	New England (6 states)	12.2%-31.8%	16.2%
17	Kevin Duncan; Alex Lantsberg	2015	United States		14%
18	Frank Manzo IV: Robert Bruno; Scott Littlehale	2014	Indiana	4.5%-10.7%	8.4%
19	Frank Manzo IV: Robert Bruno	2014	United States	1.6%-1.7%	1.6%
20	Peter Philips	2014	Kentucky	4%-8%	6.0%*
21	Michael Kelsay; L. Randall Wray; Kelly Pinkham	2004	10 states repealing laws from 1979-1995		3.4%
22	Daniel Kessler; Lawrence Katz	2001†	United States	2.0%-4.0%	3.4%
23	Peter Philips; Garth Mangum; Norm Waitzman; Anne Yeagle	1995	9 states repealing laws from 1979-1988		7.5%
Average of 23 Studies					**8.1%**

*Average of effect range. †Peer-reviewed in an academic journal.

PREVAILING WAGE BUILDS MIDDLE-CLASS OPPORTUNITIES FOR VETERANS

➔ **Core Messages:**

- Prevailing wage laws disproportionately impact military veterans, who populate the construction trades at a higher rate than non-veterans.
- The United States Military Apprenticeship Program trains one out of every five registered apprentices.
- Repealing a state prevailing wage law increases taxpayer costs on the backs of veteran workers who served their country.

Fact Sheet:

Veterans are more likely to work in construction than non-veterans (Manzo, Bruno, & Duncan, 2016). As of 2019, veterans were 5% of the overall workforce nationwide but accounted for 6% of all construction and extraction workers. In total, more than 500,000 veterans were employed as blue-collar construction and extraction workers. Veterans populated the construction trades at a higher rate than non-veterans in part because the United States military promotes skilled apprenticeship programs. The United States Military Apprenticeship Program (USMAP) trains one out of every six registered apprentices in the United States.

Research shows that returning veterans are more likely to pursue careers or open businesses in the construction industry in states with strong prevailing wage laws. Prevailing wage laws boost the earnings of veterans working in construction by 7%-11%, improve their rates of employer-provided health coverage by 11%-15%, and reduce rates of poverty for these workers by 24%-31%. If all states with prevailing wage suddenly repealed their laws, 65,000 veterans would separate from their construction jobs and approximately 5,000 would earn incomes that place them below the official poverty line.

These findings have been peer reviewed. Economist Abdur Chowdhury notes that the "research uses reliable data and is based on sound analytical work" and concludes that repeal "would be an economic disaster for veterans" (Chowdhury, 2017). Particularly:

- In Connecticut, veterans are 2% more likely to be construction workers and repeal of prevailing wage would reduce their incomes by over $5,100 (Manzo et al., 2017);
- In Illinois, veterans are 3% more likely to be construction workers and repeal of prevailing wage would cause 300 veterans workers to fall into poverty (Manzo, Bruno, & Duncan, 2016);
- In Kentucky, veterans are 1% more likely to be construction workers and repeal of prevailing wage would cause total earnings for blue-collar veterans to fall by $80 million per year (Duncan & Manzo, 2017);
- In Minnesota, veterans are 5% more likely to be construction workers and repeal of prevailing wage would cause 100 veterans workers to fall into poverty (Manzo et al, 2016a); and
- In Wisconsin, veterans are 3% more likely to be construction workers and repeal of prevailing wage would cause 200 veterans workers to fall into poverty (Manzo et al, 2016b).

There are significant costs to repealing state prevailing wage laws for veterans. Repeal of prevailing wage standards is a disincentive for veterans who would otherwise pursue careers in construction. By reducing the number of veterans with employer-provided health insurance, worsening veteran poverty, and shrinking the market share of veteran-owned construction companies, repeal of state prevailing wage laws increases taxpayer burdens while reducing the incomes of military veterans. Introducing or strengthening prevailing wage laws, on the other hand, boost construction labor force participation and promote middle-class livelihoods for more Americans who served their country.

STUDIES: Prevailing Wage Builds Middle-Class Opportunities for Veterans

"Prevailing Wage and Military Veterans in Connecticut: Applied Policy Brief." Frank Manzo IV, Robert Bruno, Kevin Duncan, & Jill Manzo. Midwest Economic Policy Institute. April 2017.
Key Finding: Weakening Connecticut's law would result in a net employment loss of 1,300 veterans in construction and a $5,138 decrease in wage and salary incomes for the average veteran, leading to 270 additional veterans falling below the poverty line and 160 on food stamps.

"The Impact of Repealing Prevailing Wage Laws on Military Veterans." Abdur Chowdhury. Marquette University. February 2017.
Key Finding: For construction contractors looking to add skilled employees to their business, there isn't a better pool of candidates to choose from than the men and women transitioning from the military. A veteran who returns home to become a blue-collar construction worker or to open a construction business benefits substantially from prevailing wage policies. Prevailing wage laws are a veterans' issue.

"The Economic, Fiscal, and Social Effects of Kentucky's Prevailing Wage Law." Kevin Duncan & Frank Manzo IV. Colorado State University-Pueblo, Midwest Economic Policy Institute. December 2016.
Key Finding: Repealing Kentucky's prevailing wage law would lower the incomes of blue-collar construction workers by 10%, with a particularly strong reduction of $80 million in income for veterans. Repeal would reduce total economic activity by $400 million, mainly due to leakages of construction business out of Kentucky as out-of-state firms win bids on taxpayer-funded projects.

"Prevailing Wage and Military Veterans in Minnesota: Applied Policy Brief." Frank Manzo IV, Jill Manzo, Kevin Duncan, and Robert Bruno. Midwest Economic Policy Institute. October 2016.
Key Finding: Weakening Minnesota's law would result in a net employment loss of 2,400 veterans in construction and a $126 million decrease in total veteran incomes, leading to an additional 100 veterans falling below the poverty line.

"Prevailing Wage and Military Veterans in Wisconsin: Applied Policy Brief." Frank Manzo IV, Jill Manzo, Kevin Duncan, & Robert Bruno. Midwest Economic Policy Institute. August 2016.
Key Finding: Weakening Wisconsin's law would result in a net employment loss of 2,000 veterans in construction and a $113 million decrease in total veteran incomes, leading to an additional 200 veterans falling below the poverty line.

"The Impact of Prevailing Wage Laws on Military Veterans: An Economic and Labor Market Analysis." Frank Manzo IV, Robert Bruno, & Kevin Duncan. VoteVets.org; Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign; Colorado State University-Pueblo. May 2016.
Key Finding: Veterans are statistically more likely to work in construction than nonveterans. Through the United States Military Apprenticeship Program (USMAP), active military members account for 21% of all registered apprentices in the United States. Prevailing wage laws increase veteran income by 7%-11%, improve employer-provided health coverage for veterans working in construction by 11%-15%, and reduce veteran poverty.

PREVAILING WAGE DOES NOT DETER PEOPLE OF COLOR FROM PARTICIPATING IN CONSTRUCTION

➔ Core Messages:

- Prevailing wage laws have no discriminatory effect on participation in the construction industry.
- Prevailing wage laws level the playing field for contractors, ensuring equal pay for equal work and preventing employers from discriminating against any particular group of workers by paying them less.
- Prevailing wage laws reduce the racial wage disparity in construction by up to 53%.

Fact Sheet:

Prevailing wage laws promote middle-class pathways and protect all workers against exploitation—regardless of racial or ethnic background. There is no credible evidence that prevailing wage laws deter people of color from participating in the construction industry (Duncan & Ormiston, 2019).

Peer-reviewed economic research has found *no relationship* between prevailing wage laws and the racial composition of the construction labor force (Belman & Philips, 2005). Professors Belman, Ormiston, Petty, and Hinkel have assessed African American employment over 30 years and found no empirical evidence that prevailing wage laws reduce African American participation in construction (Belman et al., 2019). In the six states that repealed their prevailing wage laws between 2015 and 2018, there was no change in the racial and ethnic diversity of the construction workforce following repeal. After accounting for other important factors, the odds of working in construction did not statistically change for white workers, for Black or African American workers, and for Hispanic or Latinx workers (Manzo, Bruno, & Petrucci, 2023).

There is also no evidence that prevailing wage laws exclude people of color from training in registered apprenticeship programs (Bilginsoy, 2005; Bilginsoy, 2017). In fact, in the nine states that repealed prevailing wage laws from 1979 to 1988, people of color accounted for 19% of all registered apprentices pre-repeal but just 13% post-repeal, a 6% drop (Philips et al., 1995). Despite suspect claims about *intent*, studies consistently show that prevailing wage laws do not have a discriminatory *effect* on Black participation in construction.

State prevailing wage laws ensure equal pay for equal work, which combats inequality in construction. As long as workers have the same skillset operating the same machinery on the same project, they are paid the same prevailing wage rate as their coworkers—regardless of background. However, prevailing wage laws have the largest positive effects on Black construction workers. Research has found that prevailing wage standards boost the homeownership rate of Black construction workers by 8% compared with a 3% increase for white construction workers (Manzo et al., 2020). Another study found that state prevailing wage laws reduce racial income inequality in construction by 7%-53% (Manzo, Bruno, & Manzo, 2018).

Members of the Congressional Black Caucus wrote a resounding endorsement of the federal Davis-Bacon Act three decades ago that still resonates today (CBC, 1995):

> *"Davis-Bacon has been instrumental in bridging the wage gap for historically disadvantaged sectors of our society. In the face of decaying social and economic opportunities, this measure provides women and minorities with an important tool to achieving greater parity with their mainstream counterparts. … The Davis-Bacon Act has made a valuable contribution to instituting protective equity and stability to American workers everywhere. We believe this important labor protection should be continued and strengthened, not eliminated."*

STUDIES: Prevailing Wage Does Not Deter People of Color from Participating in Construction

"The Economic Impact of Prevailing Wage Law Repeals on Construction Market Outcomes: Evidence from Repeals Between 2015 and 2018." Frank Manzo IV, Robert Bruno, & Larissa Petrucci. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. January 2023.
Key Finding: Using 2012-2017 *Economic Census* data and 2014-2019 *American Community Survey* data, this report finds that states that repealed prevailing wage laws experienced 4%-13% slower construction worker earnings growth, a 2% drop in health insurance coverage, a 2% increase in food stamp reliance, a 14% higher on-the-job fatality rate, and no change in the racial and ethnic diversity of the workforce.

"The Effect of State Prevailing Wage Laws on African-American Employment in Construction." Dale Belman, Russell Ormiston, Ryan Petty, & Matthew Hinkel. Institute for Construction Employment Research (ICERES); Michigan State University; Allegheny College; Roosevelt University. June 2019.
Key Finding: Using *Current Population Survey* data for 1977-1979, 1995, and 2006, the authors find no empirical evidence that prevailing wage laws reduce African American participation in construction or alter the choice of African Americans to enter construction occupations.

"Prevailing Wage and the American Dream: Impacts on Homeownership, Housing Wealth, and Property Tax Revenues." Frank Manzo IV, Jill Gigstad, & Robert Bruno. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. February 2020.
Key Finding: Prevailing wage increases the homeownership rate of construction workers by 2%, extending homeownership to more than 61,000 construction workers. Prevailing has higher impacts on African Americans in construction.

"State Prevailing Wage Laws Reduce Racial Income Gaps in Construction: Impacts by Trade, 2013-2015." Jill Manzo, Robert Bruno, & Frank Manzo IV. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. February 2018.
Key Finding: Prevailing wage has significant impacts on Black construction workers, boosting their annual take-home pay by 24%. This is larger than the 17% effect on their white counterparts. Prevailing wage reduces the income gap between Black and white construction workers by 7%-53%.

"The Performance of ABC-Sponsored Registered Apprenticeship Programs in Michigan: 2000-2016." Cihan Bilginsoy. University of Utah. October 2017.
Key Finding: The ABC-sponsored programs had a higher rate of cancellation and a lower completion rate than joint labor-management programs. The share of people of color was 9% in the ABC-affiliated programs and 21% in the joint programs, matching their share in the Michigan labor force (20%).

"Prevailing Wage Laws, Unions and Minority Employment in Construction: A Historical and Empirical Analysis." Dale Belman & Peter Philips. *The Economics of Prevailing Wage Laws*, 101-122. Michigan State University; University of Utah. 2005.
Key Finding: The claim that the Davis-Bacon Act limits Black access to construction is not consistent with racial patterns of employment in the industry.

- Note: Michigan State University had the official and final 2005 report, but the link is broken, so the above is an earlier draft.

"Wage Regulation and Training: The Impact of State Prevailing Wage Laws on Apprenticeship." In *The Economics of Prevailing Wage Laws*. 149-168. Cihan Bilginsoy. University of Utah. 2005.
Key Finding: There is no evidence that prevailing wage laws exclude minorities from training in the skilled trades.

"Losing Ground: Lessons from the Repeal of Nine 'Little Davis-Bacon' Acts." Peter Philips, Garth Mangum, Norm Waitzman, & Anne Yeagle. University of Utah. February 1995.
Key Finding: A major study of nine states—Alabama, Arizona, Colorado, Florida, Idaho, Kansas, Louisiana, New Hampshire, and Utah—that repealed prevailing wages finds that training was reduced by 40% and minority representation in training programs fell after repeal.

"Letter to Mark Golden." Congressional Black Caucus. Congress of the United States. December 1995.
Key Finding: "Davis-Bacon has been instrumental in bridging the wage gap for historically disadvantaged sectors of our society. … The Davis-Bacon Act has made a valuable contribution to instituting protective equity and stability to American workers everywhere. We believe this important labor protection should be continued and strengthened, not eliminated."

PREVAILING WAGE LAWS ARE THE BEST VALUE FOR TAXPAYERS

➔ **Core Messages:**

- The overwhelming majority of peer-reviewed economic research has concluded that prevailing wage standards have no impact on total project costs.
- Labor costs represent a small share of total construction costs—about 23%.
- Prevailing wage standards improve productivity and efficiency on construction projects, produce fewer safety problems, and reduce spending on government assistance programs for construction workers.

Fact Sheet:

Repealing or weakening prevailing wage laws does not save taxpayer dollars. The vast majority of peer-reviewed studies evaluating actual project data find that federal, state, and local prevailing wage standards have no effect on the total cost of public construction projects (Duncan & Ormiston, 2019). Fully 75% of peer-reviewed studies since 2000 have concluded that prevailing wage laws have no impact on public construction costs, including 85% that evaluate the cost of building public schools. In addition, an analysis of 2,155 highway projects built before and after the 2017 repeal of prevailing wage in Kentucky reveals that repeal had no statistical impact on the cost of state road construction projects (Duncan, Gigstad, & Manzo, 2022). Even the Assistant Republican Majority Leader of the Indiana House of Representatives, Rep. Ed Soliday, has admitted that "*we got rid of prevailing wage and, so far, it hasn't saved us a penny*" (Soliday, 2018).

Two recent studies confirm that prevailing wage laws have no impact on total construction costs. One 2020 study analyzing 113 school construction projects in Ohio found that prevailing wage standards do not have a statistically significant effect on building costs. In fact, the authors find that "the cost-reducing effect of increased bid competition is stronger on projects covered by the prevailing wage policy" (Onsarigo, Duncan, & Atalah, 2020). Similarly, a second analysis of 81 school construction projects in the Las Vegas area found that Nevada's prevailing wage law has no statistically significant effect on school construction costs or bid competition (Duncan & Waddoups, 2020).

Prevailing wage laws have no impact on project costs because labor costs are a low and historically declining percentage of total costs in the construction industry—approximately 23% of total costs across the United States (Census, 2017). By promoting the use of higher skilled workers, prevailing wage laws also reduce expenditures on materials, fuels, and rental equipment (Duncan & Lantsberg, 2015). These changes increase efficiency and stabilize costs. Since labor costs are only a small portion of total costs, relatively minor changes are needed to offset the effect of the wage policy.

Significantly lowering wages in the construction sector also has widespread impacts on local economic activity. Arguments that focus exclusively on wage differences as the basis of a hypothetical prevailing wage cost effect ignore changes in labor productivity, apprenticeship training, workplace safety, and other efficiencies that are associated with prevailing wages (Philips, 2014). Reduced wages also result in workers contributing less in income taxes, sales taxes, and property taxes and more workers qualifying for government assistance programs, placing additional strain on public budgets (Manzo, Lanstberg, & Duncan, 2016). Ultimately, by stabilizing construction costs, prevailing wage laws provide the best deal for taxpayers.

STUDIES: Prevailing Wage Laws Are the Best Value for Taxpayers

"Prevailing Wage Repeal, Highway Construction Costs, and Bid Competition in Kentucky: A Difference-in-Differences and Fixed Effects Analysis." Kevin Duncan, Jill Gigstad, & Frank Manzo IV. *Public Works Management & Policy*. Colorado State University-Pueblo; Midwest Economic Policy Institute. June 2022.
Key Finding: An analysis of 2,155 highway projects and 3,480 total bids finds no statistically significant differences in bid costs and bid competition between federal projects and state projects before and after repeal of prevailing wage in Kentucky. Policies increasing competition in Kentucky would be more effective in reducing costs than prevailing wage repeal.

"Unintended Consequences of Nevada's Ninety-Percent Prevailing Wage Rule." Kevin Duncan & Jeffrey Waddoups. *Labor Studies Journal*, 1-20. Colorado State University-Pueblo; University of Nevada, Las Vegas. June 2020.
Key Finding: An analysis of 81 school construction projects in the Las Vegas area revealed that Nevada's attempt to weaken prevailing wage by reducing prevailing wage rates on education-related construction to 90% of the applicable rate for state-funded construction contributed to decreased bid competition and increased construction costs. Union contractors in particular submitted fewer bids as they pursued other opportunities.

"The Effect of Prevailing Wages on Building Costs, Bid Competition, and Bidder Behavior: Evidence from Ohio School Construction." Lameck Onsarigo, Kevin Duncan, & Alan Atalah. *Construction Management and Economics*, 1-17. Kent State University; Colorado State University-Pueblo; Bowling Green State University. February 2020.
Key Finding: An analysis of 669 bids on 113 school construction projects in Ohio found that prevailing wage standards do not affect building costs or the level of bid competition. In fact, the cost-reducing effect of increased competition is stronger on projects covered by prevailing wage.

"What Does the Research Tell Us About Prevailing Wage Laws?" *Labor Studies Journal*, 44(2): 139-160. Kevin Duncan & Russell Ormiston. Colorado State University-Pueblo; Allegheny College. June 2019.
Key Finding: This paper is as a comprehensive literature review of the last 20 years of research on prevailing wage laws which finds that prevailing wage laws do not affect project costs, do promote worker safety and training, and do not have a discriminatory impact.

"An Examination of Minnesota's Prevailing Wage Law: Effects on Costs, Training, and Economic Development." Frank Manzo IV & Kevin Duncan. Midwest Economic Policy Institute; Colorado State University-Pueblo. July 2018.
Key Finding: Based on an analysis of 640 bids on school construction projects in the Minneapolis-St. Paul area, winning bids based on the payment of prevailing wages were no more costly than bids that did not require prevailing wages.

"Prevailing Wage Laws: What Do We Know?" Kevin Duncan & Russell Ormiston. Institute for Construction Employment Research (ICERES), Colorado State University-Pueblo, Allegheny College. March 2017.
Key Finding: The peer-reviewed literature has established consensus that prevailing wage laws do not affect construction project costs, particularly the costs of school construction and highway maintenance projects.

"How Weakening Wisconsin's Prevailing Wage Policy Would Affect Public Construction Costs and Economic Activity." Kevin Duncan & Alex Lantsberg. Colorado State University-Pueblo; Smart Cities Prevail. May 2015.
Key Finding: Contractors spend less on materials, fuels, and rental equipment in states that have strong or average prevailing wage laws.

"Do Prevailing Wage Laws Increase Total Construction Costs?" *Review of Keynesian Economics*, 2(2): 189-206. Fadhel Kaboub & Michael Kelsay. Denison University; University of Missouri. April 2014.
Key Finding: Using a regression analysis of 3,120 public building bids in Midwest states, the paper finds no empirical evidence supporting the claim that construction costs are lower in states that have repealed their prevailing wage laws compared to states that have not repealed their laws.

"Kentucky's Prevailing Wage Law: An Economic Impact Analysis." Peter Philips. University of Utah. January 2014.
Key Finding: Construction workers in states with prevailing wage laws are more productive—21% more productive in water, sewer, and related construction; 31% more productive in highway, street, and bridge construction; and 33% more productive in other heavy and civil engineering work.

Peer-Reviewed Research on the Effect on Project Costs

➔ **Key Findings**:

1. Since 2000, there have been 24 studies, analyzing 25,842 projects, on the effect of prevailing wage standards on project costs that have been published in peer-reviewed academic journals. 18 of these peer-reviewed studies (75%) find that prevailing wage laws have no effect on total project costs.
2. 17 out of 20 peer-reviewed studies (85%) find that prevailing wage laws have no impact on the cost of traditional public works projects, such as schools, highways, and public buildings.
3. 11 out of 13 peer-reviewed studies on school construction costs (85%) find no statistical effect.

Table 7: Peer-Reviewed Economic Research on the Impact of Prevailing Wage Laws on Project Costs Since 2000

Study	Authors	Year	Project Focus	Projects	Geography	Effect
1	Kevin Duncan; Jill Gigstad; Frank Manzo IV	2022	Highways	2,155	Kentucky	No Effect
2	Frank Manzo IV	2022	Highways	1,206	Iowa	No Effect
3	Matthew Hinkel; Dale Belman	2022	Affordable Housing	280	California	No Effect
4	Lameck Onsarigo; Kevin Duncan; Alan Atalah	2020	School Construction	113	Ohio	No Effect
5	Jeffrey Waddoups; Kevin Duncan	2020	School Construction	77	Nevada	No Effect
6	Scott Littlehale	2017	Affordable Housing	321	California	5.0%
7	Matthew Palm; Deb Niemeier	2017	Affordable Housing	496	California	16.0%
8	Kevin Duncan	2015	Highways	132	Colorado	No Effect
9	Kevin Duncan	2015	Highways	91	Colorado	No Effect
10	Kevin Duncan; Peter Philips; Mark Prus	2014	School Construction	498	British Columbia (Canada)	No Effect
11	Fadhel Kaboub; Michael Kelsay	2014	Public Buildings	3,120	12 Midwest States	No Effect
12	Alan Atalah	2013	School Construction	1,496	Ohio	No Effect
13	Alan Atalah	2013	School Construction	1,496	Ohio	No Effect
14	Kevin Duncan; Peter Philips; Mark Prus	2012	School Construction	723	British Columbia (Canada)	No Effect
15	Jaewhan Kim; Chang Kuo-Liang; Peter Philips	2012	Municipal Projects	141	California	No Effect
16	Jeffrey Vincent; Paavo Monkkonen	2010	School Construction	2,645	United States	13.4%
17	Kevin Duncan; Peter Philips; Mark Prus	2009	School Construction	438	British Columbia (Canada)	No Effect
18	Kevin Duncan; Peter Philips; Mark Prus	2006	School Construction	528	British Columbia (Canada)	No Effect
19	Sarah Dunn; John Quigley; Larry Rosenthal	2005	Affordable Housing	205	California	11.0%
20	Hamid Azari-Rad; Peter Philips; Mark Prus	2003	School Construction	4,653	United States	No Effect
21	Hamid Azari-Rad; Peter Philips; Mark Prus	2002	School Construction	4,974	United States	No Effect
22	Donald Vitaliano	2002	Highways (Spending)	50*	United States	8.0%
23	Edward Keller; William Hartman	2001	School Construction	25†	Pennsylvania	2.3%
24	Cihan Bilginsoy; Peter Philips	2000	School Construction	54	British Columbia (Canada)	No Effect
Summary: 18 out of 24 studies find no effect (75%), including 17 of the 20 studies focused on traditional public works (85%).						

*The 50 observations are DOT expenditures for all 50 states, and do not account for the amount of new highway construction ordered, which is an important determinant of project costs. costs.

†The analysis did not analyze *actual* projects, but rather conducted hypothetical "wage differential" approaches for 25 arbitrary projects. Wage differential studies are flawed compared to regression analyses of actual projects (Duncan & Ormiston, 2019; Duncan & Ormiston, 2017).

Additional Research on the Effect on Project Costs

➔ **Key Findings**:

1. There are 11 studies since 2002 which have not been peer-reviewed but use actual project or bid data.
2. These 11 studies analyze 5,961 bids and projects across the United States.
3. All 11 (100%) find no statistically significant effect of prevailing wage on public construction costs.

Table 8: Non-Peer-Reviewed, Regression-Based Research on the Impact of Prevailing Wage Laws on Project Costs Since 2002

Study	Authors	Year	Project Focus	Projects/Bids	Geography	Effect
1	Frank Manzo IV; Kevin Duncan; Jill Gigstad; Nathaniel Goodell	2020	Highways	72	Wisconsin	No Effect
2	Matthew Hinkel; Dale Belman	2020	Affordable Housing	280	California	No Effect
3	Michael Kelsay; Frank Manzo IV	2019	School Construction	107	West Virginia	No Effect
4	Frank Manzo IV; Kevin Duncan	2018	School Construction	640	Minnesota	No Effect
5	Frank Manzo IV; Kevin Duncan	2018	School Construction	335	Indiana	No Effect
6	Lameck Onsarigo; Alan Atalah; Frank Manzo IV; Kevin Duncan	2017	School Construction	110	Ohio	No Effect
7	Michael Kelsay	2016	Non-residential Construction	1,325	Kansas (Sedgwick County & Wyandotte County)	No Effect
8	Michael Kelsay	2016	Non-residential Construction	1,309	12 Midwest States	No Effect
9	Michael Kelsay	2015	School Construction	266	Maryland, Ohio, Pennsylvania, West Virginia, North Carolina, and Virginia	No Effect
10	Peter Philips	2014	School Construction	391	Kentucky, Ohio, Michigan	No Effect
11	Ohio Legislative Service Commission*	2002	School Construction	1,126	Ohio	No Effect

*This report has been used by opponents of prevailing wage because it claimed that the school construction exemption from the state's prevailing wage law saved the 10.7% on costs. However, this was not statistically significant. In fact, study authors wrote, "Evidence was not available as to the portion of the estimated savings, if any, that could be directly and conclusively attributed to the prevailing wage exemption."

Calculating Labor Costs as a Share of Total Construction Costs

➔ **Key Findings**:

1. To calculate labor costs as a share of total construction costs, data from the *Economic Census* is the gold standard. Currently, 2017 data is the most recent available but 2022 data for construction will be released in 2024 and 2025.
2. Divide construction worker wages plus construction workers' share of fringe benefits by the "net value of construction work" (which avoids double counting project costs associated with subcontracting).
3. As of 2017, labor costs accounted for 23% of total construction costs across the United States and in states with prevailing wage laws (Manzo, Bruno, & Petrucci, 2023).

Table 9: Labor Costs as a Share of Total Construction Costs, by Prevailing Wage Status, 2017 Economic Census

2017 *Economic Census* Construction Metrics, by State Prevailing Wage Status		Math	United States Totals	States with Prevailing Wage
A	Net Value of Construction Work*	--	$1,574,236,474,000	$1,023,597,882,000
B	Blue-Collar Construction Worker Wages	--	$276,213,296,000	$184,710,589,000
C	Wages for White-Collar Employees	--	$122,602,241,000	$81,743,101,000
D	Blue-Collar Worker Share of Wages	B ÷ (B + C)	69.3%	69.3%
E	Total Fringe Benefits	--	$115,233,915,000	$78,835,817,000
F	Blue-Collar Worker Fringe Benefits	E x D	$79,809,176,000	$54,650,435,000
G	**Labor Costs as Share of Total Costs**	**(B + F) ÷ A**	**22.6%**	**23.4%**

Source(s): Analysis of the 2017 *Economic Census* from the U.S. Census Bureau (Census, 2022). *The "Net Value of Construction Work" is the total value of construction work less the cost of construction work subcontracted out to others.

Note: This method can be replicated for each state and each subsector within construction. For example, labor costs for highway, street, and bridge construction (NAICS code 2373) in Illinois were 23.2% in 2017 using the same methodology.

MISLEADING "WAGE DIFFERENTIAL" APPROACH PROMISES SAVINGS THAT CANNOT BE DELIVERED

➔ Core Messages:

- 82% of all peer-reviewed studies conducted since 2000 *that use actual project data* conclude that prevailing wage has no effect on total costs.
- The "wage differential" method is a flawed back-of-the-envelope approach that promises savings from the repeal of prevailing wage laws that cannot be, and have never been, delivered in reality.
- It ignores productivity, materials costs, and other changes that occur when wages go up or down.

Fact Sheet:

Many of the studies used by opponents of prevailing wage laws to predict large cost savings from weakening or repealing prevailing wages are based on the flawed "wage differential" approach. The "wage differential" method is a naive and outdated back-of-the-envelope approach that has been widely discredited by economists (Ormiston, Belman, & Hinkel, 2017).

The "wage differential" method includes the following steps:

1. Calculate the percentage difference between prevailing wage rates and alternative rates that would presumably be paid in the absence of the wage policy.
2. Calculate the percentage of labor costs as a share of total construction costs.
3. Multiply steps 1 and 2 together to suggest a percentage increase in costs due to prevailing wages.

Before modern statistics, some research utilized this method. A survey of this early research showed that these early studies provided a prevailing wage cost effect of 0%-3% (Bilginsoy & Philips, 2000). This low range contrasts considerably with more recent reports based on the "wage differential" method—none of which have been peer-reviewed—suggesting that prevailing wages increase costs by as much as 35% (Duncan, 2018).

The fatal flaw of the "wage differential" method is that it is incapable of including numerous other changes that take place when wages change in the construction industry (Duncan & Ormiston, 2019). For example, evidence indicates that materials costs, fuel costs, and retained earnings are all lower when construction worker wages and benefits are higher (Duncan & Lantsberg, 2015). Each of these changes occurs as contractors work to stabilize overall costs and remain competitive. The "wage differential" approach also does not account for the effect of prevailing wage laws on apprenticeship training, construction worker productivity, workplace safety, the retention of skilled and experienced workers, and other changes that are associated with better wages and higher-quality work (Philips, 2014). By ignoring these changes, studies utilizing the "wage differential" method are based on an incomplete understanding of the construction industry.

The exaggerated savings "predicted" by the "wage differential" approach have never occurred in reality. For instance, when the "wage differential" method was used to calculate the effect of prevailing wage on the cost of highway resurfacing in Colorado, it predicted a cost increase of 7%-17%. However, three studies that examine *actual* project data found consistent evidence that project costs are not related to prevailing wages—showing the inherent flaws in the assumptions made by the "wage differential" method (Duncan, 2018).

In total, 82% of all peer-reviewed studies based on actual project data (18 out of 22 studies) find that prevailing wage laws have no effect on total construction costs. Recently, "wage differential" advocates backtracked off of promises of cost savings in Michigan, which repealed and later reinstated its prevailing wage law (*Crain's Detroit Business*, 2018; *CBS Detroit*, 2023). That's because anyone claiming that prevailing wage repeal would result in significant construction cost savings either does not understand the construction industry, is bad at math, or expects people to work for free (Manzo, 2016).

STUDIES: Misleading "Wage Differential" Approach Promises Savings that Cannot Be Delivered

"The Economic Impact of Prevailing Wage Law Repeals on Construction Market Outcomes: Evidence from Repeals Between 2015 and 2018." Frank Manzo IV, Robert Bruno, & Larissa Petrucci. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. January 2023.
Key Finding: 85% of peer-reviewed academic studies find that prevailing wage laws have no effect on the cost of constructing traditional public works projects—schools, highways, and public buildings.

"What Does the Research Tell Us About Prevailing Wage Laws?" *Labor Studies Journal*, 44(2): 139-160. Kevin Duncan & Russell Ormiston. Colorado State University-Pueblo; Allegheny College. June 2019.
Key Finding: This paper is as a comprehensive literature review of the last 20 years of research on prevailing wage laws which finds that prevailing wage laws do not affect project costs, do promote worker safety and training, and do not have a discriminatory impact.

"The Impact of Repealing West Virginia's Prevailing Wage Law: Economic Effects on the Construction Industry and Fiscal Effects on School Construction Costs." Michael Kelsay & Frank Manzo IV. University of Missouri — Kansas City; Midwest Economic Policy Institute. May 2019.
Key Finding: This study includes a review of 28 studies on the impact of prevailing wage laws on school construction, including 20 that use regression analysis and 8 that use the "wage differential" approach. Despite claims that West Virginia could build "five new schools for the price of three" without prevailing wage, there was no statistical difference in inflation-adjusted school construction costs after repeal, based on an analysis of 107 projects.

"The Wage Differential Method: Promising Construction Costs Savings with the Repeal or Weakening of Prevailing Wage Laws that Cannot be Delivered." Kevin Duncan. *Labor Studies Journal*. Colorado State University-Pueblo. January 2018.
Key Finding: This study provides a step-by-step illustration of the "wage differential method" through an examination of Davis-Bacon prevailing wage requirements and the cost of highway resurfacing in Colorado. While the wage differential approach would indicate that prevailing wages add 7%-17% to project costs, three studies that examine *actual* project data find consistent evidence that project costs are not related to prevailing wages—showing the inherent flaws in the assumptions made by the wage differential method. The analysis also includes a critical review of wage differential studies.

"New York's Prevailing Wage Law: A Cost-Benefit Analysis." Russell Ormiston, Dale Belman, & Matthew Hinkel. Economic Policy Institute; Allegheny College; Michigan State University. November 2017.
Key Finding: This study critiques the "wage differential" methodology used in studies that attack prevailing wage, such as by New York's Empire Center.

"Prevailing Wage Repeal Cannot Result in '44 Percent Savings': Evidence from Southwestern Wisconsin." Frank Manzo IV. Midwest Economic Policy Institute. October 2016.
Key Finding: Anyone claiming that prevailing wage repeal would result in significant construction cost savings (20% or more) either does not understand the construction industry, is bad at math, or expects people to work for free.

"How Weakening Wisconsin's Prevailing Wage Policy Would Affect Public Construction Costs and Economic Activity." Kevin Duncan & Alex Lantsberg. Colorado State University-Pueblo; Smart Cities Prevail. May 2015.
Key Finding: Prevailing wage repeal in Wisconsin would eliminate 2,660 jobs, $1.2 billion in economic output, and $39 million in local and state tax revenue, and would export $468 million in construction investments out of state every year.

"Kentucky's Prevailing Wage Law: An Economic Impact Analysis." Peter Philips. University of Utah. January 2014.
Key Finding: Construction workers in states with prevailing wage laws are more productive—21% more productive in water, sewer, and related construction; 31% more productive in highway, street, and bridge construction; and 33% more productive in other heavy and civil engineering work.

"Mr. Rosaen's Magical Thinking: A Short Evaluation of Alex Rosaen's 2013 Prevailing Wage Methodology." Peter Philips. University of Utah. November 2013.
Key Finding: This paper critically reviews Alex L. Rosaen's *The Impact of Michigan's Prevailing Wage Law on Education Construction Expenditures*, commissioned by the Associated Builders and Contractors of Michigan, which was based on the outdated "wage differential" method.

PREVAILING WAGE ENSURES BETTER QUALITY SCHOOLS BUILT SAFELY AT NO ADDITIONAL COST

➔ **Core Messages:**

- 85% of peer-reviewed studies conducted since 2000 conclude that prevailing wage laws have no effect on school construction costs.
- Studies have repeatedly shown that repeal is not associated with lower school construction costs.
- Prevailing wage means better quality and safer schools built by contractors from the local community.

Fact Sheet:

Prevailing wage opponents have made cynical use of tight school district budgets as a way to attack construction worker wages. To gain attention for their efforts, lobbyists have argued that prevailing wage laws reduce the number of schools built in a district. This is done using misleading back-of-the-envelope math to estimate unrealistic savings from eliminating the wage floor for skilled construction.

Public school construction has been a key focus of economic researchers in analyzing the effect of prevailing wage standards. Public school construction is more homogenous than other types of public works projects, which makes it easier to isolate the potential cost impact of prevailing wage. Since 2000, there have been 13 peer-reviewed studies on the relationship between prevailing wage and school construction costs. In total, 11 of the studies (85%) conclude that prevailing wage has no effect on school construction costs. One study of 4,000 schools built across the United States did not find any statistically significant cost difference between schools built in states with prevailing wage laws and those constructed in states without prevailing wage laws (Azari-Rad, Philips, & Prus, 2003). In addition, another researcher examined more than 8,000 bids on 1,496 school projects in Ohio and found that no statistically significant difference in the bid costs per square foot of contractors that pay prevailing wages and contractors that do not (Atalah, 2013).

Recent studies that have analyzed actual project bids have found that prevailing wage laws have no discernible impact on public school construction costs. A 2020 analysis of more than 100 school construction projects in Ohio and found that prevailing wage standards do not have a statistically significant effect on building costs (Onsarigo, Duncan & Atalah, 2020). Another 2020 study of about 80 school construction projects in the Las Vegas area found that Nevada's prevailing wage law had no statistically significant effect on school construction costs (Duncan & Waddoups, 2020). Similarly, a 2018 evaluation of 640 bids on school construction projects Minnesota found that winning bids based on the payment of prevailing wages were no more costly than bids that do not require prevailing wages. However, the local contractor share of the market increased by 10% when prevailing wage standards were applied (Manzo & Duncan, 2018a). Finally, after Kansas Governor Sam Brownback signed a bill into law that prohibited cities and counties from ensuring that contractors paid prevailing wages, school construction projects became $67 *more expensive* in two counties where local prevailing wage policies were invalidated (Kelsay, 2016).

The bottom line is that communities get better quality schools at no additional cost to taxpayers when prevailing wage standards are in effect. Prevailing wage laws boost construction worker earnings, promote apprenticeship training, reduce safety risks, and increase the chances that local contractors win bids to build public schools in their own communities. The result is public schools that are built safely and efficiently.

STUDIES: Prevailing Wage Ensures Better Quality Schools Built Safely at No Additional Cost

"The Effect of Prevailing Wages on Building Costs, Bid Competition, and Bidder Behavior: Evidence from Ohio School Construction." Lameck Onsarigo, Kevin Duncan, & Alan Atalah. *Construction Management and Economics*, 1-17. Kent State University; Colorado State University-Pueblo; Bowling Green State University. February 2020.
Key Finding: An analysis of 669 bids on 113 school construction projects in Ohio found that prevailing wage standards do not affect building costs or the level of bid competition. In fact, the cost-reducing effect of increased competition is stronger on projects covered by prevailing wage.

"Unintended Consequences of Nevada's Ninety-Percent Prevailing Wage Rule." Kevin Duncan & Jeffrey Waddoups. *Labor Studies Journal*, 1-20. Colorado State University-Pueblo; University of Nevada, Las Vegas. June 2020.
Key Finding: An analysis of 81 school construction projects in the Las Vegas area revealed that Nevada's attempt to weaken prevailing wage by reducing prevailing wage rates on education-related construction to 90% of the applicable rate for state-funded construction contributed to decreased bid competition and increased construction costs. Union contractors in particular submitted fewer bids as they pursued other opportunities.

"What Does the Research Tell Us About Prevailing Wage Laws?" *Labor Studies Journal*, 44(2): 139-160. Kevin Duncan & Russell Ormiston. Colorado State University-Pueblo; Allegheny College. June 2019.
Key Finding: This paper is as a comprehensive literature review of the last 20 years of research on prevailing wage laws which finds that prevailing wage laws do not affect project costs, do promote worker safety and training, and do not have a discriminatory impact.

"The Impact of Repealing West Virginia's Prevailing Wage Law: Economic Effects on the Construction Industry and Fiscal Effects on School Construction Costs." Michael Kelsay & Frank Manzo IV. University of Missouri — Kansas City; Midwest Economic Policy Institute. May 2019.
Key Finding: After West Virginia repealed its prevailing wage law in May 2016, inflation-adjusted construction wages fell 1%-8%, active apprentices fell by 28%, the on-the-job injury rate increased by 26%, and there were no savings for taxpayers based on an analysis of 107 school construction projects.

"An Examination of Minnesota's Prevailing Wage Law: Effects on Costs, Training, and Economic Development." Frank Manzo IV & Kevin Duncan. Midwest Economic Policy Institute; Colorado State University-Pueblo. July 2018.
Key Finding: Based on an analysis of 640 bids on school construction projects in the Minneapolis-St. Paul area, winning bids based on the payment of prevailing wages were no more costly than bids that did not require prevailing wages.

"The Effects of Repealing Common Construction Wage in Indiana: Impacts on Ten Construction Market Outcomes." Frank Manzo IV & Kevin Duncan. Midwest Economic Policy Institute; Colorado State University-Pueblo. January 2018.
Key Finding: An analysis of 335 school construction projects in northern Indiana found that repeal had no impact on the average cost per project.

"An Economic Analysis of the Impact of Kansas Repeal of Prevailing Wage Statutes in Sedgwick County, Kansas and Wyandotte County, Kansas." Michael Kelsay. University of Missouri—Kansas City. December 2016.
Key Finding: In April 2013, Governor Sam Brownback signed a bill into law that prohibited cities and counties from requiring contractors to pay prevailing wages on public projects, invalidating local prevailing wage policies in Sedgwick County and Wyandotte County. Mean square costs per foot were $67 cheaper before repeal for school construction. Repeal did not result in any cost savings.

"Prevailing Wage Regulations and School Construction Costs: Cumulative Evidence from British Columbia." Kevin Duncan, Peter Philips, & Mark Prus. *Industrial Relations*, 53(4). Colorado State University-Pueblo; University of Utah; State University of New York, Cortland. September 2014.
Key Finding: This study measures the effect of a prevailing wage law on by comparing the public vs. private construction cost differential for schools built before and after British Columbia's Skills Development and Fair Wage Policy. The policy did not contribute to increased costs.

"A Comparison of Public School Construction Costs: In Three Midwestern States that Have Changed Their Prevailing Wage Laws in the 1990s." Peter Philips. University of Utah. February 2001.
Key Finding: This study of public school construction costs in Kentucky, Ohio, and Michigan from 1991-2000 found that prevailing wage has no significant impact on school construction costs.

REPEAL OF PREVAILING WAGE HAS HAD NEGATIVE CONSEQUENCES FOR STATES

➔ Core Messages:

- Construction worker earnings fall after prevailing wage laws are repealed.
- Repeal of prevailing wage reduces apprenticeship training and leads to more injuries in construction.
- Repeal of prevailing wage produces negative consequences for the construction industry while failing to deliver any meaningful cost savings or increased bid competition promised by those in favor of repeal.

Fact Sheet:

Despite the academic consensus which shows that prevailing wage laws lead to enhanced productivity, higher wages for construction workers, and more work for in-state contractors while having no impact on project costs, lawmakers repealed prevailing wage laws in six states during the 2010s: Indiana (2015), West Virginia (2016), Wisconsin (2017), Kentucky (2017), Arkansas (2017), and Michigan (2018). Research reveals that these repeals were driven by political ideology, not by any credible economic justification (Hwang, 2019).

These repeals have had negative impacts on workers and on the construction industry. In Indiana, repeal decreased the wages of construction workers by more than 8% and reduced construction worker productivity. Bid competition was unchanged, resulting in no statistical impact on the average cost to build public schools (Manzo & Duncan, 2018). In West Virginia, wages fell by 1%-8% for construction trades workers, the number of apprentices fell by 28%, and the construction worker injury rate increased by 26% (Kelsay & Manzo, 2019). In Wisconsin, repeal decreased construction worker earnings by 6%, there was a 60% influx in Wisconsin Department of Transportation projects awarded to out-of-state contractors, and repeal had no impact on the average cost per mile of resurfacing roads (Manzo et al., 2020). A 2022 peer-reviewed study used 2,155 highway projects built in Kentucky between 2014 and 2020 and found that repeal had no impact on construction costs (Duncan, Gigstad, & Manzo, 2022). Finally, an analysis of the states that repealed prevailing wage laws between 2015 and 2018 revealed that repeal reduced construction worker earnings by 4%-13% and benefits by 7%-10%, increased food stamp reliance by 2%, produced a 14% higher on-the-job fatality rate, and led to a 2% drop in the market share of in-state contractors (Manzo, Bruno, & Petrucci, 2023).

Weakening prevailing wage also has consequences. After lawmakers in Nevada weakened their policy by setting prevailing wage rates on school construction projects at 90% of the regular rate in 2015, bid competition on these projects fell by 25%, with union contractors in particular submitting fewer bids as they pursued other opportunities (Duncan & Waddoups, 2020). Similarly, Kansas prohibited cities and counties from enacting prevailing wage standards in April 2013, effectively repealing two local ordinances. Following this state-mandated prohibition, school construction projects became more expensive, increasing by $67 per square foot. Once again, repeal did not result in any cost savings (Kelsay, 2016).

These outcomes could have been avoided if lawmakers had learned lessons from prevailing wage repeals in nine states between 1979 and 1988. In these states, repeal decreased blue-collar construction worker incomes by up to 4% and voluntary fringe benefits by as much as 16% (Fenn et al., 2018). These states also experienced a 13% increase in construction injury rates and a 40% decrease in training (Li et al., 2019; Philips et al., 1995). Moreover, people of color "became significantly under-represented in construction apprenticeship programs," falling from 19% of all registered apprentices pre-repeal to just 13% post-repeal (Philips et al., 1995).

Repeal of prevailing wage laws has negative consequences for construction workers, contractors, and communities. Construction worker wages and benefits fall, apprenticeship training and productivity decline, reliance on government assistance programs worsen, and out-of-state contractors enter the market and win bids on public projects. Above all, repeal fails to reduce public construction costs or save taxpayers any money.

STUDIES: Repeal of Prevailing Wage Laws Has Had Negative Consequences for States

"The Economic Impact of Prevailing Wage Law Repeals on Construction Market Outcomes: Evidence from Repeals Between 2015 and 2018." Frank Manzo IV, Robert Bruno, & Larissa Petrucci. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. January 2023.
Key Finding: Using 2012-2017 *Economic Census* data and 2014-2019 *American Community Survey* data, this report finds that states that repealed prevailing wage laws experienced 4%-13% slower construction worker earnings growth, 7%-10% slower benefits growth, a 2% drop in health insurance coverage, a 2% increase in food stamp reliance, slower construction employment and productivity growth, a 14% higher on-the-job fatality rate, no change in the racial and ethnic diversity of the workforce, and a 1%-2% drop in the market share of in-state contractors.

"Prevailing Wage Repeal, Highway Construction Costs, and Bid Competition in Kentucky: A Difference-in-Differences and Fixed Effects Analysis." Kevin Duncan, Jill Gigstad, & Frank Manzo IV. *Public Works Management & Policy*. Colorado State University-Pueblo; Midwest Economic Policy Institute. June 2022.
Key Finding: An analysis of 2,155 highway projects and 3,480 total bids finds no statistically significant differences in bid costs and bid competition between federal projects and state projects before and after repeal of prevailing wage in Kentucky.

"The Effects of Repealing Prevailing Wage in Wisconsin: Impacts on Ten Construction Market Outcomes." Frank Manzo IV, Kevin Duncan, Jill Gigstad, & Nathaniel Goodell. Midwest Economic Policy Institute; Colorado State University-Pueblo. October 2020.
Key Finding: This report looks at 10 economic outcomes to examine the effects of Wisconsin repealing prevailing wage in 2017. Notable findings include: 1) repeal decreased the incomes of construction workers by 6%, 2) average construction industry CEO pay increased by 54%, 3) road construction projects had 16% fewer bidders, and 4) there was a 60% increase in state highway projects being awarded to out-of-state contractors.

"Unintended Consequences of Nevada's Ninety-Percent Prevailing Wage Rule." Kevin Duncan & Jeffrey Waddoups. *Labor Studies Journal*. Colorado State University-Pueblo; University of Nevada, Las Vegas. June 2020.
Key Finding: An analysis of 81 school construction projects in the Las Vegas area revealed that Nevada's attempt to weaken prevailing wage by reducing prevailing wage rates on education-related construction to 90% of the applicable rate for state-funded construction contributed to decreased bid competition and increased construction costs. Union contractors in particular submitted fewer bids as they pursued other opportunities.

"The Impact of Repealing West Virginia's Prevailing Wage Law: Economic Effects on the Construction Industry and Fiscal Effects on School Construction Costs." Michael Kelsay & Frank Manzo IV. University of Missouri — Kansas City; Midwest Economic Policy Institute. May 2019.
Key Finding: After West Virginia repealed its prevailing wage law in May 2016, inflation-adjusted construction wages fell 1%-8%, active apprentices fell by 28%, the on-the-job injury rate increased by 26%, and there were no savings for taxpayers based on an analysis of 107 school construction projects.

"The Effect of Prevailing Wage Law Repeals and Enactments on Injuries and Disabilities in the Construction Industry." Zhi Li, Chimedlkham Zorigtbaatar, Gabriel Pleités, Ari Fenn, & Peter Philips. *Public Works Management & Policy*, 1-17. University of Utah. October 2019.
Key Finding: Prevailing wage law repeals have been shown to lower wages and benefits—including benefits providing safety training and associated with worker retention. Controlling for other factors, repealing state prevailing wage laws increase construction injury rates from 11.6% to 13.1%.

"The Effect of Prevailing Wage Repeals on Construction Income and Benefits." Ari Fenn, Zhi Li, Gabriel Pleites, Chimedlkham Zorigtbaatar, & Peter Philips. *Public Works Management and Policy*, 1-17. University of Utah. February 2018.
Key Finding: Using data from the *Economic Census* from 1972 to 2012, the authors find that average annual construction worker income fell by 2%-4%, legally-required benefits fell by 4%-10%, and voluntary benefits (primarily health insurance, pension contributions, and apprenticeship training) fell by 11%-16% in states that repealed prevailing wage laws.

"Losing Ground: Lessons from the Repeal of Nine 'Little Davis-Bacon' Acts." Peter Philips, Garth Mangum, Norm Waitzman, & Anne Yeagle. University of Utah. February 1995.
Key Finding: A major study of nine states—Alabama, Arizona, Colorado, Florida, Idaho, Kansas, Louisiana, New Hampshire, and Utah—that repealed prevailing wages finds that repeal had negative impacts on state budgets. Construction earnings and sales tax revenues decreased, while cost overruns on road construction increased. Training was reduced by 40%, minority representation was reduced in training programs, and injuries increased by 15%.

THE BIPARTISAN DAVIS-BACON ACT DELIVERS A STRONGER ECONOMY FOR AMERICA

➔ **Core Messages**:

- The Davis-Bacon Act levels the playing field for contractors and increases the hiring of local workers.
- The Davis-Bacon Act improves safety by boosting investment in apprenticeship training.
- In instances when the Davis-Bacon Act has been suspended, local workers have been displaced by migratory lower-wage, lower-skill workers.
- Research has found that the Davis-Bacon Act has no impact on federal construction costs.

Fact Sheet:

The historically bipartisan Davis-Bacon Act creates a level playing field for all federal contractors by ensuring that public expenditures maintain and reflect local area standards of compensation and craftmanship. The main purpose of the Davis-Bacon Act is to support middle-class American families by protecting market-based local wages in the competitive public bidding process.

Federal construction bidding is not like the private sector. Government procurement agencies are typically required to select the lowest bidder. In the low-bid model used on federally-funded construction projects, contractors aim to lower their bid however possible, including by lowering wages and by reducing funding for apprenticeship training. The Davis-Bacon Act levels the playing field, allowing local contractors and local workers a fair shot at these public projects and incentivizing competition based on core competencies in construction.

Research consistently shows that the Davis-Bacon Act increases hiring of local contractors and local workers (Duncan, Philips, & Manzo, 2017). The Davis-Bacon Act is associated with an 8% increase in projects being awarded to in-state contractors (Manzo, 2021). This keeps more tax dollars, more income, and more spending in the local community and creates jobs across all sectors of the economy. The Davis-Bacon also produces higher standards of safety and productivity. The federal Davis-Bacon Act, researchers estimate, is responsible for preventing 76,000 workplace injuries in construction annually (Philips et al., 1995). Additionally, military veterans who return home to become construction workers are also a positively impacted by the Davis-Bacon Act and similar policies, which boost their earnings by 7%-11% (Manzo, Bruno, & Duncan, 2016).

Most peer-reviewed studies conclude that prevailing wage has no significant impact on total project costs (Duncan & Ormiston, 2019). In particular, research has recently focused on the effect of Davis-Bacon prevailing wage standards on the cost of highway projects in Colorado, Kentucky, and Iowa—comparing projects funded by the federal government, which include the payment of Davis-Bacon prevailing wages, to projects financed by the state, which are not covered in these states. All four studies find no significant impact on project costs or bid competition (Duncan, Gigstad, & Manzo, 2022; Manzo, 2021; Duncan, 2015; Duncan, 2011).

Bipartisan support for the Davis-Bacon Act has continued for over 90 years. From 1931 to the present, the inclusion of the Davis-Bacon Act in trillions of dollars of federally-supported infrastructure projects has been central to the modern American procurement system. The Davis-Bacon Act applies prevailing wage standards to direct federal infrastructure construction, boosting productivity and apprenticeship training for skilled workers who are necessary to build the infrastructure needed for a growing, technologically sophisticated, and competitive national economy. As a result, the U.S. Congress—including 58 Republican members of the House of Representatives—voted overwhelmingly in support of the federal Davis-Bacon Act as recently as 2017 (NABTU, 2018).

STUDIES: The Bipartisan Davis-Bacon Act Delivers a Stronger Economy for America

"The Effect of 'Federal-Aid' Swap Programs and Davis-Bacon Prevailing Wages on Highway Construction Costs and Contractor Composition: Evidence from Iowa." Frank Manzo IV. *Labor Studies Journal*, 47(1): 75–98. Illinois Economic Policy Institute. November 2021.
Key Finding: The payment of Davis-Bacon prevailing wages is statistically associated with an 8% decrease in the chances that a highway project is awarded to an out-of-state contractor. Davis-Bacon prevailing wages and DBE goals have no effect on total construction costs.

"What Does the Research Tell Us About Prevailing Wage Laws?" *Labor Studies Journal*, 44(2): 139-160. Kevin Duncan & Russell Ormiston. Colorado State University-Pueblo; Allegheny College. June 2019.
Key Finding: This paper is as a comprehensive literature review of the last 20 years of research on prevailing wage laws which finds that prevailing wage laws do not affect project costs, do promote worker safety and training, and do not have a discriminatory impact.

"US House Again Overwhelmingly Defeats Anti-Davis-Bacon Amendment." North American Building Trades Unions (NABTU). July 2017.
Key Finding: The U.S. House of Representatives voted to reject an amendment from Rep. Steve King (R-IA) that sought to repeal the Davis-Bacon Act. The vote failed 178-249, with 58 Republican members of the House voting in favor of protecting the Davis-Bacon Act.

"The Impact of Prevailing Wage Laws on Military Veterans: An Economic and Labor Market Analysis." Frank Manzo IV, Robert Bruno, & Kevin Duncan. VoteVets.org; Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign; Colorado State University-Pueblo. May 2016.
Key Finding: Prevailing wage laws increase veteran income by 7%-11%, improve employer-provided health coverage for veterans working in construction by 11%-15%, and reduce veteran poverty.

"Building America with Prevailing Wage: The Davis-Bacon Act Delivers Good Middle-Class Jobs, a Stronger Economy, and the Best Value for U.S. Taxpayers." Kevin Duncan, Peter Philips, & Frank Manzo IV. Colorado State University-Pueblo; University of Utah; Illinois Economic Policy Institute. April 2017.
Key Finding: This paper reviews the research on the Davis-Bacon Act and finds that it is transparent, reliable, and reflects market standards.

"Do Federal Davis-Bacon and Disadvantaged Business Enterprise Regulations Affect Aggressive Bidding? Evidence from Highway Resurfacing Procurement Auctions." Kevin Duncan. *Journal of Public Procurement*, 15(3): 291-316. Colorado State University-Pueblo. Fall 2015.
Key Finding: Data from 91 federal and state highway resurfacing projects in Colorado indicate that contractors do not bid more aggressively when they switch from federal projects that require Davis-Bacon prevailing wage standards to state projects that are not covered by the policy.

"An Analysis of Davis-Bacon Prevailing Wage Requirements: Evidence from Highway Resurfacing Projects in Colorado." Kevin Duncan. Colorado State University-Pueblo. June 2011.
Key Finding: Examining the cost of 51 projects in Colorado from 2005-2010 and 122 projects from 2000-2010 reveals no statistically significant cost difference between projects that do and do not include Davis-Bacon prevailing wages. The number of bidders is also not statistically affected.

"The Davis-Bacon Act: Institutional Evolution and Public Policy." William Whittaker. Congressional Research Service. November 2007.
Key Finding: During the Eisenhower Administration, strong bipartisan support resulted in the extension of the Davis-Bacon Act to the construction of the Interstate Highway System. Many Republican members at that time sought to protect contractors and workers.

"Davis-Bacon Suspension and Its Legislative Aftermath." William Whittaker. Congressional Research Service. November 2005.
Key Finding: In late August 2005, following the devastation of Hurricane Katrina, President George W. Bush suspended the Davis-Bacon Act for Gulf Coast areas. Reports documented displacement of local workers by migratory low-wage, low-skill workers. The President later reversed the suspension.

"Losing Ground: Lessons from the Repeal of Nine 'Little Davis-Bacon' Acts." Peter Philips, Garth Mangum, Norm Waitzman, & Anne Yeagle. University of Utah. February 1995.
Key Finding: If the federal Davis-Bacon Act was repealed, there would be 76,000 additional workplace injuries in construction annually.

DAVIS-BACON PREVAILING WAGE SURVEYS ARE TRANSPARENT AND ACCURATE

➔ **Core Messages**:

- Davis-Bacon wages are transparent, local market wages paid by private contractors.
- By including wages, benefits, and apprenticeship training contributions by job classification *where the work is performed*, Davis-Bacon wage surveys level the playing field for local contractors.
- BLS data is not suitable for determining public construction wage rates.

Fact Sheet:

The Davis-Bacon Act is administered by the United States Department of Labor through the Wage and Hour Division (WHD). The WHD conducts voluntary surveys of the actual compensation paid by private contractors to construction workers on public projects, by job classification. The survey process results in rates that are based on local market wages paid to construction workers in 3,000 counties and localities across the nation.

The Wage and Hour Division communicates with industry stakeholders in each area when conducting a survey, including contractors, trade associations, public agencies, trade unions, and citizen groups. The underlying data for wage determinations are available to the public and survey results can be challenged for reliability or correctness in established procedures. As a result, Davis-Bacon surveys produce wage rates that are transparent and valid (Jordan et al., 2006). In 2023, the U.S. Department of Labor updated its administrative practices to make Davis-Bacon surveys more applicable, timely, and reflective of local market standards, and ensure better compliance with the law (WHD, 2023).

Nevertheless, some have argued that the system should be replaced with data from the *Occupational Employment and Wage Statistics* (OEWS) produced by the Bureau of Labor Statistics (BLS). This proposed change is based on the false assumption that BLS data is a better indicator of local construction market rates than prevailing wage surveys. However, a Commissioner of the Bureau of Labor Statistics (Groshen, 2013) has definitively concluded that the:

> *"BLS has no role in establishing prevailing wages or determining what data are appropriate for that purpose. … Because the BLS data are used for so many purposes, we generally don't design them for particular applications, such as the Davis-Bacon wage determinations."*

Switching to BLS wages would erode the *actual* wage paid to construction workers (Duncan, Philips, & Manzo, 2017; Philips & Duncan, 2015; Eisenbrey & Belman, 2011). BLS data suffer from the following defects:

- **BLS wage rates exclude fringe benefits**. BLS data include no information on training contributions, health insurance payments, or pension payments.
- **The BLS over-represents residential construction**. Nearly half of the BLS wage information comes from residential construction, which is a low-skill, low-wage, low-benefits sector of construction.
- **The BLS does not distinguish between journeyworkers and apprentices**. A beginning apprentice typically earns 50% of the journeyworker rate. Relying on BLS would cut wages for skilled workers.
- **The BLS does not report data by local counties and does not survey actual construction sites**. The BLS attributes all of a contractor's work to the contractor's business address, not the worksite.
- **BLS data is often based on small sample sizes**. Certified payroll records are better indicators of actual wages and benefits paid to blue-collar construction workers.

By distorting wage rates below actual local standards, the use of BLS data would produce less local hiring and fewer local construction jobs. BLS data is not suitable for determining public construction wage rates.

STUDIES: Davis-Bacon Prevailing Wage Surveys are Transparent and Accurate

"A New Bill to Use BLS Data for Davis-Bacon Prevailing Wage Would Be a Pay Cut for Middle-Class Construction Workers." Frank Manzo IV. Illinois Economic Policy Institute. June 2017.
Key Finding: BLS wage data is not suitable for public construction and would lower wages for construction workers, resulting in a failure to meet the goal of the Davis-Bacon Act to sustain local market standards.

"Building America with Prevailing Wage: The Davis-Bacon Act Delivers Good Middle-Class Jobs, a Stronger Economy, and the Best Value for U.S. Taxpayers." Kevin Duncan, Peter Philips, & Frank Manzo IV. Colorado State University-Pueblo; University of Utah; Illinois Economic Policy Institute. April 2017.
Key Finding: This paper reviews the research on the Davis-Bacon Act and finds that it is transparent, reliable, and reflects market standards.

"Prevailing Wages and the Free Market." Peter Philips. University of Utah. April 2015.
Key Finding: "The government has a special minimum wage by craft and location in its procurement policy in order to stay as neutral as possible in affecting local construction wages. … [A]bsent prevailing wage regulations, public works procurement has a natural tendency to undercut local free market wages, benefits, and training."

"Problems with using *Occupational Employment Statistics* in the Determination of Prevailing Wage Rates." Peter Philips & Kevin Duncan. University of Utah; Colorado State University-Pueblo. March 2015.
Key Finding: There are three basic problems with using the OES for prevailing wage determinations: (1) it includes residential construction; (2) it excludes benefits; and (3) it uses data that are up to three years old. In addition, it does not collect information on hours or overtime. It cannot report data by county, and it attributes all of a contractor's work to the contractor's business address regardless of where the actual construction worksite is.

"Statement of Erica L. Groshen, Commissioner, Bureau of Labor Statistics, U.S. Department of Labor before the Subcommittee on Workforce Protections, Committee on Education and the Workforce." Erica Groshen. Bureau of Labor Statistics. June 2013. Also available here.
Key Finding: BLS has no role in establishing prevailing wages or determining what data are appropriate for the purpose of prevailing wage determinations.

"Supplemental Testimony, The Department of Labor's Implementation of the Davis-Bacon Act." Dale Belman & Ross Eisenbrey. Economic Policy Institute; Michigan State University. May 2011.
Key Finding: After correcting for Sherk's (Heritage Foundation) many errors, it becomes evident that Davis-Bacon rates are not remarkably different from the OES rates.

"An Evaluation of Prevailing Wage in Minnesota: Implementation, Comparability and Outcomes." Lisa Jordan, Robert Bruno, Phil Schrader, & Tony Sindone. Brevard College; University of Illinois at Urbana-Champaign; University of Minnesota; Indiana University—South Bend. October 2006.
Key Finding: The survey method to gather data for determining prevailing wage rates is both valid and reliable.

TABLES

This section provides easily digestible tables that compare state prevailing wage laws.

Comparison of Prevailing Wage Thresholds and Coverage

➔ **Key Findings**:

1. Including jurisdictions with no threshold ($0), the average contract threshold for new construction in the 29 states with prevailing wage plus the District of Columbia—which is subject to the federal Davis-Bacon Act—is $115,479.
2. 10 states and the District of Columbia have thresholds of $2,000 or less (35%), including the reintroduced prevailing wage law in Michigan.
3. 10 states and have thresholds of $100,000 or more (35%), including recent laws in Colorado ($500,000) and Virginia ($250,000).

Table 10: Comparison of Prevailing Wage Laws, Contract Threshold and Occupational Coverage, as of 2024

State	Threshold	Synopsis of Covered Workers
Alaska	$25,000	Public construction or public works means the on-site field surveying, erection, rehabilitation, alteration, extension or repair, including painting or redecorating of building, highway or other improvements to real property under contract for the state, a political subdivision of the state or a regional school board
California	$1,000; $25,000 for some new construction work; $15,000 for some alteration, demolition, repair, etc.	Not less than the general prevailing rate of per diem wages for work for a similar character in the locality in which the public work is performed, and not less than the general prevailing rate of per diem wages for holiday and overtime work fixed shall be paid to all workers employed on public works, including maintenance work
Colorado	$500,000	Applies to any construction, alteration, repair, demolition, or improvement of any land, building, structure, facility, road, highway, bridge, or other public improvement suitable for and intended for use in the promotion of public health, welfare, or safety and any operation or maintenance programs for the operation and upkeep of such projects. Any contractor who is awarded a contract for a public project by an agency of government in the amount of five hundred thousand dollars or more, and any subcontractors working on the public project, shall pay their employees at weekly intervals at least the prevailing wage rate.
Connecticut	$1,000,000 for new construction; $100,000 for remodeling	Applies to each contract for the construction, remodeling, refinishing, refurbishing, rehabilitation, alteration or repair of any public works project by the State or political subdivision performed by any mechanic, laborer, or workman
Delaware	$500,000 for new; $45,000 for alteration, repair, renovation, demolition, etc.	Prevailing wage law applies to State or any subdivision that is a party to a PW contract and for which the State appropriated any part of the funds and which requires or involves the employment of mechanics and/or laborers; applies to every contract or aggregate of contracts
District of Columbia	$2,000	The Davis-Bacon Act applies. The advertised specifications for every contract in excess of $2,000, to which the Federal Government or the District of Columbia is a party, for construction, alteration, or repair, including painting and decorating, of public buildings and public works of the Government or the District of Columbia that are located in a State or the District of Columbia and which requires or involves the employment of mechanics or laborers shall contain a provision stating the minimum wages to be paid various classes of laborers and mechanics

Hawaii	$2,000	Prevailing rate of per diem wages for holiday and overtime work fixed; includes alteration, repair, painting, and decorating
Illinois	None	All fixed works constructed or demolished by any public body, or paid for wholly or in part out of public funds; applies to wages of laborers, mechanics and other workers on public works. The prevailing rate of wages paid to individuals covered under this Act shall not be less than the rate that prevails for work of a similar character on public works in the locality in which the work is performed under collective bargaining agreements or understandings between employers or employer associations and bona fide labor organizations relating to each craft or type of worker or mechanic needed to execute the contract or perform such work, and collective bargaining agreements or understandings successor thereto, provided that said employers or members of said employer associations employ at least 30% of the laborers, workers, or mechanics in the same trade or occupation in the locality where the work is being performed Under the 2021 Climate and Equitable Jobs Act (CEJA), all wind and solar developments, excluding residential and houses of worship under 100 kilowatts, pay prevailing wages. All electric vehicle charging stations also pay prevailing wages =
Maine	$50,000	Applies to any construction, reconstruction, demolition, improvement, enlargement, painting, decorating or repair of any public works let to contract
Maryland	$250,000	Threshold applies, provided that the contracting body is a state government unit or an instrumentality of the state and there is state funding for the project or the contracting public body is a political subdivision, agency, person, or entity (e.g., county) and the state funds 50% or more of the project (except for school construction, which must be 25% or more state-funded). Applies to a laborer or mechanic performing building, reconstructing, improving, enlarging, painting and decorating, altering, maintaining and repairing a public work. "Public work" means a structure or work, including a bridge, building, ditch, road, alley, waterwork, or sewage disposal plant, that: (i) is constructed for public use or benefit; or (ii) is paid for wholly or partly by public money
Massachusetts	None	Applies to public buildings and public works including additions to and alterations of public works, the installation of resilient flooring in, and the painting of, public building and works, certain work done preliminary to the construction of public works, namely, soil explorations, test borings and demolition of structures incidental to site clearance and right of way clearance, and the demolition of any building or other structure ordered by a public authority for preservation of public health/safety; applies to mechanics and apprentices, teamsters, and laborers
Michigan	None	"Every contract executed between a contracting agent and a successful bidder as contractor and entered into pursuant to advertisement and invitation to bid for a state project which requires or involves the employment of construction mechanics, other than those subject to the jurisdiction of the state civil service commission, and which is sponsored or financed in whole or in part by the state shall contain an express term that the rates of wages and fringe benefits to be paid to each class of mechanics by the bidder and all of its subcontractors, shall be not less than the wage and fringe benefit rates prevailing in the locality in which the work is to be performed." Applies to subcontractors.
Minnesota	$25,000 where more than one trade is	Applies to public buildings and public works including additions to and alterations of public works, the installation of resilient flooring in, and the painting of, public

	involved; $2,500 where a single trade is involved	building and works, certain work done preliminary to the construction of public works, namely, soil explorations, test borings and demolition of structures incidental to site clearance and right of way clearance, and the demolition of any building or other structure ordered by a public authority for preservation of public health/safety; applies to mechanics and apprentices, teamsters, and laborers
Missouri	$75,000	Applies to public buildings and public works including additions to and alterations of public works, the installation of resilient flooring in, and the painting of, public building and works, certain work done preliminary to the construction of public works, namely, soil explorations, test borings and demolition of structures incidental to site clearance and right of way clearance, and the demolition of any building or other structure ordered by a public authority for preservation of public health/safety; applies to mechanics and apprentices, teamsters, and laborers
Montana	$25,000	Applies to public buildings and public works including additions to and alterations of public works, the installation of resilient flooring in, and the painting of, public building and works, certain work done preliminary to the construction of public works, namely, soil explorations, test borings and demolition of structures incidental to site clearance and right of way clearance, and the demolition of any building or other structure ordered by a public authority for preservation of public health/safety; applies to mechanics and apprentices, teamsters, and laborers
Nebraska	None	All governing authorities of the State of Nebraska, and governmental subdivisions thereof, and every person acting as purchasing agent for the State of Nebraska, or any governmental subdivision thereof, shall, in awarding contracts for public works, require all contractors bidding on public works to file with such authority a statement that he is complying with, and will continue to comply with, "fair labor standards" — defined as a scale of wages and conditions of employment as are paid and maintained by at least fifty percent of the contractors in the same business or field of endeavor as the contractor filing such statement
Nevada	$100,000 for both new and redevelopment projects	Any skilled mechanic, skilled worker, semiskilled mechanic, semiskilled worker or unskilled worker in the service of a contractor performing new construction, repair or reconstruction of a project financed in whole or in part from public money
New Jersey	$2,000; $16,263; $50,000 - aggregate cost for maintenance/repair	Laborer, mechanic, skilled or semi-skilled, laborer and apprentices or helpers engaged in construction, reconstruction, demolition, alteration, custom fabrication, or repair work, or maintenance work, including painting/decorating, done in whole or in part out of the funds of a public body
New Mexico	$60,000	Applies to state or political subdivisions for construction alteration, demolition or repair
New York	None	Laborers, workers, mechanics engaged in work to which the state or a public benefit corporation on behalf of and for benefit of such public entity employs such laborers
Ohio	$250,000 for new construction; $75,000 for remodeling.	"Public improvement" is buildings, roads, streets, alleys, sewers, ditches, sewage disposal plants, water works, and all other structures or works constructed by a public authority of the state or any political subdivision or any person who, pursuant to a contract with a public authority, constructs any structure for a public authority. When a public authority rents or leases a newly constructed structure within six months after completion of such construction, all work performed on structure to suit it for occupancy by a public authority is a "public improvement"

Oregon	None	"Public works" includes, but is not limited to, roads, highways, buildings, structures and improvements of all types, the construction, reconstruction, major renovation or painting of which is carried on or contracted for by a public agency to serve the public interest. Also included are any projects that use $750,000 or more of funds of a public agency for constructing, reconstruction, painting, or performing major renovation on road, highway, building, structure or improvement of any type (including private roads), projects for which a public agency will use or occupation 25 percent of more of the square footage of the completed project, and any solar project construction or installed (with or without using funds of a public agency) located on land, premises, structures, or buildings that a public body owns
Pennsylvania	$25,000	Laborer, mechanic, skilled and semiskilled laborer and apprentices performing construction, reconstruction demolition, alteration and/or repair work under contract and paid for in whole or in part of public body funds
Rhode Island	$1,000	Any public work consisting of grading, clearing, demolition, improvement, completion, repair, alteration, or construction of any public road, bridge, building, or any heavy construction or any public works project of any nature whatsoever
Tennessee	$50,000	Applies to construction for the purpose of building, rebuilding, locating, relocating, or repairing any streets, highway or bridges on a state highway construction project
Texas	None	Laborer or mechanic performing construction, including building, road, highway, or other project development or improvement paid for in whole or in part by a public body
Vermont	$100,000	Any project authorized or funded by the Vermont Capital Construction Act, all employees working on construction projects must be paid prevailing wage
Virginia	$250,000	Contractors and subcontractors under any public contract with a state agency, or with a locality that has adopted an ordinance requiring the payment of prevailing wages, for public works to pay wages, salaries, benefits, and other remuneration to any mechanic, laborer, or worker employed, retained, or otherwise hired to perform services in connection with the public contract for public works must pay the prevailing wage rate. A contractor or subcontractor who willfully employs any mechanic, laborer, or worker to perform work contracted to be done under the public contract at a rate that is less than the prevailing wage rate is guilty of a Class 1 misdemeanor.
Washington	None; $25,000 —state college/university construction	Public work means work, construction, alteration, repair or improvement that is performed at a cost to the state or any other public agency, including but not limited to, construction, reconstruction, maintenance, replacement or repair such as demolition, remodeling, renovation, road construction, building construction, ferry construction, and utilities construction, also required on building service maintenance (janitorial) contracts; offsite fabrication of non-standard items (ducts, tunnel liners, steel) are covered
Wyoming	$100,000	Laborers, workmen, and mechanics employed directly on site performing construction, reconstruction, enlargement, alteration or repair of any public improvement

Source(s): WHD, 2023; Michigan Legislature, 2023; Virginia LIS, 2019; St. Louis Post-Dispatch, 2018; CCMI, 2018; IIIFFC, 2023

Prevailing Wage Status: Current and History

➔ **Key Findings**:

1. 29 states plus the District of Columbia (which is subject to the federal Davis-Bacon Act) have prevailing wage laws.
2. 6 states repealed their prevailing wage laws from 2015 to 2018, but 1 (Michigan) reversed that decision in 2023 (enacted in 2023).
3. In 2019, Colorado and Virginia enacted prevailing wage laws on state construction projects. Virginia's law allows localities to adopt ordinances requiring the payment of prevailing wages.

Table 11: Prevailing Wage Status as of 2024 and Blue-Collar Construction and Extraction Unionization (2021)

Prevailing Wage Status as of August 2020	State	Year of Repeal or Court Invalidation	Construction and Extraction Occupations Unionization Rate: 2021 *Current Population Survey*
Currently has prevailing wage *(Average unionization: 22%)*	Alaska		28.8%
	California		18.9%
	Colorado (2021)		9.2%
	Connecticut		23.8%
	Delaware		17.8%
	District of Columbia		13.1%
	Hawaii		42.2%
	Illinois		45.3%
	Maine		21.5%
	Maryland		25.1%
	Massachusetts		25.7%
	Michigan (2024)	*(2018)*	34.8%
	Minnesota		31.1%
	Missouri		29.0%
	Montana		19.4%
	Nebraska		11.1%
	Nevada		21.4%
	New Jersey		36.0%
	New Mexico		13.6%
	New York		37.0%
	Ohio		26.4%
	Oregon		24.3%
	Pennsylvania		33.7%
	Rhode Island		15.9%
	Tennessee		5.8%
	Texas		3.1%
	Vermont		11.3%
	Virginia (2021)		9.9%
	Washington		26.6%
	Wyoming		6.2%
Once had prevailing wage *(Average unionization: 12%)*	Arkansas	2017	8.7%
	Kentucky	2017	17.5%
	Wisconsin	2017	20.8%
	West Virginia	2016	16.5%
	Indiana	2015	35.1%

	Oklahoma	1995	5.2%
	Louisiana	1988	7.3%
	Kansas	1987	20.2%
	Idaho	1985	5.5%
	New Hampshire	1985	24.0%
	Utah	1981	6.7%
	Alabama	1980	5.6%
	Arizona	1980	8.9%
	Florida	1979	2.0%
Never had prevailing wage *(Average unionization: 6%)*	Georgia		4.5%
	Iowa		17.2%
	Mississippi		10.9%
	North Carolina		1.7%
	North Dakota		6.4%
	South Carolina		4.8%
	South Dakota		5.3%

Timeline of Prevailing Wage Challenges in the 2010s

➔ **Key Findings**:

1. Table 12 is a summary of bills which have weakened or repealed prevailing wage laws since 2010.
2. This list is not necessarily comprehensive and may not include all changes.

Table 12: Prevailing Wage Challenges Since 2010 Sorted by Effective Date

State	Bill Introduced	Bill Purpose	Anti-Prevailing Wage Studies	Pro-Prevailing Wage Studies	Bill Passed	Effective Date
Missouri	Dec. 21, 2017	Weaken: -Increased threshold to $75,000. -Exempted projects $10,000 or less from competitive bidding. -If there are less than 1,000 work hours for a trade in a county, then workers receive 120% of the average hourly wage in the project's locality.		April 2016	May 18, 2018	Aug. 28, 2018
Michigan	June 1, 2018	Full Repeal	Sept. 2015	June 2015	June 6, 2018 (Petition)	June 12, 2018
Wisconsin		Full Repeal		October 2020; June 2017	Sept. 21, 2017	Sept. 23, 2017
Nevada	Feb. 13, 2017	Strengthen: -Eliminated the exemption of charter school projects from prevailing wage.		March 2019	March 2017	July 1, 2017
Nevada	Feb. 17, 2015	Weaken: -Exempted charter school projects from prevailing wage. -Increased threshold to $250,000. -Higher education projects' rate set at 90% of the full prevailing wage.			June 1, 2015	
Arkansas	Mar. 3, 2017	Full Repeal			Mar. 21, 2017	April 7, 2017
Kentucky	Jan. 3, 2017	Full Repeal		June 2022; Dec. 2016; Jan. 2014	Jan. 9, 2017	Jan. 9, 2017
Wisconsin		Weaken: -Repealed on local projects.	March 2015	May 2015; April 2015	July 12, 2015	Jan. 1, 2017
West Virginia	Jan. 13, 2016	Full Repeal	August 2018	May 2019; January 2015	Feb. 4, 2016	May 4, 2016
West Virginia	Jan. 29, 2015	Weaken: -Eliminated coverage for local projects. -Increased threshold to $500,000. -Workforce West Virginia decided new methodology to ascertain rates.		January 2015	March 3, 2015	April 13, 2015
Indiana	Jan. 6, 2015	Full Repeal	July 2015	January 2018; June 2014; Jan. 2015	May 6, 2015	July 1, 2015
Indiana	Jan. 12, 2011	Weaken: -Increased threshold to $350,000.			May 10, 2011	Jan. 1, 2012

Except for a Nevada example, this list does not include bills which have *strengthened* prevailing wage. These include California's January 2018 law which applies rates to affordable housing projects, Washington's survey methodology change to establish rates by using collective bargaining agreements effective in June 2018, Illinois' amendment to establish rates by using collective bargaining agreements using the 30% rule effective January 2019, Colorado's law re-introducing prevailing wage on state construction projects signed in May 2019 (effective July 1, 2021), Virginia's new prevailing wage on state construction projects implemented in April 2020 (effective May 1, 2021), Illinois' Climate and Equitable Jobs Act (CEJA) signed in September 2021 which expanded prevailing wages to wind and solar developments (excluding residential and houses of worship under 100 kW) as well as to electric vehicle charging stations, Oregon's survey methodology change to establish rates by using collective bargaining agreements effective September 2021, New York State's law expanding prevailing wage coverage to private developments costing $5 million or more that receive public funds covering 30% of the total construction project cost that went into effect January 2022, or Michigan's law reinstating the prevailing wage which will be effective in March 2024.

RESOURCES

This section provides a variety of resources on prevailing wage laws. It includes fact sheets, example opinion pieces, videos, infographics, and supporting research on prevailing wage.

Example Op-Eds by Author's Background

Researcher – Data on States that Repealed: "Results in States that Repealed Their Prevailing Wage Laws Aren't Pretty." *Crain's Chicago Business*. Frank Manzo IV. Illinois Economic Policy Institute. January 2023.

Researcher – Repeal Failed to Save Money. "New Indiana DOL Report Says Repealing Common Construction Wage Failed to Save Money." *The Times of Northwest Indiana*. Frank Manzo IV. Midwest Economic Policy Institute. September 2021.

Researchers – Promoting a Prevailing Wage Law: "On Issue of Prevailing Wage, Minnesota Succeeds Where Neighboring States Have Failed." *MinnPost*. Frank Manzo IV & Kevin Duncan. Midwest Economic Policy Institute; Colorado State University-Pueblo. July 2018.

Researcher – Actual Costs of Repeal: "Construction Wage Repeal Hasn't Delivered as Promised." *Indianapolis Business Journal*. Frank Manzo IV. Midwest Economic Policy Institute. March 2018.

Researcher – Addressing the Skills Shortage: "Prevailing Wage Crucial for Construction Workers." *Capitol Weekly*. Samantha Draper. Smart Cities Prevail. February 2018.

Researcher – Expand Prevailing Wage to Affordable Housing: "One Key to Affordable Housing Crisis? Pay Construction Workers a Living Wage." *The Sacramento Bee*. Kevin Duncan. Colorado State University–Pueblo. August 2017.

Researcher – National View: "Prevailing Wage Laws Will Ultimately Prevail." *The Hill*. Frank Manzo IV. Midwest Economic Policy Institute. June 2018.

Fair Contracting Organization – Warnings of Repeal: "A Warning for Missouri: Repealing the Prevailing Wage on Construction Jobs Hurts Workers and the Economy." *The Kansas City Star*. Marc Poulos. Indiana, Illinois, Iowa Foundation for Fair Contracting. February 2018.

Fair Contracting Organization – Post-Repeal Tracking: "Real Data on Prevailing Wage Show No Savings." *The State Journal*. Steve White. Affiliated Construction Trades. August 2016.

Veteran – Support Veterans: "Stand Up for Vets by Rejecting Prevailing Wage Repeal." *Springfield News-Leader*. Josh Wallis. Marine Corps veteran. April 2017.

Veteran – Apprentice Perspective: "Prevailing Wage is Good for Veterans and for Missouri." *St. Louis Post-Dispatch*. Ryan Hector. Army veteran. May 2017.

Building Trades Union – Davis-Bacon: "Setting the Record Straight on the Davis-Bacon Act." *The Huffington Post*. Sean McGarvey. North America's Building Trades Unions. June 2017.

Building Trades Union – Promoting Prevailing Wage: "Without Prevailing Wage Laws, Guess Who Loses? Taxpayers." *Crain's Chicago Business*. Jim Sweeney. International Union of Operating Engineers Local 150. January 2018.

Contractor – Upholding the Market: "Prevailing Wage Law Good for Wisconsin." *Green Bay Press Gazette*. Steven Lyons. Wisconsin Contractor Coalition. April 2015.

State Legislator – Democratic Perspective: "The Prevailing Wage Law is Good for Michigan Workers, Don't Repeal It." *Lansing State Journal*. Curtis Hertel Jr.; East Lansing State Representative. January 2018.

Prevailing Wage Videos by Type

➔ Issue Ads on Prevailing Wage

Rebuilding America
Smart Cities Prevail

Repealing Common Construction Wage Doesn't Make Sense!
Indiana State Building and Construction Trades Council

Protect Prevailing Wage
Operating Engineers 324

Why
Indiana Laborers' District Council

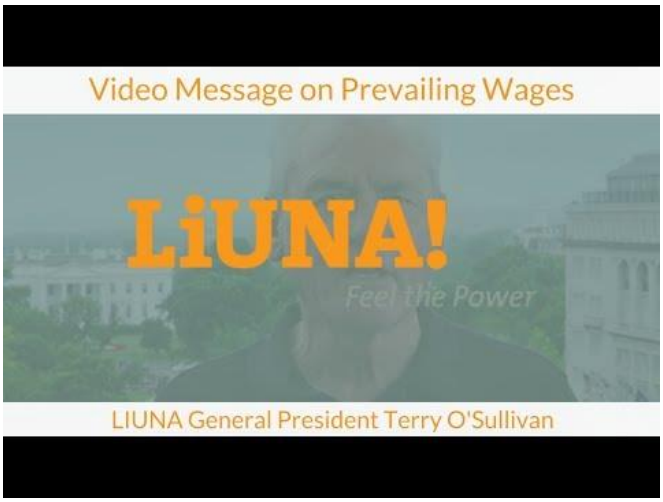
West Virginia Prevails A
West Virginia Prevails

Prevailing Wage: For a Stronger Wisconsin
Wisconsin Infrastructure Investment Now

➔ Interviews on Prevailing Wage

Why is Prevailing Wage Good for a Successful Business Plan?
Support WV Local Businesses

What Does Prevailing Wage Mean to Local Businesses?
Support WV Local Businesses



LIUNA GP Terry O'Sullivan Speaks on Protecting Prevailing Wage
LIUNA

How Does Prevailing Wage Save Revenue and Jobs in WV?
Support WV Local Businesses

➔ Videos on Study Findings

Prevailing Wage is Good for Minnesota
Midwest Economic Policy Institute

Prevailing Wage – An Economic Impact Report by the UMKC
IBEW Local One

➔ Testimonies on Prevailing Wage

Indiana GOP Leader Admits Repealing Prevailing Wage 'Hasn't Saved a Penny'
International Union of Painters and Allied Trades

Economist Peter Philips on Proposed Prevailing Wage Exclusion
KET - Kentucky Educational Television

Common Construction Wage Works!
Common Wage Works

Defending Indiana's Common Construction Wage Law
Indiana House Democrats

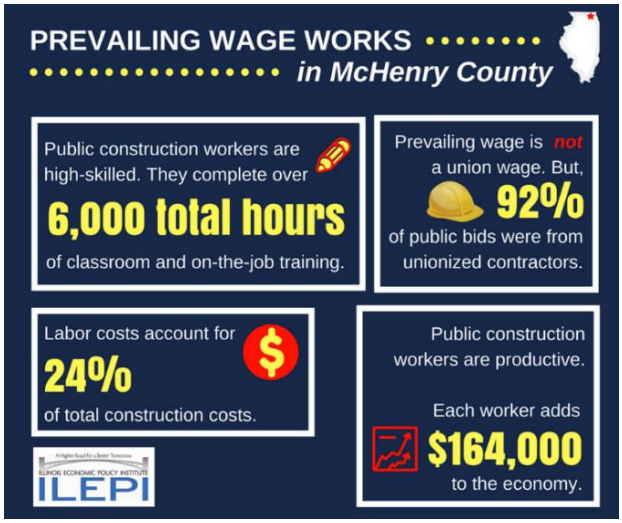
➔ Videos on Veterans

Danny's Story
Protect MO Families

HT Tran
Smart Cities Prevail

Prevailing Wage Infographics

All Infographics from Smart Cities Prevail and Illinois Economic Policy Institute



Iowa's "Federal-Aid Swap" Program Negatively Impacts the State's Economy

- 10% fewer highway projects are built with prevailing wage standards.
- 4% fewer highway projects are built with contractor diversity goals.
- 1% fewer in-state contractors win bids on projects funded by Iowa taxpayers.
- The program **has failed** to reduce costs on highway construction projects.

Midwest Economic Policy Institute

REPEAL OF PREVAILING WAGE IMPACTS ON CONSTRUCTION WORKERS

In states that repealed their prevailing wage laws between 2015 and 2018:

- Construction worker wage growth was **4%-13% SLOWER.**
- Construction worker benefits growth was **7%-10% SLOWER.**
- Construction worker health insurance coverage **FELL 2%.**
- Construction worker reliance on food stamps **INCREASED 2%.**

Source: Frank Manzo IV, Robert Bruno, and Larissa Petrucci. (2023). *The Economic Impact of Prevailing Wage Law Repeals on Construction Market Outcomes: Evidence from Repeals Between 2015 and 2018.* Illinois Economic Policy Institute; University of Illinois.

ILEPI ILLINOIS LABOR & EMPLOYMENT RELATIONS PROJECT FOR MIDDLE CLASS RENEWAL

REPEAL OF PREVAILING WAGE FAILS TO IMPROVE CONSTRUCTION EMPLOYMENT

In states that repealed their prevailing wage laws between 2015 and 2018:

- Construction worker employment growth was **11%-14% SLOWER.**
- The growth in total construction worker hours was **6%-9% SLOWER.**
- There was **NO CHANGE** in racial and ethnic diversity in construction.

Source: Frank Manzo IV, Robert Bruno, and Larissa Petrucci. (2023). *The Economic Impact of Prevailing Wage Law Repeals on Construction Market Outcomes: Evidence from Repeals Between 2015 and 2018.* Illinois Economic Policy Institute; University of Illinois.

ILEPI ILLINOIS LABOR & EMPLOYMENT RELATIONS PROJECT FOR MIDDLE CLASS RENEWAL

REPEAL OF PREVAILING WAGE HAS NEGATIVE CONSEQUENCES

In states that repealed their prevailing wage laws between 2015 and 2018:

- The construction industry's on-the-job fatality rate **INCREASED BY 14%.**
- Construction worker productivity per hour **FELL BY 1%.**

Source: Frank Manzo IV, Robert Bruno, and Larissa Petrucci. (2023). *The Economic Impact of Prevailing Wage Law Repeals on Construction Market Outcomes: Evidence from Repeals Between 2015 and 2018.* Illinois Economic Policy Institute; University of Illinois.

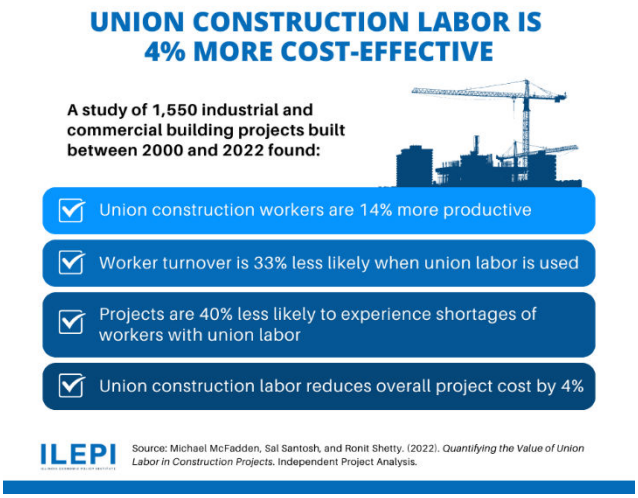
ILEPI ILLINOIS LABOR & EMPLOYMENT RELATIONS PROJECT FOR MIDDLE CLASS RENEWAL

REPEAL OF PREVAILING WAGE HURTS LOCAL CONTRACTORS

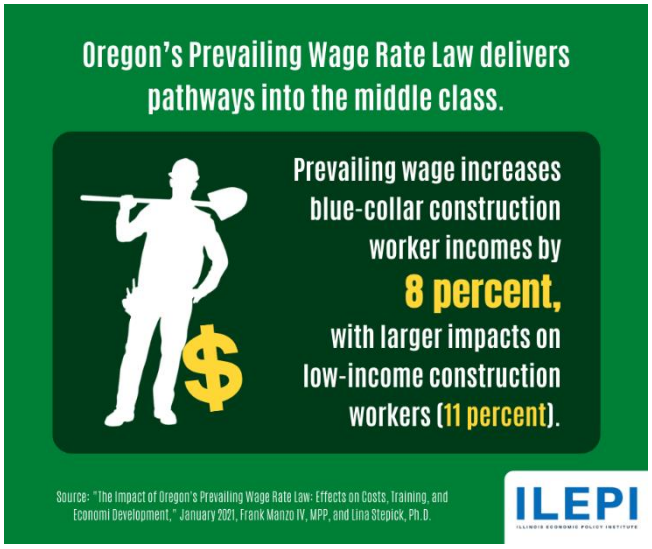
In-state contractors LOST 1%-2% in total market share in states that repealed their prevailing wage laws between 2015 and 2018, amounting to MORE THAN $1 BILLION.

Source: Frank Manzo IV, Robert Bruno, and Larissa Petrucci. (2023). *The Economic Impact of Prevailing Wage Law Repeals on Construction Market Outcomes: Evidence from Repeals Between 2015 and 2018.* Illinois Economic Policy Institute; University of Illinois.

ILEPI ILLINOIS LABOR & EMPLOYMENT RELATIONS PROJECT FOR MIDDLE CLASS RENEWAL


UNION CONSTRUCTION LABOR IS 4% MORE COST-EFFECTIVE
A study of 1,550 industrial and commercial building projects built between 2000 and 2022 found:
Union construction workers are 14% more productive
Worker turnover is 33% less likely when union labor is used
Projects are 40% less likely to experience shortages of workers with union labor
Union construction labor reduces overall project cost by 4%
ILEPI
Source: Michael McFadden, Sal Santosh, and Ronit Shetty. (2022). Quantifying the Value of Union Labor in Construction Projects. Independent Project Analysis.

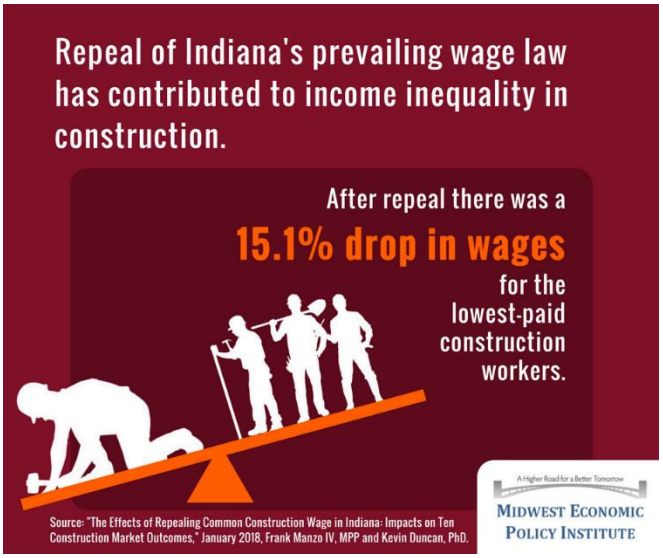
The Skilled Labor Shortage:
Union Contractors vs. Nonunion Contractors
Union contractors are 21% less likely to experience project delays due to worker shortages
Union contractors are 14% less likely to experience difficulty in filling craft worker positions
Union contractors have been 8% more likely to add workers in the current labor market
Joint labor-management (union) programs train the vast majority of registered apprentices
*Source: Surveys of Associated General Contractors of America (AGC) member firms, including 1,768 union contractors and 3,893 nonunion contractors.
ILEPI
ILLINOIS
PROJECT FOR MIDDLE CLASS RENEWAL

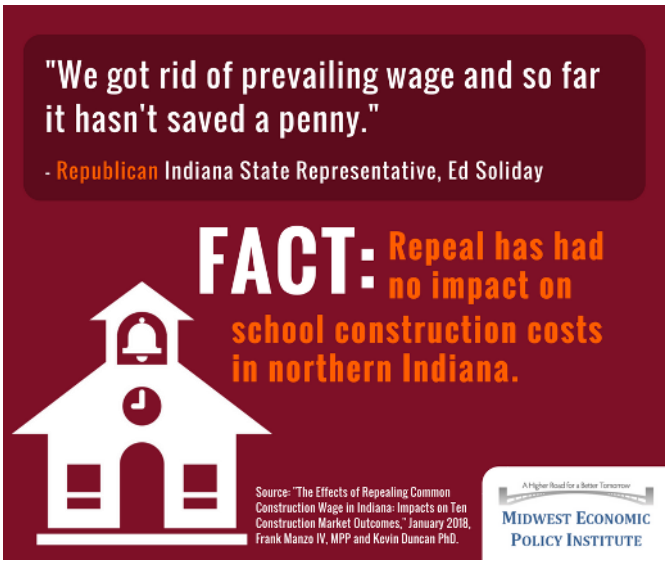

Oregon's Prevailing Wage Rate Law delivers pathways into the middle class.
Prevailing wage increases blue-collar construction worker incomes by 8 percent, with larger impacts on low-income construction workers (11 percent).
Source: "The Impact of Oregon's Prevailing Wage Rate Law: Effects on Costs, Training, and Economi Development," January 2021, Frank Manzo IV, MPP, and Lina Stepick, Ph.D.
ILEPI

Oregon's Prevailing Wage Rate Law increases the market share of in-state contractors by 12 percent.
Source: "The Impact of Oregon's Prevailing Wage Rate Law: Effects on Costs, Training, and Economi Development," January 2021, Frank Manzo IV, MPP, and Lina Stepick, Ph.D.
ILEPI

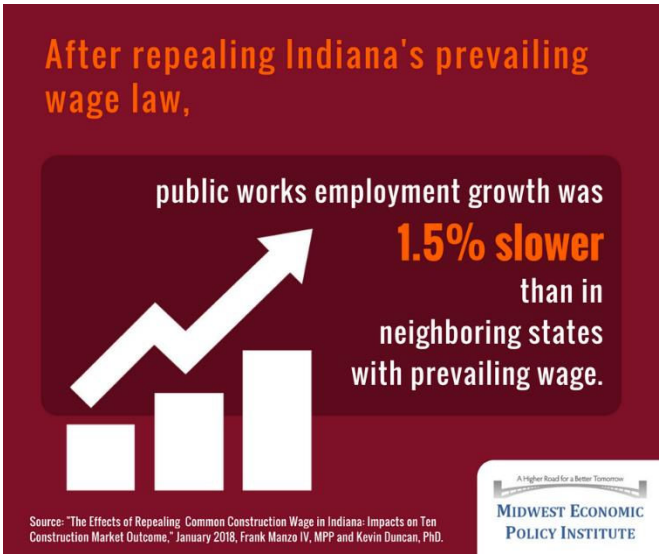
Repeal of prevailing wage has failed to deliver any savings for taxpayers on road construction projects in Wisconsin.
BEFORE
$3.37 million
to resurface per mile
AFTER
$3.43 million
to resurface per mile
Source: "The Effects of Repealing Prevailing Wage in Wisconsin: Impacts on Ten Construction Market Outcomes," October 2020, Frank Manzo IV, MPP, Kevin Duncan, Ph.D., Jill Gigstad, and Nathaniel Goodell
Midwest Economic Policy Institute

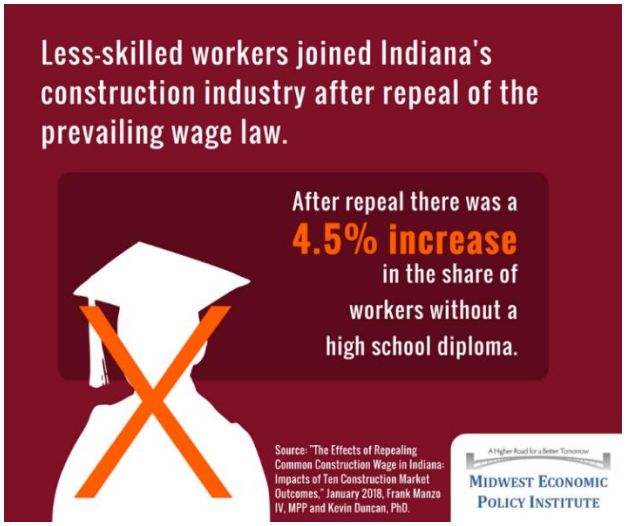
Repeal of prevailing wage has shipped jobs out of Wisconsin. Out-of-state contractors have won 60 percent more project bids.
Source: "The Effects of Repealing Prevailing Wage in Wisconsin: Impacts on Ten Construction Market Outcomes," October 2020, Frank Manzo IV, MPP, Kevin Duncan, Ph.D., Jill Gigstad, and Nathaniel Goodell
Midwest Economic Policy Institute

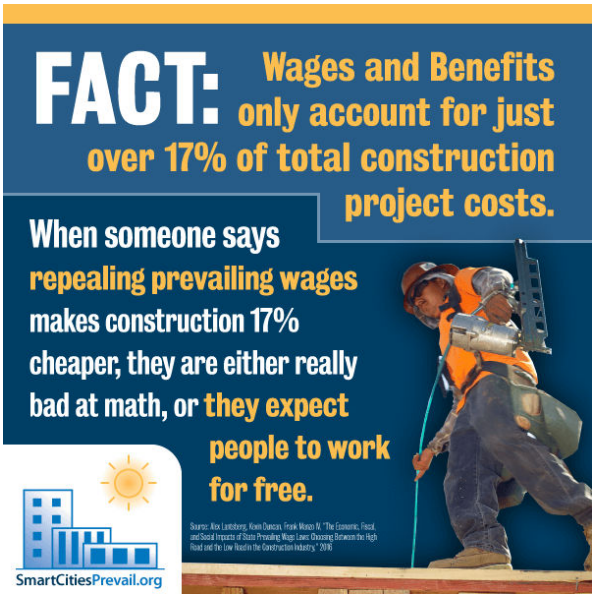

Repeal of Indiana's prevailing wage law has contributed to income inequality in construction.
After repeal there was a
15.1% drop in wages
for the lowest-paid construction workers.
Source: "The Effects of Repealing Common Construction Wage in Indiana: Impacts on Ten Construction Market Outcomes," January 2018, Frank Manzo IV, MPP and Kevin Duncan, PhD.
A Higher Road for a Better Tomorrow
MIDWEST ECONOMIC POLICY INSTITUTE


"We got rid of prevailing wage and so far it hasn't saved a penny."
- Republican Indiana State Representative, Ed Soliday
FACT: Repeal has had no impact on school construction costs in northern Indiana.
Source: "The Effects of Repealing Common Construction Wage in Indiana: Impacts on Ten Construction Market Outcomes," January 2018, Frank Manzo IV, MPP and Kevin Duncan PhD.
A Higher Road for a Better Tomorrow
MIDWEST ECONOMIC POLICY INSTITUTE

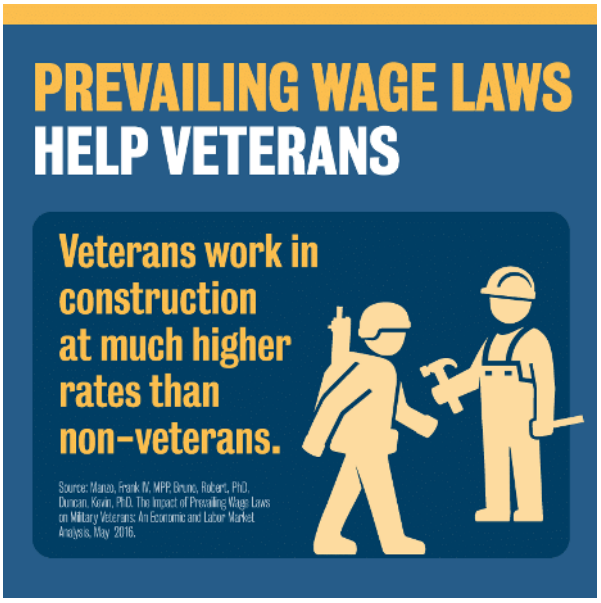
Blue-collar construction workers' wages decreased by 8.5% after repeal of Indiana's prevailing wage law.
Source: "The Effects of Repealing Common Construction Wage in Indiana: Impacts on Ten Construction Market Outcomes," January 2018, Frank Manzo IV, MPP, and Kevin Duncan, PhD.
A Higher Road for a Better Tomorrow
MIDWEST ECONOMIC POLICY INSTITUTE


After repealing Indiana's prevailing wage law,
public works employment growth was
1.5% slower
than in neighboring states with prevailing wage.
Source: "The Effects of Repealing Common Construction Wage in Indiana: Impacts on Ten Construction Market Outcome," January 2018, Frank Manzo IV, MPP and Kevin Duncan, PhD.
A Higher Road for a Better Tomorrow
MIDWEST ECONOMIC POLICY INSTITUTE

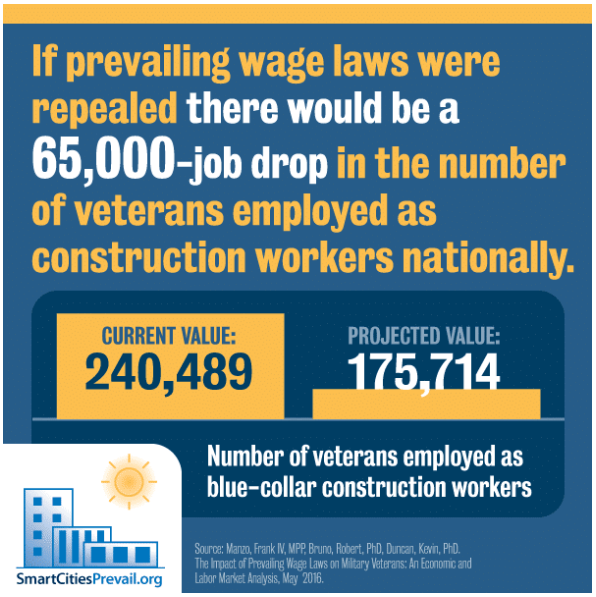

Less-skilled workers joined Indiana's construction industry after repeal of the prevailing wage law.
After repeal there was a
4.5% increase
in the share of workers without a high school diploma.
Source: "The Effects of Repealing Common Construction Wage in Indiana: Impacts of Ten Construction Market Outcomes," January 2018, Frank Manzo IV, MPP and Kevin Duncan, PhD.
A Higher Road for a Better Tomorrow
MIDWEST ECONOMIC POLICY INSTITUTE


FACT: Wages and Benefits only account for just over 17% of total construction project costs.
When someone says repealing prevailing wages makes construction 17% cheaper, they are either really bad at math, or they expect people to work for free.
SmartCitiesPrevail.org

Latinos are two-thirds of CA's construction workforce and make just 68¢ ON THE DOLLAR of similarly-skilled white workers.
WITH PREVAILING WAGE STANDARDS WE CAN
CLOSE THE GAP
SmartCitiesPrevail.org


PREVAILING WAGE LAWS HELP VETERANS
Veterans work in construction at much higher rates than non-veterans.
Source: Manzo, Frank IV, MPP; Bruno, Robert, PhD; Duncan, Kevin, PhD. The Impact of Prevailing Wage Laws on Military Veterans: An Economic and Labor Market Analysis. May 2016.

PREVAILING WAGE Boosts California's Economy BY $1.4 BILLION
SmartCitiesPrevail.org


If prevailing wage laws were repealed there would be a 65,000-job drop in the number of veterans employed as construction workers nationally.
CURRENT VALUE: 240,489
PROJECTED VALUE: 175,714
Number of veterans employed as blue-collar construction workers
SmartCitiesPrevail.org
Source: Manzo, Frank IV, MPP; Bruno, Robert, PhD; Duncan, Kevin, PhD. The Impact of Prevailing Wage Laws on Military Veterans: An Economic and Labor Market Analysis, May 2016.

Prevailing Wage Laws (PWLs) Make Communities Stronger
Strong PWLs
No PWLs
Stronger Middle Class ✓
Less Poverty ✓
More Local Jobs ✓
Closes Pay Gaps for Women and Minorities ✓
A Stronger Economy ✓
Safer Worksites ✓
Increases Productvity and Efficiency ✓
Keeps Tax Dollars Local ✓
Increases Hiring of Veteran Owned Businesses ✓
Controls Construction Costs ✓
SmartCitiesPrevail.org
Building community value with prevailing wage

States with weak or no prevailing wage laws spend **$367 million more** per year on food stamps and Earned Income Tax Credits.

PREVAILING WAGE LAWS SAVE TAXPAYERS MONEY.

SmartCitiesPrevail.org

Source: "The Economic, Fiscal and Social Impacts of State Prevailing Wage Laws: Choosing Between the High Road and the Low Road in the Construction Industry," February 2016, Frank Manzo IV, MPP; Alex Lantsberg, MCP; AICP; and Kevin Duncan, PhD

Without prevailing wage, construction jobs become more inefficient.

Material use goes up 5%

And 12% productivity goes down

SmartCitiesPrevail.org

Source: "Building the Golden State: The Economic Impacts of California's Prevailing Wage Policy," Kevin Duncan, Ph.D., Professor of Economics, Colorado State University and Alex Lantsberg, MCP, AICP, Research Analyst, Smart Cities Prevail, March 2015

If prevailing wage laws were repealed, military veterans would lose $3.1 billion in total wage and salary income.

Repeal would also cost 24,000 veterans their health insurance, and drive nearly 5,000 veterans into poverty.

SmartCitiesPrevail.org

Source: Manzo, Frank IV, MPP, Bruno, Robert, PhD, Duncan, Kevin, PhD. The Impact of Prevailing Wage Laws on Military Veterans: An Economic and Labor Market Analysis, May 2016.

Prevailing Wage:

- Creating Good Jobs
- Strengthening Local Economies
- Growing the Middle Class

25 states have strong or average prevailing wage laws. If those laws were weakened or repealed, we'd lose:

400,000 JOBS

$8 BILLION IN TAX REVENUE

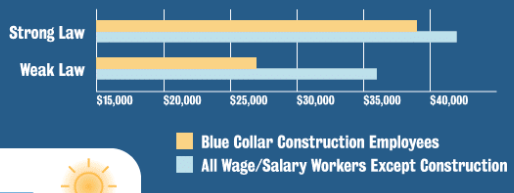
$65 BILLION IN TOTAL ECONOMIC OUTPUT

SmartCitiesPrevail.org

Source: "The Economic, Fiscal and Social Impacts of State Prevailing Wage Laws: Choosing Between the High Road and the Low Road in the Construction Industry," February 2016, Frank Manzo IV, MPP; Alex Lantsberg, MCP; AICP; and Kevin Duncan, PhD

In states with weak Prevailing Wage laws, **construction workers fall behind.**

Typical (median) Annual Wage Income by State Prevailing Wage Law



SmartCitiesPrevail.org

Prevailing Wage laws support Middle Class families!

Prevailing Wages Do Not Raise Construction Costs

"Quantifying the Value of Union Labor in Construction Projects." Michael McFadden, Sal Santosh, & Ronit Shetty. Independent Project Analysis. October 2022.

Abstract: An analysis of 1,550 industrial and commercial building projects built in the United States between 2000 and 2022 found that union construction labor is 4% more cost-effective. The projects ranged in size from $200,000 to more than $6 billion, with an average size of $89 million. 51% of the projects were nonunion, 25% were union, and 24% employed a mix. The researchers found that union workers are 14% more productive than nonunion workers, worker turnover is 33% less likely to occur when union labor is employed, and projects are 40% less likely to experience a shortage of skilled workers when union labor is sourced. The authors conclude that "union labor creates significant value for owners through lower costs and more predictable schedules," reducing overall project costs by 4%.

"Prevailing Wage Repeal, Highway Construction Costs, and Bid Competition in Kentucky: A Difference-in-Differences and Fixed Effects Analysis." Kevin Duncan, Jill Gigstad, & Frank Manzo IV. *Public Works Management & Policy*. Colorado State University-Pueblo; Midwest Economic Policy Institute. June 2022.

Abstract: An analysis of 2,155 highway projects and 3,480 total bids finds no statistically significant differences in bid costs and bid competition between federal projects and state projects before and after repeal of prevailing wage in Kentucky. Policies increasing competition in Kentucky would be more effective in reducing costs than prevailing wage repeal.

"Should Prevailing Wages Prevail? Re-examining the Effect of Prevailing Wage Laws on Affordable Housing Construction Costs." Matthew Hinkel & Dale Belman. *British Journal of Industrial Relations*, 1-23. Michigan State University. December 2022.

Abstract: Using data on 280 affordable housing projects in California, the authors find no causal effect of prevailing wages on affordable housing construction costs, contradicting previous academic studies. The authors conclude that prevailing wages add, at most, 0%-6% to project costs. A working paper on the Institute for Construction Employment Research's (ICERES) website is available here: Should Prevailing Wages Prevail? Reexamining the Effect of Prevailing Wage Laws on Affordable Housing Construction Costs.

"The Effect of 'Federal-Aid' Swap Programs and Davis-Bacon Prevailing Wages on Highway Construction Costs and Contractor Composition: Evidence from Iowa." Frank Manzo IV. *Labor Studies Journal*, 47(1): 75–98. Illinois Economic Policy Institute. November 2021.

Abstract: The payment of Davis-Bacon prevailing wages is statistically associated with an 8% decrease in the chances that a highway project is awarded to an out-of-state contractor. The federal-aid swap program reduces the likelihoods that a project is covered by the Davis-Bacon Act by 10% and by Disadvantaged Business Enterprise (DBE) goals by 4%. Davis-Bacon prevailing wages and DBE goals have no effect on total construction costs. As a result, the "federal-aid swap" program is not associated with any change in project costs.

"The Effects of Repealing Prevailing Wage in Wisconsin: Impacts on Ten Construction Market Outcomes." Frank Manzo IV, Kevin Duncan, Jill Gigstad, & Nathaniel Goodell. Midwest Economic Policy Institute; Colorado State University-Pueblo. October 2020.

Abstract: This report looks at 10 economic outcomes to examine the effects of Wisconsin repealing prevailing wage in 2017. Notable findings include: 1) repeal decreased the incomes of construction workers by 6%, 2) average construction industry CEO pay increased by 54%, 3) road construction projects had 16% fewer bidders, and 4) there was a 60% increase in state highway projects being awarded to out-of-state contractors.

"Unintended Consequences of Nevada's Ninety-Percent Prevailing Wage Rule." Kevin Duncan & Jeffrey Waddoups. *Labor Studies Journal*, 1-20. Colorado State University-Pueblo; University of Nevada, Las Vegas. June 2020.

Abstract: An analysis of 81 school construction projects in the Las Vegas area revealed that Nevada's attempt to weaken prevailing wage by reducing prevailing wage rates on education-related construction to 90% of the applicable rate for state-funded construction contributed to decreased bid competition and increased construction costs. Union contractors in particular submitted fewer bids as they pursued other opportunities.

"The Effect of Prevailing Wages on Building Costs, Bid Competition, and Bidder Behavior: Evidence from Ohio School Construction." Lameck Onsarigo, Kevin Duncan, & Alan Atalah. *Construction Management and Economics*, 1-17. Kent State University; Colorado State University-Pueblo; Bowling Green State University. February 2020.

Abstract: An analysis of 669 bids on 113 school construction projects in Ohio found that prevailing wage standards do not affect building costs or the level of bid competition. In fact, the cost-reducing effect of increased competition is stronger on projects covered by prevailing wage.

"What Does the Research Tell Us About Prevailing Wage Laws?" *Labor Studies Journal*, 44(2): 139-160. Kevin Duncan & Russell Ormiston. Colorado State University-Pueblo; Allegheny College. June 2019.

Abstract: This paper is as a comprehensive literature review of the last 20 years of research on prevailing wage laws which finds that prevailing wage laws do not affect project costs, do promote worker safety and training, and do not have a discriminatory impact.

"The Impact of Repealing West Virginia's Prevailing Wage Law: Economic Effects on the Construction Industry and Fiscal Effects on School Construction Costs." Michael Kelsay & Frank Manzo IV. University of Missouri — Kansas City; Midwest Economic Policy Institute. May 2019.

Abstract: After West Virginia repealed its prevailing wage law in May 2016, inflation-adjusted construction wages fell 1%-8%, active apprentices fell by 28%, the on-the-job injury rate increased by 26%, and there were no savings for taxpayers based on an analysis of 107 school construction projects.

"An Exploration of the Diffusion of Policy Termination: The Repeal of Prevailing Wage Laws by US State Governments." Suk Joon Hwang. *Policy Studies*, 42(2): 117-131. May 2019.

Abstract: Economists have provided economic justifications for why a state's prevailing wage law should be upheld. Empirical results show that economic justification is not persuasive. Other, non-economic factors like political ideology and weakening union power are more influential in the repeal of a prevailing wage law.

"An Examination of Minnesota's Prevailing Wage Law: Effects on Costs, Training, and Economic Development." Frank Manzo IV & Kevin Duncan. Midwest Economic Policy Institute; Colorado State University-Pueblo. July 2018.

Abstract: Minnesota's prevailing wage law increases construction worker incomes by 5%, health insurance coverage by 5%, and pension plan coverage by 5% while reducing the share receiving food stamps by 2%. The law creates 7,200 jobs, boosts the economy by $981 million, and generates $37 million in state and local tax revenue every year. In addition, 93% of all registered apprentices in Minnesota are enrolled in joint labor-management programs. Finally, based on an analysis of 640 bids on school construction projects in the Minneapolis-St. Paul area, winning bids based on the payment of prevailing wages were no more costly than bids that did not require prevailing wages.

"The Effects of Repealing Common Construction Wage in Indiana: Impacts on Ten Construction Market Outcomes." Frank Manzo IV & Kevin Duncan. Midwest Economic Policy Institute; Colorado State University-Pueblo. January 2018.

Abstract: This report looks at 10 economic outcomes to examine the effects of Indiana repealing its prevailing wage law in 2015. Notable findings include: 1) repeal decreased the wages of construction workers by 8.5%, 2) construction worker productivity growth was 5.3% slower than in neighboring states, 3) public works employment growth was 1.5% slower than in neighboring states, and 4) an analysis of 335 school construction projects in northern Indiana found that repeal had no impact on the average cost per project.

"Building America with Prevailing Wage: The Davis-Bacon Act Delivers Good Middle-Class Jobs, a Stronger Economy, and the Best Value for U.S. Taxpayers." Kevin Duncan, Peter Philips, & Frank Manzo IV. Colorado State University-Pueblo; University of Utah; Illinois Economic Policy Institute. April 2017.

Abstract: This paper reviews the research on the federal Davis-Bacon Act. The report finds that the Act provides the best value for taxpayers; levels the playing field and strengthens the economy; provides a boost to construction workers' productivity, safety, and efficiency; enables workers to access ladders into the middle class; significantly affects veterans, women, and people of color; and is transparent, reliable, and reflects market standards.

"The Economic, Fiscal, and Social Effects of Ohio's Prevailing Wage Law." Lameck Onsarigo, Alan Atalah, Frank Manzo IV, & Kevin Duncan. Kent State University; Bowling Green State University; Midwest Economic Policy Institute; Colorado State University-Pueblo. April 2017.

Abstract: Repealing Ohio's prevailing wage law would lower the incomes of blue-collar construction workers by 16%, result in 9,700 jobs lost in the economy, and reduce Ohio's economic activity by $1.4 billion. In an analysis of 110 school construction projects built between 2013 and 2016, there was no statistically significant difference in low bids for projects that did (33) and did not (77) include prevailing wage standards.

"Prevailing Wage Laws: What Do We Know?" Kevin Duncan & Russell Ormiston. Institute for Construction Employment Research (ICERES); Colorado State University-Pueblo; Allegheny College. March 2017.

Abstract: This paper is as a comprehensive literature review of the last 20 years of research on prevailing wage laws. Although prevailing wage laws are a source of ongoing policy debate, the peer-reviewed literature has established consensus on a few key points: first, prevailing wage laws do not affect construction project costs, particularly the costs of school construction and highway maintenance projects. Second, prevailing wage laws promote workplace safety and higher levels of apprenticeship training. Lastly, prevailing wage laws do not have a discriminatory effect against African Americans.

"Revisiting the Costs of Developing New Subsidized Housing: The Relative Importance of Construction Wage Standards and Nonprofit Development." Scott Littlehale. *Berkeley Planning Journal,* 29(1): 103-130. Smart Cities Prevail. January 2017.

Abstract: In only the second peer-reviewed study on the effects of prevailing wages on affordable housing construction costs, the author utilizes a 2014 dataset from an affordable housing cost study sponsored by the State of California. The first study (Dunn, Quigley, & Rosenthal, 2005) found a 9%-11% effect of prevailing wages on affordable housing costs, but this study finds an effect of 5%-7% after controlling for other relevant variables. Important sources of cost variation include the business cycle, fair market rents, local government fees, and above-average architecture and engineering costs.

"An Economic Analysis of the Impact of Kansas Repeal of Prevailing Wage Statutes in Sedgwick County, Kansas and Wyandotte County, Kansas." Michael Kelsay. University of Missouri—Kansas City. December 2016.

Abstract: In April 2013, Governor Sam Brownback signed a bill into law that prohibited cities and counties from requiring contractors to pay prevailing wages on public projects, invalidating local prevailing wage policies in Sedgwick County and Wyandotte County. Using 1,325 bid prices from 2005-2016 for the two counties across 13 different non-residential construction projects (1,049 from 2005-2013 and 276 from 2014-2016), there was no statistical difference in the mean square foot cost before ($147) and after ($145) repeal. In fact, mean square costs per foot were $67 cheaper before repeal for school construction. Repeal did not result in any cost savings.

"The Adverse Economic Impact from Repeal of the Prevailing Wage Law in Missouri." Michael Kelsay. University of Missouri—Kansas City. April 2016.

Abstract: Repeal would result in $217-347 million in lost worker income and $9-14 million in lost state sales and income tax revenues annually. In an analysis of 1,309 bids in twelve states in the North Central region from 2011-2015, there was no statistical difference in the average square foot costs of public construction in prevailing wage and non-prevailing wage states. In fact, mean square feet costs were actually higher ($181) in non-prevailing wage states than prevailing wage states ($132).

"Do Federal Davis-Bacon and Disadvantaged Business Enterprise Regulations Affect Aggressive Bidding? Evidence from Highway Resurfacing Procurement Auctions." Kevin Duncan. *Journal of Public Procurement*, 15(3): 291-316. Colorado State University-Pueblo. Fall 2015.

Abstract: Data from 91 federal and state highway resurfacing projects from 13 different winning contractors in Colorado indicate that contractors do not bid more aggressively when they switch from federal projects that require Davis-Bacon prevailing wage standards to state projects that are not covered by the policy, after controlling for the engineer's estimate of project cost and detailed project characteristics, including type of construction and terrain.

"Prevailing Wage Laws and 2015 Assembly Bill 32." Ryan Horton, Fiscal Analyst. Wisconsin Legislative Fiscal Bureau. March 2015.

Abstract: This legislative fiscal note finds that the research on the impact of prevailing wage laws on costs is mixed and inconclusive. The evidence on prevailing wage effects generally range from relatively small effects to no statistically significant effects. These findings echo a 2007 report prepared by the nonpartisan Minnesota Office of the Legislative Auditor. Possible explanations might include: (a) contractors might already be paying wages that are required under prevailing wage laws; (b) labor costs are not the predominant costs in government contracts; (c) prevailing wage rates can attract higher-skilled workers, and more efficient management; and (d) higher wages may be offset by factor substitution, such as more efficient materials.

"Prevailing Wage Regulations and School Construction Costs: Cumulative Evidence from British Columbia." Kevin Duncan, Peter Philips, & Mark Prus. *Industrial Relations*, 53(4). Colorado State University-Pueblo; University of Utah; State University of New York, Cortland. September 2014.

Abstract: This study measures the effect of prevailing wage laws by comparing the public vs. private construction cost differential for schools built before and after British Columbia's Skills Development and Fair Wage Policy. Regression results indicate that public schools were 40.5% more expensive to build prior to the policy. This differential was unchanged after the policy was adopted. The policy did not contribute to increased building costs.

"Do Prevailing Wage Laws Increase Total Construction Costs?" *Review of Keynesian Economics*, 2(2): 189-206. Fadhel Kaboub & Michael Kelsay. Denison University; University of Missouri. April 2014.
Abstract: Using a regression analysis of 3,120 public building bids in Midwest states, the paper examines the claim that prevailing wage regulations raise public construction costs. The twelve Midwest states analyzed were Nebraska, South Dakota, North Dakota, Kansas, Missouri, Iowa, Minnesota, Wisconsin, Illinois, Indiana, Michigan, and Ohio. There is no empirical evidence supporting the claim that construction costs are lower in states that have repealed their prevailing wage laws compared to states that have not repealed their laws.

"Do Responsible Contractor Policies Increase Construction Bid Costs?" C. Jeffrey Waddoups & David May. *Industrial Relations*, 53(2). University of Las Vegas, Nevada; Keene State College. April 2014.
Abstract: Beginning in 2000, some school districts in Ohio required contractors to incorporate health insurance coverage, among other items, into their bids. This study estimates construction bid costs using data on elementary school projects bid in Ohio from 1997 to 2008, some of which were covered by a Responsible Contractor Policy and some of which were not. The results indicate that once variation in the geographic location of schools is accounted for, Responsible Contractor Policies exert no statistically discernible impact on construction bid costs.

"Task Force to Study the Applicability of the Maryland Prevailing Wage Law." Maryland Department of Legislative Services. March 2014.
Abstract: The analysis finds no effect of prevailing wage on total state funding for school construction, no effect on the cost of enforcing compliance with the prevailing wage requirement, no effect on revenues, and a negligible effect on local government.

"Mr. Rosaen's Magical Thinking: A Short Evaluation of Alex Rosaen's 2013 Prevailing Wage Methodology." Peter Philips. University of Utah. November 2013.
Abstract: This paper critically reviews a report commissioned by the Associated Builders and Contractors of Michigan. The report's assumptions are outdated and miscalculated. An alternative methodology using statistical tests provides more stable results, showing that the estimates are unreliable.

"Using Stochastic Frontier Regression to Estimate the Construction Cost Inefficiency of Prevailing Wage Laws." Kevin Duncan, Peter Philips & Mark Prus. *Engineering, Construction and Architectural Management*, 19(3). Colorado State University-Pueblo; University of Utah; State University of New York, Cortland. April 2012.
Abstract: This report finds that projects covered by British Columbia's prevailing wage policy were no more cost inefficient than other projects. The results imply that prevailing wage standards do not contribute to long-run construction cost inefficiency.

"An Analysis of Davis-Bacon Prevailing Wage Requirements: Evidence from Highway Resurfacing Projects in Colorado." Kevin Duncan. Colorado State University-Pueblo. June 2011.
Abstract: An overwhelming majority of research on prevailing wage laws reveals that prevailing wage laws do not have a noticeable impact on the cost of publicly-assisted construction projects, particularly school construction projects. Examining the relative cost of 51 state and federal projects in Colorado from 2005-2010 and 122 state and federal projects from 2000-2010 reveals that there is no statistically significant difference between the costs of projects that do and do not require the payment of prevailing wages. The number of bidders is also not statistically affected.

"Industry Differences in the Elasticity of Substitution and Rate of Biased Technological Change between Skilled and Unskilled Labor." William Blankenau & Steven Cassou. *Applied Economics*, 43(23): 3129-3142. 2011.
Abstract: The authors estimate the "elasticity of substitution between skilled and unskilled labor" using data from the *Current Population Survey* from 1968-2006. They find that, when wages increase in construction, contractors respond by substituting skilled workers for less-productive workers.

"The Effects of Prevailing Wage Regulations on Construction Efficiency in British Columbia." *International Journal of Construction Education and Research*, 5(1). Kevin Duncan, Peter Philips, & Mark Prus. Colorado State University-Pueblo; University of Utah; State University of New York, Cortland May 2009.
Abstract: This study examines the effect of prevailing wage on the efficiency of school construction. A short-term decrease in construction efficiency was followed by a sharp and durable increase, supporting that view that prevailing wage laws are not associated with higher, long-term construction costs.

"Prevailing Wages and Government Contracting Costs: A Review of the Research." Nooshin Mahalia. Economic Policy Institute. April 2008.
Abstract: "An overwhelming preponderance of the literature shows that prevailing wage standards have no effect one way or the other on the cost to government of contracted public works projects." Workers on prevailing wage projects tend to be higher skilled, better trained, and less prone to serious and fatal injuries. Prevailing wages contribute to enhanced tax revenues, and higher wages support local consumer spending.

"Davis-Bacon Suspension and Its Legislative Aftermath." William Whittaker. Congressional Research Service. November 2005.
Abstract: In late August 2005, following the devastation of Hurricane Katrina, President George W. Bush suspended the Davis-Bacon Act for Gulf Coast areas in Florida, Alabama, Mississippi, and Louisiana. During the next two months, billions of dollars were awarded for projects that had no prevailing wage standards. Reports documented displacement of local workers by migratory low-wage, low-skill workers.

"State Prevailing Wage Laws and School Construction Costs." Hamid Azari-Rad, Peter Philips, & Mark Prus. *Industrial Relations*, 42(3): 445-457. State University of New York–New Paltz; University of Utah; State University of New York—Courtland. July 2003.
Abstract: Critics of prevailing wage laws claim that their elimination will cut total public construction costs by 15%-25%. Using Dodge data for 1991 to 1999, this study finds no statistically significant difference between the costs of public schools built with prevailing wage regulations.

"Analysis of Regression and Surveys in Ohio LSC Report on S.B. 102 on Claimed Cost Savings from Exempting School Construction from Prevailing Wage Requirements." Herbert Weisberg. Ohio State University. July 2002.
Abstract: This report finds that the Ohio Legislative Service Commission (LSC) report is invalid. The LSC report notes multiple times that there was no evidence that prevailing wage contributed to the reduction in school construction costs (Example: "Evidence was not available as to the portion of the estimated savings, if any, that could be directly and conclusively attributed to the prevailing wage exemption").

"Making Hay When It Rains: The Effect Prevailing Wage Regulations, Scale Economies, Seasonal, Cyclical, and Local Business Patterns Have on School Construction Costs." Hamid Azari-Rad, Peter Philips, & Mark Prus. *Journal of Education Finance*, 27. State University of New York, Cortland; University of Utah. Spring 2002.
Abstract: There is no measurable difference in public schools built with and without prevailing wage. School districts' best option is to build counter-cyclically to enjoy a buyer's advantage during downturns. A doubling of the unemployment rate leads to a 21% decline in school construction costs.

"A Comparison of Public School Construction Costs: In Three Midwestern States that Have Changed Their Prevailing Wage Laws in the 1990s." Peter Philips. University of Utah. February 2001.
Abstract: This study of public school construction costs in Kentucky, Ohio, and Michigan from 1991-2000 found that prevailing wage has no significant impact on school construction costs. Instead of raising costs, the study found that the payment of prevailing wages entices contractors to hire and train a more skilled and productive labor force.

"Prevailing Wage Regulations and School Construction Costs: Evidence from British Columbia." Cihan Bilginsoy & Peter Philips. *Journal of Education Finance*, 25(3). University of Utah. Winter 2000.
Abstract: This study examines effects of prevailing wage laws on school construction costs, using final cost data from six British Columbia school districts. When controlling for factors such as construction business cycle, number of competitors, and school type, there was no significant unit cost change following the Skill Development and Fair Wage Policy Act.

"Do Lower Prevailing Wages Reduce Public Construction Costs?" Howard Wial. Keystone Research Center; Rutgers University. July 1999.
Abstract: For the period in which they existed, Pennsylvania's lower prevailing wage and benefit requirements had no measurable impact on construction costs in the state. If the lower prevailing wage and benefit rates were intended to save taxpayers money, they failed to achieve that goal.

"Prevailing Wage Laws and School Construction Costs: An Analysis of Public School Construction in Maryland and the Mid Atlantic States." Mark Prus. State University of New York—Cortland. January 1999.
Abstract: A formal statistical model capable of controlling for multiple factors affecting school construction costs factors confirms that there is no measurable or statistically significant increase in construction costs associated with prevailing wage.

"Delaware's Prevailing Wage Law: Its History, Purpose and Effect." Peter Philips. University of Utah. May 1998.
Abstract: In an examination of square foot construction costs of schools built in states with and without prevailing wage laws from 1991-1997 (1,700 elementary schools, 900 middle schools, and 600 high schools), there is no measurable increase in construction costs associated with prevailing wage.

Prevailing Wages are Local Market Wages

"Building Responsible Projects in New York City: Assessing the Impact of Prevailing Wage Benefits on Workers, Contractors, and the New York City Economy." Russell Weaver & Anne Marie Brady. Cornell University. September 2023.

Abstract: In January 2022, New York State expanded prevailing wage coverage to private projects that cost $5 million or more and receive public funds covering 30% of total construction project costs. Under this law, developers are likely to save money by hiring union contractors on private prevailing wage projects. That is because nonunion firms offer benefits packages at much lower rates than union firms and will pay their employees the prevailing supplemental benefits rate as wages, which, will increase their workers' compensation expenses relative to those sourcing union labor.

"United States Energy & Employment Report 2023." USEER. U.S. Department of Energy. June 2023.

Abstract: According to a survey of 34,200 energy sector employers, union employers have less trouble filling open positions. The union difference "was especially pronounced in the construction industry," where union contractors are 28% less likely to report that it is "very difficult" to find workers. Union employers (46%) are more than 2x as likely as nonunion employers (22%) to offer diversity and inclusion training programs as well as 2x as likely to have a policy in place to recruit people of color and 2.5x as likely to have a policy in place to recruit members of the LGBTQ+ community.

"Prevailing Wages Can Build Good Jobs Into America's Electric Vehicle Industry." Aurelia Glass, David Madland, and Karla Walter. Center for American Progress. July 2022.

Abstract: Federal and state governments could expand prevailing wages into the electric vehicle manufacturing sector, ensuring that government-subsidized firms pay at least the basic hourly rate of wages and benefits paid to similarly employed workers. An EV prevailing wage policy could ensure that EV jobs are paid at rates competitive with existing internal combustion engine automobile jobs, be based on the modal rate and collective bargaining agreements, and be tied to subsidies, grants, loans, tax incentives, and consumer rebates.

"The Union Advantage During the Construction Labor Shortage: Evidence from Surveys of Associated General Contractors of America Member Firms." Frank Manzo IV, Larissa Petrucci, & Robert Bruno. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. May 2022.

Abstract: Union contractors are 21% less likely to experience delays in project completion times due to shortages of workers, 14% less likely to experience difficulty in filling craft worker positions, and 13% less likely to be losing their workers to other industries. They are also 27% less likely to rate their local pipeline for supplying well-trained craft workers as "poor." By paying market-competitive wages and benefits, union contractors are more likely to complete jobs on-time. To the extent that prevailing wage rates reflect collectively bargained rates, they help ensure that projects are not delayed due to workforce issues.

"The Effect of Prevailing Wage Laws on Informal Construction Employment." Matthew Hinkel. Alma College. August 2021.

Abstract: From 2010 through 2019, worker misclassification and off-the-books employment was 2% lower for construction workers in states with prevailing wage laws. Lower prevailing wage contract coverage thresholds were also linked with significant decreases in misclassification and off-the-books employment because more state and local projects are covered, leaving fewer workers vulnerable to exploitative practices and governments less vulnerable to payroll tax fraud. By improving transparency, accountability, and enforcement on public works projects, prevailing wage laws protect workers from illegal labor practices.

"Building Good Jobs on Clean Energy Projects: A Primer on the Economics of Unions and Prevailing Wage Standards in Illinois." Frank Manzo IV. Illinois Economic Policy Institute. April 2021.

Abstract: Installation labor accounts for just 7%-10% of total costs on solar and wind energy systems. Including prevailing wage standards and project labor agreements on clean energy projects could only, at maximum, increase total costs by 1%-3%—without factoring in changes in productivity, training, safety, and other contractor efficiencies that offset higher labor costs.

"Prevailing Wage in Solar Can Deliver Good Jobs While Keeping Growth on Track." Betony Jones. University of California, Berkeley Labor Center. November 2020.

Abstract: On utility-scale and commercial projects, prevailing wage standards can only increase project costs by 1%-4%, and that assumes no change in labor productivity. Evidence suggests that prevailing wages have no effect on solar costs and can accelerate solar development due to union support.

"An Empirical Methodology to Estimate the Incidence and Costs of Payroll Fraud in the Construction Industry." Russell Ormiston, Dale Belman, & Mark Erlich. Allegheny College; Michigan State University; Harvard University. January 2020.

Abstract: Between 12% and 22% of construction workers are misclassified as independent contractors or are working "off-the-books." The result is a $17 billion transfer of income from workers to fraudulent employers, $2 billion in reduced revenue for state workforce compensation programs, and over $700 million lost in state unemployment insurance program revenue due to fraud in the construction industry.

"What Does the Research Tell Us About Prevailing Wage Laws?" *Labor Studies Journal*, 44(2): 139-160. Kevin Duncan & Russell Ormiston. Colorado State University-Pueblo; Allegheny College. June 2019.

Abstract: This paper is as a comprehensive literature review of the last 20 years of research on prevailing wage laws which finds that prevailing wage laws do not affect project costs, do promote worker safety and training, and do not have a discriminatory impact.

"Rebuilding California: The Golden State's Housing Workforce Reckoning." Scott Littlehale. Smart Cities Prevail. January 2019.

Abstract: California needs at least 200,000 new construction workers to make housing more affordable in the state. However, wages and compensation in the housing construction industry and not competitive, with residential construction workers earning 24% less per year than other jobs. Prevailing wage standards and collective bargaining agreements can attract and retain new workers into the sector.

"New York State Prevailing Wage Law: Defining Public Work." Fred Kotler. Cornell University. March 2018.

Abstract: The commingling of various forms of public support—such as loans and tax incentives—has blurred the definition of "public work." This report examines the taxpayer interest in redefining "public work" to include both traditionally-funded public projects and private development funded in part by taxpayer dollars. 16 states—including California, Connecticut, Illinois, and New Jersey—have laws that cover a broader range of projects.

"Prevailing Wages, Side-By-Side Bids, and School Construction Costs." Kevin Duncan. *Labor Studies Journal*. Colorado State University-Pueblo. January 2018.

Abstract: Side-by-side bids from school construction projects have been used as evidence that prevailing wage laws are associated with increased building costs. This study finds that it is important to consider the incentives that side-by-side bidding creates for nonunion contractors. The gap between bids that require and do not require the payment of prevailing wages decreases as the level of bid competition and accumulated contractor bid experience increases. The disparity in side-by-side bids is also influenced by a contractor's eagerness to win a project. Because the gap in side-by-side bids varies with bid and bidder characteristics, these data do not provide an accurate measure of the cost impact of prevailing wage standards.

"The Wage Differential Method: Promising Construction Costs Savings with the Repeal or Weakening of Prevailing Wage Laws that Cannot be Delivered." Kevin Duncan. *Labor Studies Journal*. Colorado State University-Pueblo. January 2018.

Abstract: This study provides a step-by-step illustration of the "wage differential method" through an examination of Davis-Bacon prevailing wage requirements and the cost of highway resurfacing in Colorado. While the wage differential approach would indicate that prevailing wages add 7%-17% to project costs, three studies that examine *actual* project data find consistent evidence that project costs are not related to prevailing wages—showing the inherent flaws in the assumptions made by the wage differential method. The analysis also includes a critical review of wage differential studies.

"A New Bill to Use BLS Data for Davis-Bacon Prevailing Wage Would Be a Pay Cut for Middle-Class Construction Workers." Frank Manzo IV. Illinois Economic Policy Institute. June 2017.

Abstract: BLS wage data is not suitable for public construction and would lower wages for construction workers, resulting in a failure to meet the goal of the Davis-Bacon Act to sustain local market standards.

"Building America with Prevailing Wage: The Davis-Bacon Act Delivers Good Middle-Class Jobs, a Stronger Economy, and the Best Value for U.S. Taxpayers." Kevin Duncan, Peter Philips, & Frank Manzo IV. Colorado State University-Pueblo; University of Utah; Illinois Economic Policy Institute. April 2017.

Abstract: This paper reviews the research on the federal Davis-Bacon Act. The report finds that the Act provides the best value for taxpayers; levels the playing field and strengthens the economy; provides a boost to construction workers' productivity, safety, and efficiency; enables workers to access ladders into the middle class; significantly affects veterans, women, and people of color; and is transparent, reliable, and reflects market standards.

"Prevailing Wage Repeal Cannot Result in '44 Percent Savings': Evidence from Southwestern Wisconsin." Frank Manzo IV. Midwest Economic Policy Institute. October 2016.

Abstract: The average monthly earnings of employees in highway, street, and bridge construction were 8% more in southwest Wisconsin than across the border in northwest Iowa (which did not have a prevailing wage law) and labor costs account for just 21% of total highway, street, and bridge construction costs in Wisconsin. Mathematically, the maximum cost savings that could occur without Wisconsin's prevailing wage law are thus 2%. Furthermore, this estimate does not control for factors such as worker quality and productivity.

"The Prevailing Wage is the Local Market Rate: Employment and Job Turnover Evidence from the Border of Illinois." Frank Manzo IV. Illinois Economic Policy Institute. August 2016.
Abstract: Illinois' prevailing wage law is effective at determining the local market rate, contrary to the assertion that prevailing wage "inflates" construction worker wages. Based on data for 32 counties along the state line of Illinois and 33 border counties, a higher prevailing wage for operating engineers has no statistical impact on the employment of men working in road construction or on job turnover, hires, or separations. Prevailing wages are determined largely by local market conditions.

"Weakening Prevailing Wage Hurts Local Contractors and Workers: A Case Study from Southern Indiana." Frank Manzo IV. Midwest Economic Policy Institute. June 2016.
Abstract: This report examines the impact of the gradual weakening (and 2015 repeal) of Indiana's Common Construction Wage Law. Public works construction employment in the 13 southernmost Indiana counties decreased by over 800 jobs (-21%) after the wage policy was weakened. Over the same period, public works construction employment grew by nearly 800 jobs (+21%) in 14 border counties across the river in Kentucky. Average construction wages were lower in Kentucky, suggesting that weakening the wage policy resulted in greater demand for low-wage, out-of-state workers.

"An Analysis of the Impact of Prevailing Wage Thresholds on Public Construction: Implications for Illinois." Frank Manzo IV & Robert Bruno. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. April 2016.
Abstract: Higher prevailing wage contract thresholds for public projects encourage out-of-state contractors to enter the market. Higher thresholds also lead to lower wages and health insurance coverage for construction workers. Every $100,000 increase in the contract threshold is associated with a 1.2% drop in the market share of in-state contractors, a 0.5% drop in construction incomes, and a 0.3% drop in health coverage for construction workers.

"Prevailing Wages and the Free Market." Peter Philips. University of Utah. April 2015.
Abstract: "The government interferes with the operations of the construction free market because, as the largest participant in that market, it cannot avoid affecting free market outcomes. The government has a special minimum wage by craft and location in its procurement policy in order to stay as neutral as possible in affecting local construction wages. … [A]bsent prevailing wage regulations, public works procurement has a natural tendency to undercut local free market wages, benefits, and training."

"Problems with using *Occupational Employment Statistics* in the Determination of Prevailing Wage Rates." Peter Philips & Kevin Duncan. University of Utah; Colorado State University-Pueblo. March 2015.
Abstract: There are three basic problems with using the OES for prevailing wage determination: (1) it includes residential construction; (2) it excludes benefits; and (3) it uses data that are up to three years old. In addition, it does not collect information on hours or overtime. It cannot report data by county, and it attributes all of a contractor's work to the contractor's business address regardless of where the actual construction worksite is.

"An Analysis of House Bill 1073: Proposed Legislation to Alter Prevailing Wages in the State of Washington." Kevin Duncan. Colorado State University-Pueblo. February 2015.
Abstract: "Random stratified sampling" will result in inaccurate prevailing wage rates. The current survey method used by the Department of Labor and Industries avoids the challenges, expense, and problems associated with switching to a random stratified sampling approach. Concerns about the current survey method can be addressed by finding ways to increase survey response rates.

"Do Construction Costs Decrease When Davis-Bacon Prevailing Wages Change from Union to Average Rates?" Kevin Duncan. Colorado State University-Pueblo. 2015.
Abstract: From the mid-1990s to April 2002, federal Davis-Bacon wage and benefit rates for highway resurfacing projects in Colorado were based on union rates. From April 2002 until the fall of 2011, average wage and benefits prevailed, lowering total compensation by 18%. Despite the substantial decrease in wages, there was no corresponding decrease in the cost of federally-funded resurfacing work relative to comparable state-funded projects.

"Impact of Prevailing Wages on the Cost Among the Various Construction Trades." Alan Atalah. *Journal of Civil Engineering and Architecture*, 7(4): 670-676. Bowling Green State University. December 2013.
Abstract: In 1997, Ohio exempted contractors from paying prevailing wages on public school construction projects. A comparison of average bid costs per square foot from 2000 through 2007 indicates that there is no statistically significant difference between union and nonunion contractors across the state. There was no difference when evaluating all 8,093 bids or just the 1,497 winning bids.

"Statement of Erica L. Groshen, Commissioner, Bureau of Labor Statistics, U.S. Department of Labor before the Subcommittee on Workforce Protections, Committee on Education and the Workforce." Erica Groshen. Bureau of Labor Statistics. June 2013. Also available here.
Abstract: The Bureau of Labor Statistics Occupational Employment and Wage Statistics survey produces employment and wage data. However, BLS has no role in establishing prevailing wages or determining what data are appropriate for the purpose of prevailing wage determinations.

"Testimony Given by Ross Eisenbrey before the U.S. House of Representatives Subcommittee on Workforce Protections on the Davis-Bacon Act." Ross Eisenbrey. Economic Policy Institute. June 2013.
Abstract: Using BLS data to determine Davis-Bacon prevailing wage rates was rejected in 1997 and must be rejected because it does not include fringe benefits, does not capture exact wage rates, does not distinguish between different locations and types of projects, and does not collect data separately for residential, heavy, highway, and building construction.

"Comparison of Union and Non-Union Bids on Ohio School Facilities Commission Construction Projects." Alan Atalah. *International Journal of Economics and Management Engineering*, 3(1): 29-35. Bowling Green State University. March 2013.
Abstract: In 1997, Ohio exempted contractors from paying prevailing wages on public school construction projects. When analyzing 8,093 bids on school construction projects from 2000 through 2007 for different trades, the average bid cost per square foot was not higher for 15 of the 18 trades (83%) that paid union rates. The payment of union wage rates is not associated with increased construction costs.

"The Effect of Prevailing Wage Regulations on Contractor Bid Participation and Behavior: A Comparison of Palo Alto, California with Four Nearby Prevailing Wage Municipalities." Jaewhan Kim, Chang Kuo-Liang, & Peter Philips. *Industrial Relations*, 51(4). University of Utah; South Dakota State University. October 2012.
Abstract: This sample of 565 bids by union and nonunion contractors on 140 municipal projects in the San Francisco Bay area finds that the presence of prevailing wage standards does not decrease the number of bidders or alter the bidding behavior of contractors relative to the engineer's estimate of the value of the project.

"Supplemental Testimony, The Department of Labor's Implementation of the Davis-Bacon Act." Dale Belman & Ross Eisenbrey. Economic Policy Institute; Michigan State University. May 2011.
Abstract: After correcting for Sherk's (Heritage Foundation) many errors, and in particular for his failure to include the Davis-Bacon residential rate in his comparison, it becomes evident that Davis-Bacon rates are not remarkably different from the OES rates.

"GAO Report Leaves Mistaken Impression About How Frequently Union Rates Prevail." Congressman Bishop. April 2011.
Abstract: "It's worth pointing out that, while only 14% of workers in the whole construction industry are represented by a union, the percentage is far higher [for blue-collar workers] in the types of construction that tend to be funded with public investments."

"An Evaluation of Prevailing Wage in Minnesota: Implementation, Comparability and Outcomes." Lisa Jordan, Robert Bruno, Phil Schrader, & Tony Sindone. Brevard College; University of Illinois at Urbana-Champaign; University of Minnesota; Indiana University—South Bend. October 2006.
Abstract: The survey method to gather data for determining prevailing wage rates is both valid and reliable. Repealing or weakening prevailing wage would cost the Minnesota between $38-$178 million in tax revenues, a weakening of apprenticeship training programs, an increase in injury rates.

"Prevailing Wage Legislation and Public School Construction Efficiency: A Stochastic Frontier Approach." Kevin Duncan, Peter Philips, & Mark Prus. *Construction Management and Economics*, 24(6): 625-634. August 2006.
Abstract: The authors use British Columbia data to examine the effect of prevailing wage laws on productivity and efficiency. They found that public school projects were between 16%-19% smaller than comparable private structures, in terms of square feet per project expenditure, before prevailing wage was introduced. This size differential did not change after the policy was in effect. These results suggest that prevailing wage standards do not alter labor or other input utilization in a way that significantly affects projects.

"Labor Market Regulation and the Winner's Curse." Cihan Bilginsoy. *Economic Inquiry*, 37(3): 387- 400. University of Utah. July 1999.
Abstract: An analysis of 452 bids on school construction projects in British Columbia, Canada reveals that the introduction of prevailing wage standards was associated with an increase in bid competition (+8.4 bids) that diminished over time (-0.2 bids per year). Bidders responded to rising competition by lowering their bids, so prevailing wage standards did not lead to higher bid prices.

Prevailing Wages Create Construction Careers

"Construction Apprenticeships as a Career Development Alternative in Indiana: Enrollment, Diversity, Hours, Completion Rates, and Earnings in Registered Apprenticeship Programs." Frank Manzo IV, Andrew Wilson, & Robert Bruno. Midwest Economic Policy Institute; University of Illinois at Urbana-Champaign. August 2023.
Abstract: Joint labor-management apprenticeship programs (union programs) enrolled 77% of construction apprentices in Indiana between 2010 and 2020, including 93% of women apprentices, 85% of Black apprentices, and 83% of Hispanic apprentices. Joint programs have a 6% higher completion rate than employer-only (nonunion) programs, require 30% more hours of training than bachelor's degrees, and deliver hourly earnings that are 5% higher than the average worker with a bachelor's degree without any of the student loan debt.

"Construction Apprenticeships as a Career Development Alternative in Michigan: Enrollment, Diversity, Hours, Completion Rates, and Earnings in Registered Apprenticeship Programs." Frank Manzo IV, Andrew Wilson, & Robert Bruno. Midwest Economic Policy Institute; University of Illinois at Urbana-Champaign. August 2023.
Abstract: Joint labor-management apprenticeship programs (union programs) enrolled 75% of construction apprentices in Michigan between 2010 and 2020, including 87% of women apprentices, 87% of Black apprentices, and 85% of Hispanic apprentices. Joint programs have a 15% higher completion rate than employer-only (nonunion) programs, require 8% more hours of training than bachelor's degrees, and deliver hourly earnings that are only 8% less than the average worker with a bachelor's degree without any of the student loan debt.

"The Economic Impact of Prevailing Wage Law Repeals on Construction Market Outcomes: Evidence from Repeals Between 2015 and 2018." Frank Manzo IV, Robert Bruno, & Larissa Petrucci. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. January 2023.
Abstract: Using 2012-2017 *Economic Census* data and 2014-2019 *American Community Survey* data, this report finds that states that repealed prevailing wage laws experienced 4%-13% slower construction worker earnings growth, 7%-10% slower benefits growth, a 2% drop in health insurance coverage, a 2% increase in food stamp reliance, slower construction employment and productivity growth, a 14% higher on-the-job fatality rate, no change in the racial and ethnic diversity of the workforce, and a 1%-2% drop in the market share of in-state contractors. Repeal of prevailing wage had negative consequences for construction workers and local contractors.

"Are Plumbing Apprentice Graduates Safer than Their Non-Apprentice Peers? Workers' Compensation Claims Among Journey Level Plumbers by Apprenticeship Participation." *Journal of Safety Research*, 83: 349-356. Sara Wuellner & David Bonauto. Washington State Department of Labor and Industries. December 2022.
Abstract: Washington State Department of Labor & Industries researchers linked apprenticeship data with plumber certification information, compared workers' compensation claims between 2000 and 2018, and found that journey-level plumbers who graduated from apprenticeship programs had workers' compensation claim rates that were 31% lower than plumbers with no apprenticeship training.

"Diversity, Equity, and Inclusion Initiatives in the Construction Trades." Cihan Bilginsoy, David Bullock, Amy Tracy Wells, & Roland Zullo. Institute for Construction Employment Research (ICERES); University of Utah; University of Michigan; Rutgers University. March 2022.
Abstract: Joint labor-management apprenticeship programs (union programs) accounted for 75% of all construction apprentices across the United States from 1999 to 2019, including 85% of all women apprentices, 79% of all Black apprentices, and 79% of all Hispanic apprentices. Cancellation rates—or dropout rates—are 10% lower for joint programs. Joint programs have lower dropout rates across the board, regardless of race or gender.

"Constructing a Diverse Workforce: Examining Union and Non-Union Construction Apprenticeship Programs and Their Outcomes for Women and Workers of Color." Larissa Petrucci. University of Oregon. November 2021.
Abstract: In Portland, joint labor-management apprenticeship programs enroll 72% of all construction apprentices. The joint programs have greater gender and racial diversity and a graduation rate of 58% versus a 36% graduation rate in employer-only programs, a 22% difference. Finally, about half of all women apprentices and apprentices of color earned an exit wage of at least $40 per hour from the joint programs compared to just one-in-five earning at least $40 per hour from the employer-only programs.

"Apprenticeship as a Career Development Alternative: Enrollment, Hours, and Earnings in Registered Apprenticeship Programs in Wisconsin." Frank Manzo IV, Nathaniel Goodell, & Robert Bruno. Midwest Economic Policy Institute; University of Illinois at Urbana-Champaign. October 2021.
Abstract: Joint labor-management programs account for 81% of all construction apprentices in Wisconsin, including 85% of all women, 89% of Black apprentices, 86% of Hispanic apprentices, and 85% of veterans. The joint programs account for 95% of training investments. Registered apprenticeship programs require 41% more training hours than bachelor's degree students and deliver earnings that are on par with workers with bachelor's degrees.

"Union Apprenticeships: The Bachelor's Degrees of the Construction Industry – Data for the United States, 2010-2020." Frank Manzo IV & Erik Thorson. Illinois Economic Policy Institute. September 2021.
Abstract: Joint labor-management apprenticeship programs typically require 27%-41% more hours of training than public four-year universities. Union construction workers earn 46% more per year than nonunion construction workers and are 34% more likely to have private health insurance. In fact, union construction workers are most similar to other workers with bachelor's degrees. Union construction workers have annual incomes, health insurance coverage rates, access to pension plans, poverty rates, Medicaid reliance rates, and even marriage rates that are on par with workers with bachelor's degrees. The equivalent for nonunion construction is other workers with only high school diplomas.

"Apprenticeship Training in Iowa: Enrollment, Completion Rates, and Earnings of Registered Apprentices in Iowa." Frank Manzo IV & Jill Gigstad. Midwest Economic Policy Institute. September 2021.
Abstract: Iowa is a state that has never had a prevailing wage law and has long been a so-called "right-to-work" state. Joint labor-management apprenticeship programs account for 55% of all construction apprentices in Iowa, including 70% of all women, 68% of Black apprentices, 63% of Hispanic apprentices, and 61% of veterans. The joint programs require 30% more hours of training than bachelor's degree studies and deliver earnings that are most similar to similar studies with associate degrees.

"Training the Golden State: An Analysis of California Apprenticeship Programs." Dan Calamuci. Smart Cities Prevail. December 2020.
Abstract: Joint labor-management apprenticeship programs train 92% of California's apprentices, including 97% of the female apprentices. Two-thirds of California apprentices are people of color. Apprenticeship programs require the same or more training hours than a bachelor's degree.

"The Apprenticeship Alternative: Enrollment, Completion Rates, and Earnings in Registered Apprenticeship Programs in Illinois." Frank Manzo IV & Robert Bruno. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. January 2020.
Abstract: Joint labor-management programs account for the vast majority of registered apprentices (97%) in Illinois' construction industry, require 27% more hours of training that four-year universities, have a 54% completion rate that is on par with public universities (61%), are more diverse than employer-only programs, and deliver middle-class careers with career earnings ($2.4 million) that rival bachelor's degrees ($2.5 million).

"The Effect of Prevailing Wage Law Repeals and Enactments on Injuries and Disabilities in the Construction Industry." Zhi Li, Chimedlkham Zorigtbaatar, Gabriel Pleités, Ari Fenn, & Peter Philips. *Public Works Management & Policy*, 1-17. University of Utah. October 2019.
Abstract: Prevailing wage law repeals have been shown to lower wages and benefits—including benefits providing safety training and associated with worker retention in construction. Controlling for other factors, repealing state prevailing wage laws increase construction injury rates from 11.6% to 13.1% as the seriousness of injuries increases. Disabilities also increased by 7.5% to 8.2%.

"What Does the Research Tell Us About Prevailing Wage Laws?" *Labor Studies Journal*, 44(2): 139-160. Kevin Duncan & Russell Ormiston. Colorado State University-Pueblo; Allegheny College. June 2019.
Abstract: This paper is as a comprehensive literature review of the last 20 years of research on prevailing wage laws which finds that prevailing wage laws do not affect project costs, do promote worker safety and training, and do not have a discriminatory impact.

"The Effect of State Prevailing Wage Laws on African-American Employment in Construction." Dale Belman, Russell Ormiston, Ryan Petty, & Matthew Hinkel. Institute for Construction Employment Research (ICERES); Michigan State University; Allegheny College; Roosevelt University. June 2019.
Abstract: Using *Current Population Survey* data for 1977-1979, 1995, and 2006, the authors find no empirical evidence that prevailing wage laws reduce African American participation in construction or alter the choice of African Americans to enter construction occupations. The biggest predictor of the racial composition of a state's construction industry is the racial composition of its population.

"The Impact of Nevada's Ninety-Percent Prevailing Wage Policy on School Construction Costs, Bid Competition, and Apprenticeship Training." Jeffrey Waddoups & Kevin Duncan. University of Nevada, Las Vegas; Colorado State University-Pueblo. March 2019.

Abstract: Joint labor-management apprenticeship programs trained 92% of Nevada's construction apprentices between 2000 and 2017. Joint programs had a completion rate that was 7% higher than employer-only programs.

"Construction Apprenticeship and Training in Pennsylvania." Stephen Herzenberg, Diana Polson, & Mark Price. Capital Area Labor-Management Council, Inc. September 2018.

Abstract: Joint labor-management apprenticeship programs account for 85% of Pennsylvania's construction apprentices and 9-in-10 apprentices who are people of color and women. Joint labor-management apprenticeship programs graduate more than 6 veterans for every 1 veteran graduated by non-union programs and starting wages for union apprentices are 36% higher than their non-union counterparts.

"An Examination of Minnesota's Prevailing Wage Law: Effects on Costs, Training, and Economic Development." Frank Manzo IV & Kevin Duncan. Midwest Economic Policy Institute; Colorado State University-Pueblo. July 2018.

Abstract: Minnesota's prevailing wage law increases construction worker incomes by 5%, health insurance coverage by 5%, and pension plan coverage by 5% while reducing the share receiving food stamps by 2%. The law creates 7,200 jobs, boosts the economy by $981 million, and generates $37 million in state and local tax revenue every year. In addition, 93% of all registered apprentices in Minnesota are enrolled in joint labor-management programs. Finally, based on an analysis of 640 bids on school construction projects in the Minneapolis-St. Paul area, winning bids based on the payment of prevailing wages were no more costly than bids that did not require prevailing wages.

"The Effect of Prevailing Wage Repeals on Construction Income and Benefits." Ari Fenn, Zhi Li, Gabriel Pleites, Chimedlkham Zorigtbaatar, & Peter Philips. *Public Works Management and Policy*. University of Utah. February 2018.

Abstract: This study examines the effect of prevailing wage repeals on fringe benefits in addition to incomes. The authors find that, based on state-level data from the *Economic Census of Construction* between 1972 and 2012, the effect of repeal was a 2%-4% decrease in blue-collar construction incomes, a 4%-10% fall in annual legally required benefits (e.g., Social Security and unemployment insurance), and a 11%-16% drop in annual voluntary benefits (e.g., health insurance, pension contributions, and apprenticeship training). Blue-collar benefits likely fell more than white-collar benefits.

"New York's Prevailing Wage Law: A Cost-Benefit Analysis." Russell Ormiston, Dale Belman, & Matthew Hinkel. Economic Policy Institute; Allegheny College; Michigan State University. November 2017.

Abstract: This study relies on 15 years of peer-reviewed research and systematically critiques the "wage differential" methodology used in studies that attack prevailing wage, such as by New York's Empire Center. The authors conclude that New York's prevailing wage law is a net benefit to construction workers and not a burden on taxpayers. Prevailing wage boosts construction worker incomes by $653 million and increases tax revenues. States with a weak law or no law have 2.5% more construction workers below poverty, 3.6% more receiving EITC benefits, 11.5% less with employment-based health insurance coverage, and 10.8% less with employment-sponsored pension plan coverage than states with strong or average prevailing wage laws.

"The Performance of ABC-Sponsored Registered Apprenticeship Programs in Michigan: 2000-2016." Cihan Bilginsoy. University of Utah. October 2017.

Abstract: Joint labor-management programs account for 79% of all new registered apprentices in Michigan, ABC-sponsored programs account for 4%, and other single-employer programs account for 16%. The ABC programs had the highest rate of cancellation and the lowest completion rate. The share of people of color was 9% in the ABC-affiliated programs and 21% in the joint programs, matching their share in the Michigan labor force (20%).

"The Social Costs of Repealing Wisconsin's Prevailing Wage Law." Frank Manzo IV & Jill Manzo. Midwest Economic Policy Institute. June 2017.

Abstract: Using the assumptions made by critics of Wisconsin's prevailing wage law as a "thought experiment" to demonstrate the social costs of repeal, this report finds that repealing Wisconsin's prevailing wage would cost the state $224-337 million in social costs such as food stamps, public health insurance, and earned income tax credits. Furthermore, 4%-12% of construction workers in Wisconsin would newly qualify for government assistance in if prevailing wage were repealed, in addition to the 14.5% who already qualify. Taxpayers do not save from repeal of prevailing wage, they subsidize.

"The $5 Billion Cost of Construction Fatalities in the United States: A 50 State Comparison." Jill Manzo. Midwest Economic Policy Institute. May 2017.

Abstract: From 2011 through 2015, 4,339 construction workers lost their lives at work —868 fatalities per year or 16 deaths per week. The on-the-job fatality rate is 14% higher in states that do not have prevailing wage laws than it is in states with prevailing wage.

"Building America with Prevailing Wage: The Davis-Bacon Act Delivers Good Middle-Class Jobs, a Stronger Economy, and the Best Value for U.S. Taxpayers." Kevin Duncan, Peter Philips, & Frank Manzo IV. Colorado State University-Pueblo, University of Utah, Illinois Economic Policy Institute. April 2017.
Abstract: This paper reviews the research on the federal Davis-Bacon Act. The report finds that the Act provides the best value for taxpayers; levels the playing field and strengthens the economy; provides a boost to construction workers' productivity, safety, and efficiency; enables workers to access ladders into the middle class; significantly affects veterans, women, and people of color; and is transparent, reliable, and reflects market standards.

"Prevailing Wage and Military Veterans in Connecticut: Applied Policy Brief." Frank Manzo IV, Robert Bruno, Kevin Duncan, & Jill Manzo. Midwest Economic Policy Institute. April 2017.
Abstract: Weakening Connecticut's law would result in a net employment loss of 1,300 veterans in construction and a $5,138 decrease in wage and salary incomes for the average veteran, leading to over 270 additional veterans falling below the poverty line and over 160 on food stamps.

"Prevailing Wage Laws: What Do We Know?" Kevin Duncan & Russell Ormiston. Institute for Construction Employment Research (ICERES), Colorado State University-Pueblo, Allegheny College. March 2017.
Abstract: This paper is as a comprehensive literature review of the last 20 years of research on prevailing wage laws. Although prevailing wage laws are a source of ongoing policy debate, the peer-reviewed literature has established consensus on a few key points: first, prevailing wage laws do not affect construction project costs, particularly the costs of school construction and highway maintenance projects. Second, prevailing wage laws promote workplace safety and higher levels of apprenticeship training. Lastly, prevailing wage laws do not have a discriminatory effect against African Americans.

"Diversity in the New York City Union and Nonunion Construction Sectors." Lawrence Mishel. Economic Policy Institute. March 2017.
Abstract: New York City's union construction sector employs a greater share of African American construction workers (21%) than the nonunion construction sector (16%). African Americans are paid 36% more in union construction than nonunion construction. In addition, the share of African Americans in joint labor-management apprenticeship programs has increased from 18% in 1994 to 35% in 2014.

"The Impact of Repealing Prevailing Wage Laws on Military Veterans." Abdur Chowdhury. Marquette University. February 2017.
Abstract: For construction contractors looking to add skilled employees to their business, there isn't a better pool of candidates to choose from than the men and women transitioning from the military. A veteran who returns home to become a blue-collar construction worker or to open a construction business benefits substantially from prevailing wage policies. Prevailing wage laws are a veterans' issue.

"Two Roads Diverge: Hidden Costs of the Low Wage Approach to Construction." Peter Philips & David Blatter. University of Utah. January 2017.
Abstract: Controlling for other factors, in U.S. construction, the absence of state prevailing wage standards reduces income tax and property tax revenues from construction employment by 16%. The absence of state prevailing wage standards reduces unemployment and worker compensation tax revenues by 8%. Training assets per construction worker are $548 in states with prevailing wage and just $182 in states without prevailing wage.

"The Impact of Apprenticeship Programs in Illinois: An Analysis of Economic and Social Effects." Robert Bruno & Frank Manzo IV. University of Illinois at Urbana-Champaign; Illinois Economic Policy Institute. August 2016.
Abstract: Apprenticeship programs in Illinois create nearly 5,000 total jobs every year and boost the economy by more than $1.2 billion in the long run. Over a career, the total economic and social return on investment from apprenticeship programs is $11 per dollar invested in worker training.

"The Impact of Prevailing Wage Laws on Military Veterans: An Economic and Labor Market Analysis." Frank Manzo IV, Robert Bruno, & Kevin Duncan. VoteVets.org; Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign; Colorado State University-Pueblo. May 2016.
Abstract: Veterans are statistically more likely to work in construction than nonveterans. Through the United States Military Apprenticeship Program (USMAP), active military members account for 21% of all registered apprentices in the United States. Prevailing wage laws increase veteran income by 7%-11%, improve employer-provided health coverage for veterans working in construction by 11%-15%, and reduce veteran poverty.

"Prevailing Wage and Military Veterans in Minnesota: Applied Policy Brief." Frank Manzo IV, Jill Manzo, Kevin Duncan, and Robert Bruno. Midwest Economic Policy Institute. October 2016.
Abstract: Weakening Minnesota's law would result in a net employment loss of 2,400 veterans in construction and a $126 million decrease in total veteran incomes, leading to an additional 100 veterans falling below the poverty line.

"Prevailing Wage and Military Veterans in Wisconsin: Applied Policy Brief." Frank Manzo IV, Jill Manzo, Kevin Duncan, & Robert Bruno. Midwest Economic Policy Institute. August 2016.
Abstract: Weakening Wisconsin's law would result in a net employment loss of 2,000 veterans in construction and a $113 million decrease in total veteran incomes, leading to an additional 200 veterans falling below the poverty line.

"Wisconsin's Prevailing Wage Law: An Economic Impact Analysis." Peter Philips. University of Utah. April 2015.
Abstract: Wisconsin's prevailing wage law helps promote training and skill formation and supports middle-class construction workers. Eliminating prevailing wage would result in a decline of apprenticeship training, a rise of low-wage jobs, and an emergence of chronic skill shortages. In Wisconsin, 95% of apprenticeship training investments are from joint labor-management programs.

"Road and Bridge Construction Workers in the Midwest: Productive, High-Skilled, and Well-Paid." Frank Manzo IV & Robert Bruno. Midwest Economic Policy Institute; University of Illinois at Urbana-Champaign. March 2015.
Abstract: Construction workers in the Great Lakes region—Illinois, Indiana, Michigan, Ohio, and Wisconsin—build highways 43% cheaper than the national average. In addition, value added is $155,100 per employee annually in Great Lakes states, the second-highest of any region. The only region with higher productivity is the Far West (Alaska, California, Hawaii, Nevada, Oregon, and Washington). The correlation between strong and average prevailing wage laws and road construction worker productivity is 0.62.

"Indiana's Common Construction Wage Law: An Economic Impact Analysis." Peter Philips. University of Utah. January 2015.
Abstract: In Indiana, joint labor-management programs provide 94% of annual apprenticeship training expenditures. In states with common construction wage laws, workers are more 21%-33% more productive.

"Self-Sufficient Construction Workers: Why Prevailing Wage Laws are the Best Deal for Taxpayers." Frank Manzo IV & LeNee Carroll. Midwest Economic Policy Institute; Building Strong Communities. August 2014.
Abstract: Construction workers in non-prevailing wage states contribute just 25% of all after-credit federal income tax revenues paid by U.S. construction workers. However, construction workers in non-prevailing wage states receive more than they put in, getting 32-33% of all EITC and food stamp benefits paid to U.S. construction workers. This study concludes that taxpayers do not save from repealing prevailing wage laws, they subsidize.

"Kentucky's Prevailing Wage Law: An Economic Impact Analysis." Peter Philips. University of Utah. January 2014.
Abstract: Construction workers in states with prevailing wage laws are more productive—21% more productive in water, sewer, and related construction; 31% more productive in highway, street, and bridge construction; and 33% more productive in other heavy and civil engineering work. Repeal of prevailing wage would reduce construction worker incomes by $75-152 million and reduce state tax revenues by $10-20 million.

"Which Labor Market Institutions Reduce Income Inequality? Labor Unions, Prevailing Wage Laws, and Right-to-Work Laws in the Construction Industry." Frank Manzo IV & Robert Bruno. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. January 2014.
Abstract: Prevailing wage laws reduce income inequality between the highest earners (Top 10 Percent) and the lowest earners (Bottom 10 Percent) by 45% in construction. Prevailing wage laws also lift workers into middle-class jobs but have no negative effect on those at the top.

"An Effectiveness Assessment and Cost-Benefit Analysis of Registered Apprenticeship in 10 States." Debbie Reed, Albert Yung-Hsu Liu, Rebecca Kleinman, Annalisa Mastri, Davin Reed, Samina Sattar, & Jessica Ziegler. Mathematica Policy Research. July 2012.
Abstract: This study examines Registered Apprenticeships, career-training programs administered by the Employment and Training Administration's Office of Apprenticeship in the U.S. Department of Labor, in conjunction with state apprenticeship agencies. The study found program participants had substantially higher earnings than nonparticipants ($123,906 more earned over a lifetime) and that the social benefits were much larger than costs.

"The Benefits of State Prevailing Wage Laws." Mark Price & Stephen Herzenberg. Keystone Research Center. October 2011.
Abstract: Without family-supporting wages, health and old-age insurance, and training, Pennsylvania's construction industry would not attract and retain a qualified workforce. Prevailing wage laws re-focus competition on efforts to raise productivity and quality.

"Quality Construction —Strong Communities: The Effect of Prevailing Wage Regulation on the Construction Industry in Iowa." Peter Philips. University of Utah. March 2008.
Abstract: Prevailing wages raise productivity by inducing better management of projects, higher training standards, and more capital investment. Non-prevailing wage states create an environment where contractors cut corners on safety, training, and payroll in an attempt to offer lower bids.

"The Davis-Bacon Act: Institutional Evolution and Public Policy." William Whittaker. Congressional Research Service. November 2007.
Abstract: During the Eisenhower Administration, strong bipartisan support resulted in the extension of the Davis-Bacon Act to the construction of the Interstate Highway System. The debate at that time featured numerous Republican members seeking to protect contractors and workers—stating that the Act "does not raise wages but it does prevent wage cutting." Another Republican further said that "the argument that it would greatly increase the cost of building roads is entirely a ghost and a phantom and is not substantiated by the facts."

"Low Road Detour: How Repealing Prevailing Wages Will Hurt Kentucky." Peter Philips. University of Utah. January 2006.
Abstract: Prevailing wage regulations help preserve quality workmanship and insure against downstream remakes, repairs, and undue maintenance cost—which help to lower overall construction costs.

"Registered Apprentices and Apprenticeship Programs in the U.S. Construction Industry between 1989 and 2003: An Examination of the AIMS, RAIS, and California Apprenticeship Agency Databases." Cihan Bilginsoy. University of Utah. May 2005.
Abstract: Joint labor-management programs account for 73% of all registered apprentices. Apprentices in joint programs are more likely to complete the program and less likely to drop out.

"Registered Apprenticeship Training in the US Construction Industry." Robert Glover & Cihan Bilginsoy. *Education + Training*, 47(4/5): 337-349. University of Texas at Austin; University of Utah. May 2005.
Abstract: Joint labor-management programs were found to have much higher enrollments and greater participation of women and ethnic and racial minorities. Joint programs also exhibit markedly better performance for all groups on rates of attrition and completion.

"Wage Regulation and Training: The Impact of State Prevailing Wage Laws on Apprenticeship." In *The Economics of Prevailing Wage Laws*. 149-168. Cihan Bilginsoy. University of Utah. 2005.
Abstract: There is no evidence that prevailing wage laws exclude minorities from training in the skilled trades.

"Report on the Prevailing Wage Law of Nevada: Its History, Cost and Effects." Peter Philips. University of Utah. May 2001.
Abstract: Nevada construction workers earned relatively more in wages and received more in health insurance and pension contributions from their employers than their counterparts in Arizona, a state that repealed its prevailing wage law.

"Prevailing Wage Laws and Construction Labor Markets." Daniel Kessler & Lawrence Katz. *Industrial and Labor Relations Review*, 54(2): 259-274. Stanford University; Harvard University. January 2001.
Abstract: Analyzing *Current Population Survey* and Census data, the relative wages of construction workers declines by 2.3%-3.9% following repeal of a state prevailing wage law. Although construction unionization does not decline after repeal, the long-run union wage premium decreases by 9.8%.

"Oregon's Prevailing Wage Law: Benefiting the Public, the Worker, and the Employer." Michael Sheehan, Robert Lee, & Lisa Nuss. Oregon and Southwest Washington Fair Contracting Foundation. 2000.
Abstract: Oregon's Prevailing Wage Act is a public commitment to the high-skill, high-productivity path. The Act reduces accidents on the job, does not increase the cost of public project construction, is not "racist," and has been beneficial to public agencies building public projects.

"Kansas and Prevailing Wage Legislation." Peter Philips. University of Utah. February 1998.
Abstract: A case study of new school construction costs in Kansas compared to surrounding Great Plains states that retained prevailing wage finds no difference in square foot construction costs. Apprenticeship training in Kansas fell by 38% and minority apprentices fell by 56%. Skilled and experienced workers were replaced by younger, less-trained workers. Additionally, in the five years after repeal, serious injury rates in Kansas rose by 21%.

"Letter to Mark Golden." Congressional Black Caucus. Congress of the United States. December 1995.
Abstract: "Davis-Bacon has been instrumental in bridging the wage gap for historically disadvantaged sectors of our society. In the face of decaying social and economic opportunities, this measure provides women and minorities with an important tool to achieving greater parity with their mainstream counterparts. … The Davis-Bacon Act has made a valuable contribution to instituting protective equity and stability to American workers everywhere. We believe this important labor protection should be continued and strengthened, not eliminated."

"Prevailing Wage Laws in Construction: The Costs of Repeal to Wisconsin." Dale Belman & Paula Voos. University of Wisconsin—Milwaukee; University of Wisconsin—Madison. October 1995.
Abstract: Prevailing wage results in lower maintenance costs by ensuring construction quality and contractor stability, a decrease in cost overruns, a lower incidence of construction-related injuries and reduced workers' compensation costs. Prevailing wage laws ensure that the competitive bidding process is not used to undermine community wage levels and living standards.

"Losing Ground: Lessons from the Repeal of Nine 'Little Davis-Bacon' Acts." Peter Philips, Garth Mangum, Norm Waitzman, & Anne Yeagle. University of Utah. February 1995.
Abstract: A major study of nine states—Alabama, Arizona, Colorado, Florida, Idaho, Kansas, Louisiana, New Hampshire, and Utah—that repealed prevailing wages finds that repeal had negative impacts on state budgets. Construction earnings and sales tax revenues decreased, while cost overruns on road construction increased. Training was reduced by 40%, minority representation was reduced in training programs, and injuries increased by 15%. The study concluded that if the federal Davis-Bacon Act was repealed, there would be 76,000 additional workplace injuries in construction annually, with more than 675,000 workdays lost each year.

"The Effects of the Repeal of Utah's Prevailing Wage Law." Hamid Azari-Rad, Anne Yeagle, & Peter Philips. University of Utah. September 1993.
Abstract: Construction wage premiums fell 2% after the state repealed its prevailing wage law. Including benefits, the wage premium fell even further. In addition, apprenticeship training fell to historically low levels post-repeal.

Prevailing Wages Support a Strong Economy with Middle-Class Jobs

"The Impact of Montana's Prevailing Wage Law: Effects on Costs, Training, and Economic Development." Kevin Duncan, Matthew Hinkel, & Frank Manzo IV. Colorado State University-Pueblo; Alma College; Illinois Economic Policy Institute. February 2023.

Abstract: The completion rate of apprentices in Montana (53%) is 21% higher than in Idaho, North Dakota, and South Dakota (33%)—three neighboring states without prevailing wage. Construction worksites average 33% fewer health and safety violations than those in the three neighboring states without prevailing wage. Montana's prevailing wage law boosts construction worker income by 8%, expands employer-provided health coverage by 8%, creates 1,800 jobs, and boosts the state economy by $248 million annually.

"The Economic Impact of Prevailing Wage Law Repeals on Construction Market Outcomes: Evidence from Repeals Between 2015 and 2018." Frank Manzo IV, Robert Bruno, & Larissa Petrucci. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. January 2023.

Abstract: Using 2012-2017 *Economic Census* data and 2014-2019 *American Community Survey* data, this report finds that states that repealed prevailing wage laws experienced 4%-13% slower construction worker earnings growth, 7%-10% slower benefits growth, a 2% drop in health insurance coverage, a 2% increase in food stamp reliance, slower construction employment and productivity growth, a 14% higher on-the-job fatality rate, no change in the racial and ethnic diversity of the workforce, and a 1%-2% drop in the market share of in-state contractors. Repeal of prevailing wage had negative consequences for construction workers and local contractors.

"The Impact of Service Contract Prevailing Wage Laws in the United States and Illinois: Effects on the Labor Market Outcomes of Custodial Workers." Frank Manzo IV & Robert Bruno. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. January 2022.

Abstract: Although not focused on construction, this first-of-its-kind study investigates the impact of service contract prevailing wages on an occupation that is covered in all 8 states with state-level laws: janitors and custodians. For custodial workers, prevailing wage laws boost incomes by 6%-10%, expand employer-provided health insurance coverage by 2%-4%, promote job stability by turning 4% of part-time jobs into full-time jobs, and have the largest positive impacts on Black, Hispanic, and workers of color.

"Blue-Collar Construction Worker Wages Fell After Indiana Repealed Its Prevailing Wage Law." Frank Manzo IV. Midwest Economic Policy Institute. May 2021.

Abstract: Reports that construction wages did not fall after repeal of prevailing wage suffer from significant flaws, including a limited scope of analysis, looking at the industry instead of directly-affected occupations, and not accounting for other factors that may influence the results. Actual data on workers in construction and extraction occupations finds that they earn 8.1%-8.4% less in Indiana post-repeal than their peers in Illinois and Ohio.

"The Impact of Oregon's Prevailing Wage Rate Law: Effects on Costs, Training, and Economic Development." Lina Stepick & Frank Manzo IV. University of Oregon; Illinois Economic Policy Institute. January 2021.

Abstract: Oregon's Prevailing Wage Rate Law improves construction worker wages by 8% and their health insurance coverage by 9%, is associated with 19% more bid competition, increases the market share of in-state contractors by 12%, creates 5,400 jobs, boosts the state's economy by $752 million annually, and generates $35 million in state and local tax revenue every year. 63% of all apprentices in Oregon are enrolled in joint labor-management apprenticeship programs.

"The Effects of Repealing Prevailing Wage in Wisconsin: Impacts on Ten Construction Market Outcomes." Frank Manzo IV, Kevin Duncan, Jill Gigstad, & Nathaniel Goodell. Midwest Economic Policy Institute; Colorado State University-Pueblo. October 2020.

Abstract: This report looks at 10 economic outcomes to examine the effects of Wisconsin repealing prevailing wage in 2017. Notable findings include: 1) repeal decreased the incomes of construction workers by 6%, 2) average construction industry CEO pay increased by 54%, 3) road construction projects had 16% fewer bidders, and 4) there was a 60% increase in state highway projects being awarded to out-of-state contractors.

"Prevailing Wage and the American Dream: Impacts on Homeownership, Housing Wealth, and Property Tax Revenues." Frank Manzo IV, Jill Gigstad, & Robert Bruno. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. February 2020.

Abstract: Prevailing wage increases the homeownership rate of construction workers by 2%, extending homeownership to more than 61,000 construction workers and generating $508 million in net property tax revenues for local communities. In addition, prevailing wage is associated with a 13% increase in housing wealth for the average construction worker who owns a home and has higher impacts on African Americans in construction.

"The Effect of Prevailing Wage Repeals on Construction Income and Benefits." Ari Fenn, Zhi Li, Gabriel Pleites, Chimedlkham Zorigtbaatar, & Peter Philips. *Public Works Management and Policy*, 1-17. University of Utah. February 2018.

Abstract: Using data from the *Economic Census* from 1972 to 2012, the authors find that average annual construction worker income fell by 2%-4%, legally-required benefits fell by 4%-10%, and voluntary benefits (primarily health insurance, pension contributions, and apprenticeship training) fell by 11%-16% in states that repealed prevailing wage laws.

"An Examination of Minnesota's Prevailing Wage Law: Effects on Costs, Training, and Economic Development." Frank Manzo IV & Kevin Duncan. Midwest Economic Policy Institute; Colorado State University-Pueblo. July 2018.

Abstract: Minnesota's prevailing wage law increases construction worker incomes by 5%, health insurance coverage by 5%, and pension plan coverage by 5% while reducing the share receiving food stamps by 2%. The law creates 7,200 jobs, boosts the economy by $981 million, and generates $37 million in state and local tax revenue every year. In addition, 93% of all registered apprentices in Minnesota are enrolled in joint labor-management programs. Finally, based on an analysis of 640 bids on school construction projects in the Minneapolis-St. Paul area, winning bids based on the payment of prevailing wages were no more costly than bids that did not require prevailing wages.

"State Prevailing Wage Laws Reduce Racial Income Gaps in Construction: Impacts by Trade, 2013-2015." Jill Manzo, Robert Bruno, & Frank Manzo IV. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. February 2018.

Abstract: The authors find that state prevailing wage laws reduce racial income inequality in construction. Prevailing wage have significant impacts on Black construction workers, boosting their annual take-home pay by an average of 24%. This is larger than the 17% effect on their white counterparts. Prevailing wage reduces the income gap between Black construction workers and white construction workers by 7%-53%. By trade, prevailing wage has the largest income effects for ironworkers (31%), operating engineers (25%), and electricians (19%).

"The Effects of Repealing Common Construction Wage in Indiana: Impacts on Ten Construction Market Outcomes." Frank Manzo IV & Kevin Duncan. Midwest Economic Policy Institute; Colorado State University-Pueblo. January 2018.

Abstract: This report looks at 10 economic outcomes to examine the effects of Indiana repealing its prevailing wage law in 2015. Notable findings include: 1) repeal decreased the wages of construction workers by 8.5%, 2) construction worker productivity growth was 5.3% slower than in neighboring states, 3) public works employment growth was 1.5% slower than in neighboring states, and 4) an analysis of 335 school construction projects in northern Indiana found that repeal had no impact on the average cost per project.

"New York's Prevailing Wage Law: A Cost-Benefit Analysis." Russell Ormiston, Dale Belman, & Matthew Hinkel. Economic Policy Institute; Allegheny College; Michigan State University. November 2017.

Abstract: This study relies on 15 years of peer-reviewed research and systematically critiques the "wage differential" methodology used in studies that attack prevailing wage, such as by New York's Empire Center. The authors conclude that New York's prevailing wage law is a net benefit to construction workers and not a burden on taxpayers. Prevailing wage boosts construction worker incomes by $653 million and increases tax revenues. States with a weak law or no law have 2.5% more construction workers below poverty, 3.6% more receiving EITC benefits, 11.5% less with employment-based health insurance coverage, and 10.8% less with employment-sponsored pension plan coverage than states with strong or average prevailing wage laws.

"Building America with Prevailing Wage: The Davis-Bacon Act Delivers Good Middle-Class Jobs, a Stronger Economy, and the Best Value for U.S. Taxpayers." Kevin Duncan, Peter Philips, & Frank Manzo IV. Colorado State University-Pueblo, University of Utah, Illinois Economic Policy Institute. April 2017.

Abstract: This paper reviews the research on the federal Davis-Bacon Act. The report finds that the Act provides the best value for taxpayers; levels the playing field and strengthens the economy; provides a boost to construction workers' productivity, safety, and efficiency; enables workers to access ladders into the middle class; significantly affects veterans, women, and people of color; and is transparent, reliable, and reflects market standards.

"The Economic, Fiscal, and Social Effects of Ohio's Prevailing Wage Law." Lameck Onsarigo, Alan Atalah, Frank Manzo IV, & Kevin Duncan. Kent State University, Bowling Green State University, Midwest Economic Policy Institute, Colorado State University-Pueblo. April 2017.

Abstract: Repealing Ohio's prevailing wage law would lower the incomes of blue-collar construction workers by 16%, result in 9,700 jobs lost in the economy, and reduce Ohio's economic activity by $1.4 billion. In an analysis of 110 school construction projects built between 2013 and 2016, there was no statistically significant difference in low bids for projects that did (33) and did not (77) include prevailing wage standards.

"National Poll: Most Voters Support Prevailing Wage on Public Infrastructure Projects." Smart Cities Prevail. April 2017.
Abstract: A national survey of 1,000 voters shows that strong majorities of Democrats and Republicans each oppose the elimination of prevailing wage laws, which establish local-market minimum wages for different skilled crafts on government funded construction projects. 68% of all voters support prevailing wage laws, including 55% of self-identified Republicans.

"Prevailing Wage and Military Veterans in Connecticut: Applied Policy Brief." Frank Manzo IV, Robert Bruno, Kevin Duncan, & Jill Manzo. Midwest Economic Policy Institute. April 2017.
Abstract: Weakening Connecticut's law would result in a net employment loss of 1,300 veterans in construction and a $5,138 decrease in wage and salary incomes for the average veteran, leading to over 270 additional veterans falling below the poverty line and over 160 on food stamps.

"The Economic, Fiscal, and Social Effects of Kentucky's Prevailing Wage Law." Kevin Duncan & Frank Manzo IV. Colorado State University-Pueblo, Midwest Economic Policy Institute. December 2016.
Abstract: Repealing Kentucky's prevailing wage law would lower the incomes of blue-collar construction workers by 10%, with a particularly strong reduction of $80 million in income for veterans. Repeal would reduce total economic activity by $400 million, mainly due to leakages of construction business out of Kentucky as out-of-state firms win bids on taxpayer-funded projects.

"The Impact of Prevailing Wage Laws on Military Veterans: An Economic and Labor Market Analysis." Frank Manzo IV, Robert Bruno, & Kevin Duncan. VoteVets.org; Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign; Colorado State University-Pueblo. May 2016.
Abstract: Veterans are statistically more likely to work in construction than nonveterans. Through the United States Military Apprenticeship Program (USMAP), active military members account for 21% of all registered apprentices in the United States. Prevailing wage laws increase veteran income by 7%-11%, improve employer-provided health coverage for veterans working in construction by 11%-15%, and reduce veteran poverty.

"Prevailing Wage and Military Veterans in Wisconsin: Applied Policy Brief." Frank Manzo IV, Jill Manzo, Kevin Duncan, & Robert Bruno. Midwest Economic Policy Institute. August 2016.
Abstract: Weakening Wisconsin's law would result in a net employment loss of 2,000 veterans in construction and a $113 million decrease in total veteran incomes, leading to an additional 200 veterans falling below the poverty line.

"Weakening Prevailing Wage Hurts Local Contractors and Workers: a Case Study from Southern Indiana." Frank Manzo IV. Midwest Economic Policy Institute. June 2016.
Abstract: This report examines the impact of the gradual weakening (and 2015 repeal) of Indiana's Common Construction Wage Law. Public works construction employment in the 13 southernmost Indiana counties decreased by over 800 jobs (-21%) after the wage policy was weakened. Over the same period, public works construction employment grew by nearly 800 jobs (+21%) in 14 border counties across the river in Kentucky. Average construction wages were lower in Kentucky, suggesting that weakening the wage policy resulted in greater demand for low-wage, out-of-state workers.

"The Adverse Economic Impact from Repeal of the Prevailing Wage Law in Missouri." Michael Kelsay. University of Missouri—Kansas City. April 2016.
Abstract: Repeal would result in $217-347 million in lost worker income and $9-14 million in lost state sales and income tax revenues annually. In an analysis of 1,309 bids in twelve states in the North Central region from 2011-2015, there was no statistical difference in the average square foot costs of public construction in prevailing wage and non-prevailing wage states. In fact, mean square feet costs were actually higher ($181) in non-prevailing wage states than prevailing wage states ($132).

"An Analysis of the Impact of Prevailing Wage Thresholds on Public Construction: Implications for Illinois." Frank Manzo IV & Robert Bruno. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. April 2016.
Abstract: Higher prevailing wage contract thresholds for public projects encourage out-of-state contractors to enter the market. Higher thresholds also lead to lower wages and health insurance coverage for construction workers. Every $100,000 increase in the contract threshold is associated with a 1.2% drop in the market share of in-state contractors, a 0.5% drop in construction incomes, and a 0.3% drop in health coverage for construction workers.

"The Impacts of New Mexico House Bills 110 & 200." Kevin Duncan, Alex Lantsberg, & Frank Manzo IV. Midwest Economic Policy Institute; Colorado State University-Pueblo; Smart Cities Prevail. February 2016.
Abstract: This brief summarizes the impact of two House bills in New Mexico which asserted that prevailing wage repeal would cost millions of dollars to New Mexico's taxpayers. The authors find that these bills would result in a net loss of 2,340 jobs, there would be a $288 million loss in economic activity, and state and local tax revenues would decrease by $7.7 million.

"The Economic, Fiscal, and Social Benefits of State Prevailing Wage Laws: Choosing Between the Low Road and the High Road in the Construction Industry." Frank Manzo IV, Alex Lantsberg, & Kevin Duncan. Illinois Economic Policy Institute; Smart Cities Prevail; Colorado State University-Pueblo. February 2016.
Abstract: This report finds that a nationwide weakening of prevailing wage would reduce national economic output by nearly $65 billion and result in the loss of over 400,000 jobs. The accompanying effect on public budgets would amount to over $8 billion lost in state, local, and federal tax revenues. 310,000 blue-collar construction workers would lose their health insurance coverage and about 124,000 would lose their pension plans. The number of construction workers below the poverty line would increase by 99,000 individuals. Prevailing wage increases construction worker incomes by 16%-17%.

"Towards the High Road in the New Hampshire Construction Industry: The Impact of a State Prevailing Wage Law." Kevin Duncan, Stephen Herzenberg, Frank Manzo IV, & Alex Lantsberg. Keystone Research Center; Colorado State University-Pueblo; Midwest Economic Policy Institute; Smart Cities Prevail. January 2016.
Abstract: This study examines the effect of enacting a prevailing wage law in New Hampshire. Among other significant findings, the authors find that a prevailing wage law would result in a net gain of up to 4,000 jobs, economic activity would rise by up to $681 million, and state and local tax revenues would increase by up to $17 million.

"The Cost of Repealing Michigan's Prevailing Wage Policy: Impacts on Total Construction Costs and Economic Activity." Kevin Duncan, Alex Lantsberg, & Frank Manzo IV. Colorado State University-Pueblo; Smart Cities Prevail; Midwest Economic Policy Institute. June 2015.
Abstract: Prevailing wage is a positive economic development tool. Michigan's proposed prevailing wage repeal would eliminate more than 11,000 jobs, $1.7 billion in economic output, and $28 million in local and state tax revenue, and would export nearly $700 million in construction investments out of state every year. There is no change in total construction costs because component expenditures would be shifted around.

"How Weakening Wisconsin's Prevailing Wage Policy Would Affect Public Construction Costs and Economic Activity." Kevin Duncan & Alex Lantsberg. Colorado State University-Pueblo; Smart Cities Prevail. May 2015.
Abstract: Prevailing wage repeal in Wisconsin would eliminate 2,660 jobs, $1.2 billion in economic output, and $39 million in local and state tax revenue, and would export $468 million in construction investments out of state every year.

"Building the Golden State: The Economic Impacts of California's Prevailing Wage Policy." Kevin Duncan & Alex Lantsberg. Colorado State University-Pueblo; Smart Cities Prevail. March 2015.
Abstract: If prevailing wage were eliminated in California, it would cost the state more than 17,500 jobs. In addition, more than $1.4 billion in wages and $1.5 billion in economic output would be sacrificed. It would also lead to greater inefficiencies in the construction industry with 5% greater materials use and per-worker productivity declines of at least 11%.

"The Adverse Economic Impact from Repeal of the Prevailing Wage Law in West Virginia." Michael Kelsay. University of Missouri-Kansas City. January 2015.
Abstract: Repeal of the prevailing wage statute in West Virginia would not save money on construction costs and would result in a negative economic impact on families in West Virginia, a $6 million decrease in state tax revenue, and a $71 million drop in in West Virginia's economic activity.

"West Virginia's Prevailing Wage: Good for Business, Good for Workers." Sean O'Leary. West Virginia Center on Budget & Policy. January 2015.
Abstract: Multiple academic studies have shown that prevailing wage laws do not raise public construction costs. Instead, the impact of higher wages on costs is compensated by the positive effect on productivity. West Virginia's school construction costs are lower than its surrounding states, including Virginia, which does not have a prevailing wage law, and Ohio, which exempts school construction from its prevailing wage law.

"Common Sense Construction: The Economic Impacts of Indiana's Common Construction Wage." Frank Manzo IV, Robert Bruno, & Scott Littlehale. Midwest Economic Policy Institute; University of Illinois at Urbana-Champaign; Smart Cities Prevail. June 2014.
Abstract: Indiana's Common Construction Wage kept Hoosier jobs local, supporting 2,000 non-construction jobs, $700 million in state GDP, and $21 million in total state and local tax revenues. In 2013, the project cost threshold for coverage under Indiana's law was increased. An analysis of 137 projects in 14 northern Indiana counties found that the threshold change had no impact on whether a union contractor was awarded a project.

"A Weakened State: The Economic and Social Impacts of Repeal of the Prevailing Wage Law in Illinois." Alison Dickson Quesada, Frank Manzo IV, Dale Belman, & Robert Bruno. University of Illinois at Urbana-Champaign; Michigan State University; Illinois Economic Policy Institute. October 2013.

Abstract: Repeal of Illinois' prevailing wage law would result in 3,300 job losses, a $1 billion decrease in GDP, and $44 million in lost tax revenue. The "apprenticeship share" is much higher (14.4%) in states with prevailing wage laws than in those without (7.7%). From 2008-2010, the construction fatality rate was 12.0% higher in non-prevailing wage states. If Illinois repealed its prevailing wage law, 70 more construction workers would suffer workplace-related deaths over ten years.

"Taking the Low Road: How the Federal Government Promotes Poverty-Wage Jobs Through its Contracting Practices." Anastasia Christman, Amy Masciola, Robert Masciola, Shelley Sperry, & Paul Sonn. National Employment Law Project. July 2013.

Abstract: This study finds that high-road contracting policies can deliver higher quality and more reliable contracted results for the government and taxpayers, while helping high-road employers compete more fairly and producing good jobs for America's workers.

"The Adverse Economic Impact from Repeal of the Prevailing Wage Law in Missouri." Michael Kelsay, James Sturgeon, & Kelly Pinkham with Richard Wagner, Devin Rafferty, & Sabina Lopez Ennen. University of Missouri—Kansas City. December 2011.

Abstract: Repeal would result in $300-$452 million in lost worker income and $24-36 million in lost state sales and income tax revenues annually. The study also investigates the impact of so-called "right-to-work" on Missouri.

"Economic, Fiscal and Social Impacts of Prevailing Wage in San Jose, California." Kevin Duncan. Working Partnerships USA; Colorado State University-Pueblo. April 2011.

Abstract: Municipal building projects covered by a prevailing wage policy employ a higher proportion of local contractors and local workers. If prevailing wage coverage is removed, 6% of the project's value leaks from the Santa Clara County economy. If prevailing wage had not applied to San Jose's 2007-2012 municipal projects: total economic activity in the County would have fallen by $164 million and 1,510 fewer local jobs would have been created.

"Impact of Prevailing Wages on the Economy and Communities of Connecticut." Peter Philips & Cihan Bilginsoy. University of Utah. January 2010.

Abstract: A moratorium on the prevailing wage law in Connecticut would cost the state $214-$432 million annually in lost income through lower construction sector earnings. This would cost the state $15-$31 million annually. A moratorium that would discourage apprenticeship training. The rate of attrition was substantially higher in "open shop" apprenticeship programs (61%) than in joint labor-management apprenticeship programs (42%).

"Prevailing Wage Laws, Unions and Minority Employment in Construction: A Historical and Empirical Analysis." Dale Belman & Peter Philips. *The Economics of Prevailing Wage Laws*. 101-122. Michigan State University; University of Utah. 2005.

Abstract: The empirical evidence does not support the premise that prevailing wage laws exclude African Americans from employment in construction. The claim that the Davis-Bacon Act limits African-American access to construction is not consistent with racial patterns of employment in the industry.

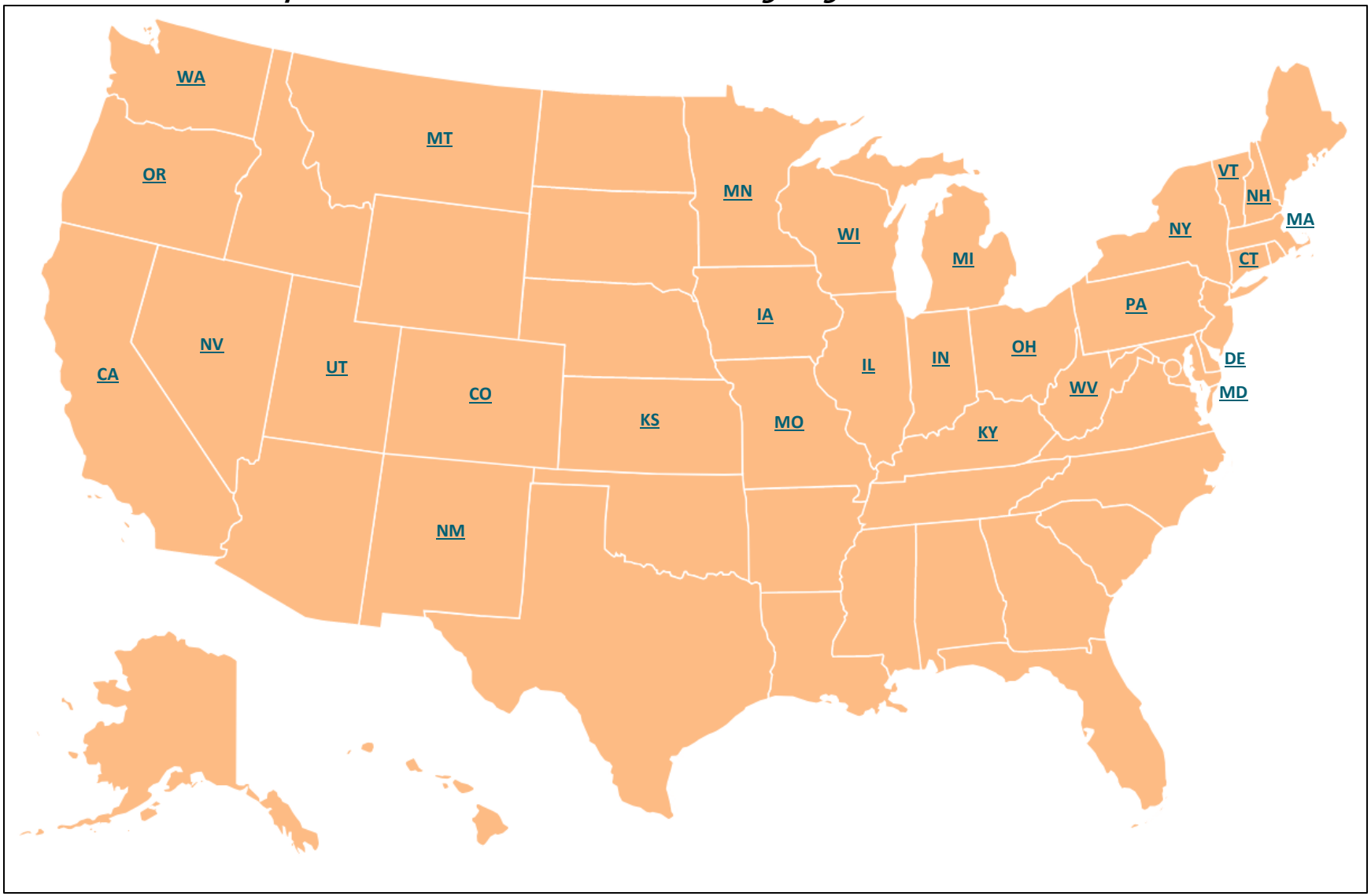
- Note: Michigan State University had the official and final 2005 report, but the link is broken, so the above is an earlier draft.

MY STATE

Do you need information on the prevailing wage research that has been published in your area? Look no further. This section provides studies and op-eds for each state.

National Map

Map of Economic Studies on State Prevailing Wage Laws from 1993-2023



California

"Should Prevailing Wages Prevail? Re-examining the Effect of Prevailing Wage Laws on Affordable Housing Construction Costs." Matthew Hinkel & Dale Belman. *British Journal of Industrial Relations*, 1-23. Michigan State University. December 2022.

Abstract: Using data on 280 affordable housing projects in California, the authors find no causal effect of prevailing wages on affordable housing construction costs, contradicting previous academic studies. The authors conclude that prevailing wages add, at most, 0%-6% to project costs. A working paper on the Institute for Construction Employment Research's (ICERES) website is available here: Should Prevailing Wages Prevail? Reexamining the Effect of Prevailing Wage Laws on Affordable Housing Construction Costs

"Training the Golden State: An Analysis of California Apprenticeship Programs." Dan Calamuci. Smart Cities Prevail. December 2020.

Abstract: Joint labor-management apprenticeship programs train 92% of California's apprentices, including 97% of the female apprentices. Two-thirds of California apprentices are people of color. Apprenticeship programs require the same or more training hours than a bachelor's degree.

"Rebuilding California: The Golden State's Housing Workforce Reckoning." Scott Littlehale. Smart Cities Prevail. January 2019.

Abstract: California needs at least 200,000 new construction workers to make housing more affordable in the state. However, wages and compensation in the housing construction industry and not competitive, with residential construction workers earning 24% less per year than other jobs. Prevailing wage standards and collective bargaining agreements can attract and retain new workers into the sector.

"Revisiting the Costs of Developing New Subsidized Housing: The Relative Importance of Construction Wage Standards and Nonprofit Development." Scott Littlehale. *Berkeley Planning Journal,* 29(1): 103-130. Smart Cities Prevail. January 2017.

Abstract: In only the second peer-reviewed study on the effects of prevailing wages on affordable housing construction costs, the author utilizes a 2014 dataset from an affordable housing cost study sponsored by the State of California. The first study (Dunn, Quigley, & Rosenthal, 2005) found a 9%-11% effect of prevailing wages on affordable housing costs, but this study finds an effect of 5%-7% after controlling for other relevant variables. Important sources of cost variation include the business cycle, fair market rents, local government fees, and above-average architecture and engineering costs.

"Building the Golden State: The Economic Impacts of California's Prevailing Wage Policy." Kevin Duncan & Alex Lantsberg. Colorado State University-Pueblo; Smart Cities Prevail. March 2015.

Abstract: If prevailing wage were eliminated in California, it would cost the state more than 17,500 jobs. In addition, more than $1.4 billion in wages and $1.5 billion in economic output would be sacrificed. It would also lead to greater inefficiencies in the construction industry with 5% greater materials use and per-worker productivity declines of at least 11%.

"The Effect of Prevailing Wage Regulations on Contractor Bid Participation and Behavior: A Comparison of Palo Alto, California with Four Nearby Prevailing Wage Municipalities." Jaewhan Kim, Chang Kuo-Liang, & Peter Philips. *Industrial Relations*, 51(4). University of Utah; South Dakota State University. October 2012.

Abstract: This sample of 565 bids by union and nonunion contractors on 140 municipal projects in the San Francisco Bay area finds that the presence of prevailing wage standards does not decrease the number of bidders or alter the bidding behavior of contractors relative to the engineer's estimate of the value of the project.

"Economic, Fiscal and Social Impacts of Prevailing Wage in San Jose, California." Kevin Duncan. Working Partnerships USA; Colorado State University-Pueblo. April 2011.

Abstract: Municipal building projects covered by a prevailing wage policy employ a higher proportion of local contractors and local workers. If prevailing wage coverage is removed, 6% of the project's value leaks from the Santa Clara County economy. If prevailing wage had not applied to San Jose's 2007-2012 municipal projects: total economic activity in the County would have fallen by $164 million and 1,510 fewer local jobs would have been created.

Op-Eds

- "Do Housing Tax Credits Work As Well As They Could?" *San Francisco Examiner*. Scott Littlehale. Smart Cities Prevail. January 2021.
- "Opinion: California Must Invest in Workforce to Meet Housing Goals." *The Mercury News*. Scott Littlehale. Smart Cities Prevail. April 2019.
- "Prevailing Wage Crucial for Construction Workers." *Capitol Weekly*. Samantha Draper. Smart Cities Prevail. February 2018.
- "One Key to Affordable Housing Crisis? Pay Construction Workers a Living Wage." *The Sacramento Bee*. Kevin Duncan. Colorado State University-Pueblo. August 2017.
- "If Residential Builders Pay Prevailing Wages It Would Help—Not Hurt—California's Housing Crisis." *Los Angeles Times*. Alex Lantsberg. Smart Cities Prevail. May 2017.
- "Understanding the Economic Impact of Prevailing Wage" *San Diego Source*. Kevin Duncan. Colorado State University-Pueblo. September 2015.
- "Prevailing Wage Means Thousands of Jobs." *The Fresno Bee*. Daniel Parra. Mayor. May 2015.
- "Prevailing Wage: Good for the Middle Class and the Bottom Line." *Fox & Hounds*. Samantha Draper. Smart Cities Prevail. April 2015.

Colorado

"The Wage Differential Method: Promising Construction Costs Savings with the Repeal or Weakening of Prevailing Wage Laws that Cannot be Delivered." Kevin Duncan. *Labor Studies Journal*. Colorado State University-Pueblo. January 2018.

Abstract: This study provides a step-by-step illustration of the "wage differential method" through an examination of Davis-Bacon prevailing wage requirements and the cost of highway resurfacing in Colorado. While the wage differential approach would indicate that prevailing wages add 7-17% to project costs, three studies that examine *actual* project data find consistent evidence that project costs are not related to prevailing wages—showing the inherent flaws in the assumptions made by the wage differential method. The analysis also includes a critical review of wage differential studies.

"Do Federal Davis-Bacon and Disadvantaged Business Enterprise Regulations Affect Aggressive Bidding? Evidence from Highway Resurfacing Procurement Auctions." Kevin Duncan. *Journal of Public Procurement*, 15(3): 291-316. Colorado State University-Pueblo. Fall 2015.

Abstract: Data from 91 federal and state highway resurfacing projects from 13 different winning contractors in Colorado indicate that contractors do not bid more aggressively when they switch from federal projects that require Davis-Bacon prevailing wage standards to state projects that are not covered by the policy, after controlling for the engineer's estimate of project cost and detailed project characteristics, including type of construction and terrain.

"Do Construction Costs Decrease When Davis-Bacon Prevailing Wages Change from Union to Average Rates?" Kevin Duncan. Colorado State University-Pueblo. 2015.

Abstract: From the mid-1990s to April 2002, federal Davis-Bacon wage and benefit rates for highway resurfacing projects in Colorado were based on union rates. From April 2002 until the fall of 2011, average wage and benefits prevailed, lowering total compensation by 18%. Despite the substantial decrease in wages, there was no corresponding decrease in the cost of federally-funded resurfacing work relative to comparable state-funded projects.

"An Analysis of Davis-Bacon Prevailing Wage Requirements: Evidence from Highway Resurfacing Projects in Colorado." Kevin Duncan. Colorado State University-Pueblo. June 2011.

Abstract: An overwhelming majority of research on prevailing wage laws reveals that they do not have a noticeable impact on cost of publicly-assisted construction projects, particularly school construction projects. Examining the relative cost of 51 state and federal projects in Colorado from 2005-2010 and 122 state and federal projects from 2000-2010 reveals that there is no statistically significant difference between the costs of projects that do and do not require the payment of prevailing wages. The number of bidders is also not statistically affected.

Connecticut

"Prevailing Wage and Military Veterans in Connecticut: Applied Policy Brief." Frank Manzo IV, Robert Bruno, Kevin Duncan, & Jill Manzo. Midwest Economic Policy Institute. April 2017.
Abstract: Weakening Connecticut's law would result in a net employment loss of 1,300 veterans in construction and a $5,138 decrease in wage and salary incomes for the average veteran, leading to over 270 additional veterans falling below the poverty line and over 160 on food stamps.

"Impact of Prevailing Wages on the Economy and Communities of Connecticut." Peter Philips & Cihan Bilginsoy. University of Utah. January 2010.
Abstract: A moratorium on the prevailing wage law in Connecticut would cost the state $214-$432 million annually in lost income through lower construction sector earnings. This would cost the state $15-$31 million annually. A moratorium that would discourage apprenticeship training. The rate of attrition was substantially higher in "open shop" apprenticeship programs (61%) than in joint labor-management apprenticeship programs (42%).

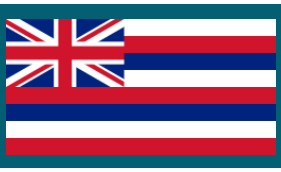
Op-Eds

- "Prevailing Wage: Good for Workers, Good for Business." *Hartford Business*. Kimberly Glassman. Foundation for Fair Contracting of Connecticut. August 2017.
- "Prevailing Wage Protects the Construction Industry and Connecticut's Economy." *New Haven Register*. Roland Lemar. State Representative. February 2017.
- "Prevailing Wage: Myth vs. Reality." *The Day*. Kimberly Glassman. Foundation for Fair Contracting of Connecticut. February 2017.

Delaware

"Delaware's Prevailing Wage Law: Its History, Purpose and Effect." Peter Philips. University of Utah. May 1998.
Abstract: In an examination of square foot construction costs of schools built in states with and without prevailing wage laws from 1991-1997 (1,700 elementary schools, 900 middle schools, and 600 high schools), there is no measurable increase in construction costs associated with prevailing wage.

Hawaii



"The Cost of Out-of-State Construction Workers." Kevin Duncan & Peter Philips. Colorado State University-Pueblo; University of Utah. February 2010.
Abstract: This study analyzes the leakages out of the Hawaii economy due to the employment of out-of-state workers and shows how the stimulus effects of federal and state money on public works is blunted due to the absence of a preferential hiring policy for local workers.

Illinois

"The Economic Impact of Prevailing Wage Law Repeals on Construction Market Outcomes: Evidence from Repeals Between 2015 and 2018." Frank Manzo IV, Robert Bruno, & Larissa Petrucci. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. January 2023.

Abstract: Using 2012-2017 *Economic Census* data and 2014-2019 *American Community Survey* data, this report finds that states that repealed prevailing wage laws experienced 4%-13% slower construction worker earnings growth, 7%-10% slower benefits growth, a 2% drop in health insurance coverage, a 2% increase in food stamp reliance, slower construction employment and productivity growth, a 14% higher on-the-job fatality rate, no change in the racial and ethnic diversity of the workforce, and a 1%-2% drop in the market share of in-state contractors. Repeal of prevailing wage had negative consequences for construction workers and local contractors.

"Building Good Jobs on Clean Energy Projects: A Primer on the Economics of Unions and Prevailing Wage Standards in Illinois." Frank Manzo IV. Illinois Economic Policy Institute. April 2021.

Abstract: Installation labor accounts for just 7%-10% of total costs on solar and wind energy systems. Including prevailing wage standards and project labor agreements on clean energy projects could only, at maximum, increase total costs by 1%-3%—without factoring in changes in productivity, training, safety, and other contractor efficiencies that offset higher labor costs.

"Prevailing Wage and the American Dream: Impacts on Homeownership, Housing Wealth, and Property Tax Revenues." Frank Manzo IV, Jill Gigstad, & Robert Bruno. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. February 2020.

Abstract: Prevailing wage increases the homeownership rate of construction workers by 2%, extending homeownership to more than 61,000 construction workers and generating $508 million in net property tax revenues for local communities. In addition, prevailing wage is associated with a 13% increase in housing wealth for the average construction worker who owns a home and has higher impacts on African Americans in construction.

"The Apprenticeship Alternative: Enrollment, Completion Rates, and Earnings in Registered Apprenticeship Programs in Illinois." Frank Manzo IV & Robert Bruno. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. January 2020.

Abstract: Joint labor-management programs account for the vast majority of registered apprentices (97%) in Illinois' construction industry, require 27% more hours of training that four-year universities, have a 54% completion rate that is on par with public universities (61%), are more diverse than employer-only programs, and deliver middle-class careers with career earnings ($2.4 million) that rival bachelor's degrees ($2.5 million).

"Testimony of Frank Manzo IV on Impacts of Repealing the Prevailing Wage." Frank Manzo IV. Illinois Economic Policy Institute. February 2018.

Abstract: The Illinois Prevailing Wage Act stabilizes take-home pay and benefits for construction workers, creates a level playing field for contractors, and boosts the economy. Prevailing wage encourages high standards of safety and productivity and is the best value for taxpayers.

"Testimony of Robert Bruno on Impacts of Repealing the Prevailing Wage." Robert Bruno. University of Illinois at Urbana-Champaign. February 2018.

Abstract: Research has predicted that repeal of the Illinois Prevailing Wage Act would not result in savings for taxpayers. Rather, repeal would result in a decline in training opportunities, an increase in construction worker fatalities, and job losses in Illinois.

"Testimony of Kevin Duncan on Impacts of Repealing the Prevailing Wage." Kevin Duncan. Colorado State University-Pueblo. February 2018.

Abstract: Studies investigating the aftermath of repealing state prevailing wage laws have found that repeal does not save taxpayer dollars. Lawmakers in Illinois would do well to consider the effects of repeals in other states—including neighboring Indiana—along with the bulk of peer-reviewed economic research. More often than not, the promises made by those in favor of repealing prevailing wage fail to be delivered after the fact.

"Failing Grade: Critiquing a December 2017 Report on Prevailing Wage by the Illinois Policy Institute." Frank Manzo IV. Illinois Economic Policy Institute. December 2017.

Abstract: This brief highlights the factual inaccuracies in a December 2017 Illinois Policy Institute study (Divounguy & Hill, 2017), which argues that Illinois' prevailing wage law should be repealed. The author writes that 75% of peer-reviewed studies have shown no impact of prevailing wage on construction costs, employment in public works construction (the sector subject to prevailing wage) is down less in Illinois than it is in states that do not have prevailing wage laws, and that applying BLS data to prevailing wage determinations would be a flawed methodology. Notably, the author finds that African American construction workers *are* more likely to be union members (54.4%) in Illinois than white construction workers (53.7%).

"The Impact of Apprenticeship Programs in Illinois: An Analysis of Economic and Social Effects." Robert Bruno & Frank Manzo IV. University of Illinois at Urbana-Champaign; Illinois Economic Policy Institute. August 2016.

Abstract: Apprenticeship programs generate substantial economic benefits in Illinois, creating nearly 5,000 total jobs in Illinois every year and boosting the economy by more than $1.2 billion in the long run. Over a career, the total economic and social return on investment from apprenticeship programs is $11 per dollar invested in worker training. 98% of all active construction apprentices in Illinois are enrolled in joint labor-management programs.

"The Prevailing Wage is the Local Market Rate: Employment and Job Turnover Evidence from the Border of Illinois." Frank Manzo IV. Illinois Economic Policy Institute. August 2016.

Abstract: Illinois' prevailing wage law is effective at determining the local market rate, contrary to the assertion that prevailing wage "inflates" construction worker wages. Based on data for 32 counties along the state line of Illinois and 33 border counties, a higher prevailing wage for operating engineers has no statistical impact on the employment of men working in road construction or on job turnover, hires, or separations. Prevailing wages are determined largely by local market conditions.

"An Analysis of the Impact of Prevailing Wage Thresholds on Public Construction: Implications for Illinois." Frank Manzo IV & Robert Bruno. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. April 2016.

Abstract: Higher prevailing wage contract thresholds for public projects encourage out-of-state contractors to enter the market. Higher thresholds also lead to lower wages and health insurance coverage for construction workers. Every $100,000 increase in the contract threshold is associated with a 1.2% drop in the market share of in-state contractors, a 0.5% drop in construction incomes, and a 0.3% drop in health coverage for construction workers.

"Road and Bridge Construction Workers in the Midwest: Productive, High-Skilled, and Well-Paid." Frank Manzo IV & Robert Bruno. Midwest Economic Policy Institute; University of Illinois at Urbana-Champaign. March 2015.

Abstract: Construction workers in the Great Lakes region—Illinois, Indiana, Michigan, Ohio, and Wisconsin—build highways 43% cheaper than the national average. In addition, value added is $155,100 per employee annually in Great Lakes states, the second-highest of any region. The only region with higher productivity is the Far West (Alaska, California, Hawaii, Nevada, Oregon, and Washington). The correlation between strong and average prevailing wage laws and road construction worker productivity is 0.62.

"Prevailing Wage Laws, Contractor Profits, and the Economic Pie." Frank Manzo IV. Illinois Economic Policy Institute. January 2015.

Abstract: Capital "captures" a larger share of the economic pie in states without effective prevailing wage laws, indicating that repeal would redistribute wealth from workers to employers.

"Illinois Senate Bill 1046: Marc Poulos on Prevailing Wage." Marc Poulos. Indiana, Illinois, Iowa Foundation for Fair Contracting. 2015.

Abstract: Repeal of prevailing wage would create a poorer Illinois, wouldn't save any money, and would reduce apprenticeship training. Illinois construction workers, who are highly trained and among the most productive in the country, are worth the price.

"Building a Strong County" reports. Frank Manzo IV & Jill Manzo. Illinois Economic Policy Institute. 2014-2017.

McHenry County | Lake County | DuPage County | Kane County | Northwest Illinois | Winnebago County

Abstract: These commentaries go step-by-step to show that prevailing wages are not inflated or arbitrary but are in fact the local market wage. In most cases, the union contractor's share of bids, wins, and market share are all 95%-100%, so the union wage is in fact the market wage. In addition, median homeowner costs in each county would account for 30%-43% of a laborer's take-home income from working 1,600 hours on prevailing wage projects, so the policy does not support purchasing a home in most Illinois counties without having a spouse, partner, or roommate. Apprenticeship programs in northern Illinois require *more* total hours of training than the minimum requirements to receive a bachelor's degree from the University of Illinois.

"Self-Sufficient Construction Workers: Why Prevailing Wage Laws are the Best Deal for Taxpayers." Frank Manzo IV & LeNee Carroll. Midwest Economic Policy Institute; Building Strong Communities. August 2014.
Abstract: Construction workers in non-prevailing wage states contribute just 25% of all after-credit federal income tax revenues paid by U.S. construction workers. However, construction workers in non-prevailing wage states receive more than they put in, getting 32-33% of all EITC and food stamp benefits paid to U.S. construction workers. This study concludes that taxpayers do not save from repealing prevailing wage laws, they subsidize.

"Do Prevailing Wage Laws Increase Total Construction Costs?" *Review of Keynesian Economics*, 2(2): 189-206. Fadhel Kaboub & Michael Kelsay. Denison University; University of Missouri. April 2014.
Abstract: Using a regression analysis of 3,120 public building bids in Midwest states, the paper examines the claim that prevailing wage regulations raise public construction costs. The twelve Midwest states analyzed were Nebraska, South Dakota, North Dakota, Kansas, Missouri, Iowa, Minnesota, Wisconsin, Illinois, Indiana, Michigan, and Ohio. There is no empirical evidence supporting the claim that construction costs are lower in states that have repealed their prevailing wage laws compared to states that have not repealed their laws.

"Which Labor Market Institutions Reduce Income Inequality? Labor Unions, Prevailing Wage Laws, and Right-to-Work Laws in the Construction Industry." Frank Manzo IV & Robert Bruno. Illinois Economic Policy Institute; University of Illinois at Urbana-Champaign. January 2014.
Abstract: Prevailing wage laws reduce income inequality between the highest earners (Top 10 Percent) and the lowest earners (Bottom 10 Percent) by 45% in construction. Prevailing wage laws also lift workers into middle-class jobs but have no negative effect on those at the top.

"A Weakened State: The Economic and Social Impacts of Repeal of the Prevailing Wage Law in Illinois." Alison Dickson Quesada, Frank Manzo IV, Dale Belman, & Robert Bruno. University of Illinois at Urbana-Champaign; Michigan State University; Illinois Economic Policy Institute. October 2013.
Abstract: Repeal of Illinois' prevailing wage law would result in 3,300 job losses, a $1 billion decrease in GDP, and $44 million in lost tax revenue. The "apprenticeship share" is much higher (14.4%) in states with prevailing wage laws than in those without (7.7%). From 2008-2010, the construction fatality rate was 12.0% higher in non-prevailing wage states. If Illinois repealed its prevailing wage law, 70 more construction workers would suffer workplace-related deaths over ten years.

Op-Eds

- "Results in States that Repealed Their Prevailing Wage Laws Aren't Pretty." *Crain's Chicago Business*. Frank Manzo IV. Illinois Economic Policy Institute. January 2023.
- "Without Prevailing Wage Laws, Guess Who Loses? Taxpayers." *Crain's Chicago Business*. James Sweeney. International Union of Operating Engineers Local 150. January 2018.
- "How Prevailing-Wage Laws Help Veterans." *Chicago Sun-Times*. Mike Pounovich & Marc Poulos. Indiana, Illinois, Iowa Foundation for Fair Contracting. December 2016.
- "Prevailing Wage Is a Veterans Issue." *HuffPost*. Jon Soltz. VoteVets.org. May 2016.

Indiana

"Construction Apprenticeships as a Career Development Alternative in Indiana: Enrollment, Diversity, Hours, Completion Rates, and Earnings in Registered Apprenticeship Programs." Frank Manzo IV, Andrew Wilson, & Robert Bruno. Midwest Economic Policy Institute; University of Illinois at Urbana-Champaign. August 2023.
Abstract: Joint labor-management apprenticeship programs (union programs) enrolled 77% of construction apprentices in Indiana between 2010 and 2020, including 93% of women apprentices, 85% of Black apprentices, and 83% of Hispanic apprentices. Joint programs have a 6% higher completion rate than employer-only (nonunion) programs, require 30% more hours of training than bachelor's degrees, and deliver hourly earnings that are 5% higher than the average worker with a bachelor's degree without any of the student loan debt.

"Blue-Collar Construction Worker Wages Fell After Indiana Repealed Its Prevailing Wage Law." Frank Manzo IV. Midwest Economic Policy Institute. May 2021.
Abstract: Reports that construction wages did not fall after repeal of prevailing wage suffer from significant flaws, including a limited scope of analysis, looking at the industry instead of directly-affected occupations, and not accounting for other factors that may influence the results. Actual data on workers in construction and extraction occupations finds that they earn 8.1%-8.4% less in Indiana post-repeal than their peers in Illinois and Ohio.

"The Effects of Repealing Common Construction Wage in Indiana: Impacts on Ten Construction Market Outcomes." Frank Manzo IV & Kevin Duncan. Midwest Economic Policy Institute; Colorado State University-Pueblo. January 2018.
Abstract: This report looks at 10 economic outcomes to examine the effects of Indiana repealing its prevailing wage law in 2015. Notable findings include: 1) repeal decreased the wages of construction workers by 8.5%, 2) construction worker productivity growth was 5.3% slower than in neighboring states, 3) public works employment growth was 1.5% slower than in neighboring states, and 4) an analysis of 335 school construction projects in northern Indiana found that repeal had no impact on the average cost per project.

"Weakening Prevailing Wage Hurts Local Contractors and Workers: a Case Study from Southern Indiana." Frank Manzo IV. Midwest Economic Policy Institute. June 2016.
Abstract: This report examines the impact of the gradual weakening (and 2015 repeal) of Indiana's Common Construction Wage Law. Public works construction employment in the 13 southernmost Indiana counties decreased by over 800 jobs (-21%) after the wage policy was weakened. Over the same period, public works construction employment grew by nearly 800 jobs (+21%) in 14 border counties across the river in Kentucky. Average construction wages were lower in Kentucky, suggesting that weakening the wage policy resulted in greater demand for low-wage, out-of-state workers.

"Indiana's Common Construction Wage Law: An Economic Impact Analysis." Peter Philips. University of Utah. January 2015.
Abstract: In Indiana, joint labor-management programs provide 94% of annual apprenticeship training expenditures. In states with common construction wage laws, workers are more 21%-33% more productive.

"Road and Bridge Construction Workers in the Midwest: Productive, High-Skilled, and Well-Paid." Frank Manzo IV & Robert Bruno. Midwest Economic Policy Institute; University of Illinois at Urbana-Champaign. March 2015.
Abstract: Construction workers in the Great Lakes region—Illinois, Indiana, Michigan, Ohio, and Wisconsin—build highways 43% cheaper than the national average. In addition, value added is $155,100 per employee annually in Great Lakes states, the second-highest of any region. The only region with higher productivity is the Far West (Alaska, California, Hawaii, Nevada, Oregon, and Washington). The correlation between strong and average prevailing wage laws and road construction worker productivity is 0.62.

"Testimony to Indiana Lawmakers on Common Construction Wage." Keith Rose. Rieth-Riley Construction. 2015.
Abstract: Testimony of a contractor opposing repeal of prevailing wage. Repeal would give contractors less opportunity to compete—not more—by taking the level playing field away.

"Common Sense Construction: The Economic Impacts of Indiana's Common Construction Wage." Frank Manzo IV, Robert Bruno, & Scott Littlehale. Midwest Economic Policy Institute; University of Illinois at Urbana-Champaign; Smart Cities Prevail. June 2014.
Abstract: Indiana's Common Construction Wage keeps Hoosier jobs local, supporting 2,000 non-construction jobs, $700 million in state GDP, and $21 million in total state and local tax revenues. In 2013, the project cost threshold for coverage under Indiana's law was increased. An analysis of 137 projects in 14 northern Indiana counties found that the threshold change had no impact on whether a union contractor was awarded a project.

"Do Prevailing Wage Laws Increase Total Construction Costs?" *Review of Keynesian Economics*, 2(2): 189-206. Fadhel Kaboub & Michael Kelsay. Denison University; University of Missouri. April 2014.
Abstract: Using a regression analysis of 3,120 public building bids in Midwest states, the paper examines the claim that prevailing wage regulations raise public construction costs. The twelve Midwest states analyzed included Indiana. There is no empirical evidence supporting the claim that construction costs are lower in states that have repealed their prevailing wage laws compared to states that have not repealed their laws.

"Indiana's Prevailing Wage Law: A Preliminary Evaluation of Its Impact on the State Construction Industry." Jeff Vincent. *Labor Studies Journal*, 15(3): 17. September 1990.
Abstract: This study presents information on the origin of prevailing wage laws, union representation in the labor market, and the importance of urban wage rates to rural areas.

Op-Eds

- "Results in States that Repealed Their Prevailing Wage Laws Aren't Pretty." *Crain's Chicago Business*. Frank Manzo IV. Illinois Economic Policy Institute. January 2023.
- "New Indiana DOL Report Says Repealing Common Construction Wage Failed to Save Money." *The Times of Northwest Indiana*. Frank Manzo IV. Midwest Economic Policy Institute. September 2021.
- "Construction Wage Repeal Hasn't Delivered as Promised." *Indianapolis Business Journal*. Frank Manzo IV. Midwest Economic Policy Institute. March 2018.
- "Construction Wage Repeal Needs Review." *The Times of Northwest Indiana*. Editorial Board. January 2018.

Iowa

"The Effect of 'Federal-Aid' Swap Programs and Davis-Bacon Prevailing Wages on Highway Construction Costs and Contractor Composition: Evidence from Iowa." Frank Manzo IV. *Labor Studies Journal*, 47(1): 75–98. Illinois Economic Policy Institute. November 2021.

Abstract: The payment of Davis-Bacon prevailing wages is statistically associated with an 8% decrease in the chances that a highway project is awarded to an out-of-state contractor. The federal-aid swap program reduces the likelihoods that a project is covered by the Davis-Bacon Act by 10% and by Disadvantaged Business Enterprise (DBE) goals by 4%. Davis-Bacon prevailing wages and DBE goals have no effect on total construction costs. As a result, the "federal-aid swap" program is not associated with any change in project costs.

"Apprenticeship Training in Iowa: Enrollment, Completion Rates, and Earnings of Registered Apprentices in Iowa." Frank Manzo IV & Jill Gigstad. Midwest Economic Policy Institute. September 2021.

Abstract: Iowa is a state that has never had a prevailing wage law and has long been a so-called "right-to-work" state. Joint labor-management apprenticeship programs account for 55% of all construction apprentices in Iowa, including 70% of all women, 68% of Black apprentices, 63% of Hispanic apprentices, and 61% of veterans. The joint programs require 30% more hours of training than bachelor's degree studies and deliver earnings that are most similar to similar studies with associate degrees.

"Do Prevailing Wage Laws Increase Total Construction Costs?" *Review of Keynesian Economics*, 2(2): 189-206. Fadhel Kaboub & Michael Kelsay. Denison University; University of Missouri. April 2014.

Abstract: Using a regression analysis of 3,120 public building bids in Midwest states, the paper examines the claim that prevailing wage regulations raise public construction costs. The twelve Midwest states analyzed included Iowa. There is no empirical evidence supporting the claim that construction costs are lower in states that have repealed their prevailing wage laws compared to states that have not repealed their laws.

"Quality Construction —Strong Communities: The Effect of Prevailing Wage Regulation on the Construction Industry in Iowa." Peter Philips. University of Utah. March 2008.

Abstract: Prevailing wages raise productivity by inducing better management of projects, higher training standards, and more capital investment. Non-prevailing wage states create an environment where contractors cut corners on safety, training, and payroll in an attempt to offer lower bids.

Kansas

"An Economic Analysis of the Impact of Kansas Repeal of Prevailing Wage Statutes in Sedgwick County, Kansas and Wyandotte County, Kansas." Michael Kelsay. University of Missouri—Kansas City. December 2016.

Abstract: In April 2013, Governor Sam Brownback signed a bill into law that prohibited cities and counties from requiring contractors to pay prevailing wages on public projects, invalidating local prevailing wage policies in Sedgwick County and Wyandotte County. Using 1,325 bid prices from 2005-2016 for the two counties across 13 different non-residential construction projects (1,049 from 2005-2013 and 276 from 2014-2016), there was no statistical difference in the mean square foot cost before ($147) and after ($145) repeal. In fact, mean square costs per foot were cheaper before repeal for school construction ($67). Repeal did not result in any cost savings.

"Do Prevailing Wage Laws Increase Total Construction Costs?" *Review of Keynesian Economics*, 2(2): 189-206. Fadhel Kaboub & Michael Kelsay. Denison University; University of Missouri. April 2014.
Abstract: Using a regression analysis of 3,120 public building bids in Midwest states, the paper examines the claim that prevailing wage regulations raise public construction costs. The twelve Midwest states analyzed were Nebraska, South Dakota, North Dakota, Kansas, Missouri, Iowa, Minnesota, Wisconsin, Illinois, Indiana, Michigan, and Ohio. There is no empirical evidence supporting the claim that construction costs are lower in states that have repealed their prevailing wage laws compared to states that have not repealed their laws.

"Kansas and Prevailing Wage Legislation." Peter Philips. University of Utah. February 1998.
Abstract: A case study of new school construction costs in Kansas compared to surrounding Great Plains states that retained prevailing wage finds no difference in square foot construction costs. Apprenticeship training in Kansas fell by 38% and minority apprentices fell by 56%. Skilled and experienced workers were replaced by younger, less-trained workers. Additionally, in the five years after repeal, serious injury rates in Kansas rose by 21%.

Kentucky

"Prevailing Wage Repeal, Highway Construction Costs, and Bid Competition in Kentucky: A Difference-in-Differences and Fixed Effects Analysis." Kevin Duncan, Jill Gigstad, & Frank Manzo IV. *Public Works Management & Policy*. Colorado State University-Pueblo; Midwest Economic Policy Institute. June 2022.
Abstract: An analysis of 2,155 highway projects and 3,480 total bids finds no statistically significant differences in bid costs and bid competition between federal projects and state projects before and after repeal of prevailing wage in Kentucky. Policies increasing competition in Kentucky would be more effective in reducing costs than prevailing wage repeal.

"The Economic, Fiscal, and Social Effects of Kentucky's Prevailing Wage Law." Kevin Duncan & Frank Manzo IV. Colorado State University-Pueblo, Midwest Economic Policy Institute. December 2016.
Abstract: Repealing Kentucky's prevailing wage law would lower the incomes of blue-collar construction workers by 10%, with a particularly strong reduction of $80 million in income for veterans. Repeal would reduce total economic activity by $400 million, mainly due to leakages of construction business out of Kentucky as out-of-state firms win bids on taxpayer-funded projects.

"Do Prevailing Wage Laws Increase Total Construction Costs?" *Review of Keynesian Economics*, 2(2): 189-206. Fadhel Kaboub & Michael Kelsay. Denison University; University of Missouri. April 2014.
Abstract: Using a regression analysis of 3,120 public building bids in Midwest states, the paper examines the claim that prevailing wage regulations raise public construction costs. The twelve Midwest states analyzed were Nebraska, South Dakota, North Dakota, Kansas, Missouri, Iowa, Minnesota, Wisconsin, Illinois, Indiana, Michigan, and Ohio. There is no empirical evidence supporting the claim that construction costs are lower in states that have repealed their prevailing wage laws compared to states that have not repealed their laws.

"Kentucky's Prevailing Wage Law: An Economic Impact Analysis." Peter Philips. University of Utah. January 2014.
Abstract: Construction workers in states with prevailing wage laws are more productive—21% more productive in water, sewer, and related construction; 31% more productive in highway, street, and bridge construction; and 33% more productive in other heavy and civil engineering work. Repeal of prevailing wage would reduce construction worker incomes by $75-152 million and reduce state tax revenues by $10-20 million.

"Peter Philips Testimony on Kentucky Prevailing Wage Law." Peter Philips. University of Utah. March 2014.
Abstract: In states with prevailing wage laws, construction workers make 18% more and pension, health insurance, and apprenticeship contributions are over 50% higher. Prevailing wage corrects a market failure in construction.

"Low Road Detour: How Repealing Prevailing Wages Will Hurt Kentucky." Peter Philips. University of Utah. January 2006.
Abstract: Prevailing wage preserves quality workmanship and ensures against downstream remakes, repairs, and undue maintenance costs.

"A Comparison of Public School Construction Costs: In Three Midwestern States that Have Changed Their Prevailing Wage Laws in the 1990s." Peter Philips. University of Utah. February 2001.
Abstract: This study of public school construction costs in Kentucky, Ohio, and Michigan from 1991-2000 found that prevailing wage has no significant impact on school construction costs. Instead of raising costs, prevailing wages entice contractors to hire and train more skilled and productive workers.

Op-Eds

- "Results in States that Repealed Their Prevailing Wage Laws Aren't Pretty." *Crain's Chicago Business*. Frank Manzo IV. Illinois Economic Policy Institute. January 2023.
- "Prevailing Wage Repeal a Con Job." *Courier-Journal*. Frank Manzo IV. Midwest Economic Policy Institute. December 2016.

Maryland

"Prevailing Wages, Side-By-Side Bids, and School Construction Costs." Kevin Duncan. *Labor Studies Journal*. Colorado State University-Pueblo. January 2018.
Abstract: Side-by-side bids from school construction projects have been used as evidence that prevailing wage laws are associated with increased building costs. This study finds that it is important to consider the incentives that side-by-side bidding creates for nonunion contractors. The gap between bids that require and do not require the payment of prevailing wages decreases as the level of bid competition and accumulated contractor bid experience increases. The disparity in side-by-side bids is also influenced by a contractor's eagerness to win a project. Because the gap in side-by-side bids varies with bid and bidder characteristics, these data do not provide an accurate measure of the cost impact of prevailing wage standards.

"Task Force to Study the Applicability of the Maryland Prevailing Wage Law." Maryland Department of Legislative Services. March 2014.
Abstract: The analysis finds no effect of prevailing wage on total state funding for school construction, no effect on the cost of enforcing compliance with the prevailing wage requirement, no effect on revenues, and a negligible effect on local government.

"Prevailing Wage Laws and School Construction Costs: An Analysis of Public School Construction in Maryland and the Mid Atlantic States." Mark Prus. State University of New York—Cortland. January 1999.
Abstract: A formal statistical model capable of controlling for multiple factors affecting school construction costs factors confirms that there is no measurable or statistically significant increase in construction costs associated with prevailing wage.

Massachusetts

"Project Labor Agreements' Effect on School Construction Costs in Massachusetts." Dale Belman, Russell Ormiston, Richard Kelso, William Schriver, & Kenneth Frank. *Industrial Relations*, Vol. 49, No. 1. January 2010.
Abstract: This paper investigates the impact of Project Labor Agreements (PLAs) on school construction cost in Massachusetts. The report finds that it is difficult to distinguish the cost effects of PLAs from the cost effects of factors that underlie the use of PLAs.

Michigan

"Construction Apprenticeships as a Career Development Alternative in Michigan: Enrollment, Diversity, Hours, Completion Rates, and Earnings in Registered Apprenticeship Programs." Frank Manzo IV, Andrew Wilson, & Robert Bruno. Midwest Economic Policy Institute; University of Illinois at Urbana-Champaign. August 2023.
Abstract: Joint labor-management apprenticeship programs (union programs) enrolled 75% of construction apprentices in Michigan between 2010 and 2020, including 87% of women apprentices, 87% of Black apprentices, and 85% of Hispanic apprentices. Joint programs have a 15% higher completion rate than employer-only (nonunion) programs, require 8% more hours of training than bachelor's degrees, and deliver hourly earnings that are only 8% less than the average worker with a bachelor's degree without any of the student loan debt.

"The Performance of ABC-Sponsored Registered Apprenticeship Programs in Michigan: 2000-2016." Cihan Bilginsoy. University of Utah. October 2017.
Abstract: Joint labor-management programs account for 79% of all new registered apprentices in Michigan, ABC-sponsored programs account for 4%, and other single-employer programs account for 16%. The ABC programs had the highest rate of cancellation and the lowest completion rate. The share of people of color was 9% in the ABC-affiliated programs and 21% in the joint programs, matching their share in the Michigan labor force (20%).

"The Cost of Repealing Michigan's Prevailing Wage Policy: Impacts on Total Construction Costs and Economic Activity." Kevin Duncan, Alex Lantsberg, & Frank Manzo IV. Colorado State University-Pueblo; Smart Cities Prevail; Midwest Economic Policy Institute. June 2015.
Abstract: Michigan's proposed prevailing wage repeal would eliminate more than 11,000 jobs, $1.7 billion in economic output, and $28 million in local and state tax revenue, and would export nearly $700 million in construction investments out of state every year.

"Do Prevailing Wage Laws Increase Total Construction Costs?" *Review of Keynesian Economics*, 2(2): 189-206. Fadhel Kaboub & Michael Kelsay. Denison University; University of Missouri. April 2014.
Abstract: Using a regression analysis of 3,120 public building bids in Midwest states, the paper examines the claim that prevailing wage regulations raise public construction costs. The twelve Midwest states analyzed were Nebraska, South Dakota, North Dakota, Kansas, Missouri, Iowa, Minnesota, Wisconsin, Illinois, Indiana, Michigan, and Ohio. There is no empirical evidence supporting the claim that construction costs are lower in states that have repealed their prevailing wage laws compared to states that have not repealed their laws.

"Mr. Rosaen's Magical Thinking: A Short Evaluation of Alex Rosaen's 2013 Prevailing Wage Methodology." Peter Philips. University of Utah. November 2013.
Abstract: This paper critically reviews a report commissioned by the Associated Builders and Contractors of Michigan. The report's assumptions are outdated and miscalculated. An alternative methodology using statistical tests provides more stable results, showing that the estimates are unreliable.

"A Comparison of Public School Construction Costs: In Three Midwestern States that Have Changed Their Prevailing Wage Laws in the 1990s." Peter Philips. University of Utah. February 2001.
Abstract: This study of public school construction costs in Kentucky, Ohio, and Michigan from 1991-2000 found that prevailing wage has no significant impact on school construction costs. Instead of raising costs, prevailing wages entice contractors to hire and train more skilled and productive workers.

Op-Eds

- "Results in States that Repealed Their Prevailing Wage Laws Aren't Pretty." *Crain's Chicago Business*. Frank Manzo IV. Illinois Economic Policy Institute. January 2023.
- "Michigan's Prevailing Wage Repeal Will Hurt Workers." *The Detroit News*. Sean McGarvey & Doug Maibach. North America's Building Trades Unions; Barton Malow Company. July 2018.
- "Prevailing Wage Laws Will Ultimately Prevail." *The Hill*. Frank Manzo IV. Midwest Economic Policy Institute. June 2018.
- "The Prevailing Wage Law is Good for Michigan Workers, Don't Repeal It." *Lansing State Journal*. Curtis Hertel Jr. State Representative. January 2018.

- "Prevailing Wage Protects Michigan Families, Workers." *The News-Herald*. Stephanie Chang. State Representative. December 2017.
- "Prevailing Wage Repeal Would Hurt Michigan Economy." *Detroit News*. Kevin Duncan & Alex Lantsberg. Colorado State University-Pueblo; Smart Cities Prevail. July 2015.
- "Prevailing Wage Repeal is the Wrong, and Ultimately Costly, Choice for Michigan." *M-Live*. Frank Manzo IV. Midwest Economic Policy Institute. July 2015.

Minnesota

"An Examination of Minnesota's Prevailing Wage Law: Effects on Costs, Training, and Economic Development." Frank Manzo IV & Kevin Duncan. Midwest Economic Policy Institute; Colorado State University-Pueblo. July 2018.

Abstract: Minnesota's prevailing wage law increases construction worker incomes by 5%, health insurance coverage by 5%, and pension plan coverage by 5% while reducing the share receiving food stamps by 2%. The law creates 7,200 jobs, boosts the economy by $981 million, and generates $37 million in state and local tax revenue every year. In addition, 93% of all registered apprentices in Minnesota are enrolled in joint labor-management programs. Finally, based on an analysis of 640 bids on school construction projects in the Minneapolis-St. Paul area, winning bids based on the payment of prevailing wages were no more costly than bids that did not require prevailing wages.

"Prevailing Wage and Military Veterans in Minnesota: Applied Policy Brief." Frank Manzo IV, Jill Manzo, Kevin Duncan, and Robert Bruno. Midwest Economic Policy Institute. October 2016.

Abstract: Weakening Minnesota's law would result in a net employment loss of 2,400 veterans in construction and a $126 million decrease in total veteran incomes, leading to an additional 100 veterans falling below the poverty line.

"School Construction and Prevailing Wage in Minnesota." Jill Manzo. Midwest Economic Policy Institute. August 2016.

Abstract: This economic commentary examines whether Minnesota's prevailing wage law has any significant effect on the costs of new public school construction projects. There are no significant effects on mean cost per square foot found for urban or rural schools.

"Construction Careers versus Construction Jobs: A Case Study of Two Construction Sectors in the Twin Cities Region." Jill Manzo. Midwest Economic Policy Institute. August 2016.

Abstract: Highway, street, and bridge construction workers are better paid and have lower turnover rates than residential building construction workers.

"Do Prevailing Wage Laws Increase Total Construction Costs?" *Review of Keynesian Economics*, 2(2): 189-206. Fadhel Kaboub & Michael Kelsay. Denison University; University of Missouri. April 2014.

Abstract: Using a regression analysis of 3,120 public building bids in Midwest states, the paper examines the claim that prevailing wage regulations raise public construction costs. The twelve Midwest states analyzed were Nebraska, South Dakota, North Dakota, Kansas, Missouri, Iowa, Minnesota, Wisconsin, Illinois, Indiana, Michigan, and Ohio. There is no empirical evidence supporting the claim that construction costs are lower in states that have repealed their prevailing wage laws compared to states that have not repealed their laws.

"An Evaluation of Prevailing Wage in Minnesota: Implementation, Comparability and Outcomes." Lisa Jordan, Robert Bruno, Phil Schrader, & Tony Sindone. Brevard College; University of Illinois at Urbana-Champaign; University of Minnesota; Indiana University—South Bend. October 2006.

Abstract: The survey method to gather data for determining prevailing wage rates is both valid and reliable. Repealing or weakening prevailing wage would cost the Minnesota between $38-$178 million in tax revenues, a weakening of apprenticeship training programs, an increase in injury rates.

Op-Ed

- "On Issue of Prevailing Wage, Minnesota Succeeds Where Neighboring States Have Failed." *MinnPost*. Frank Manzo IV & Kevin Duncan. Midwest Economic Policy Institute; Colorado State University-Pueblo. August 2018.

Missouri

"The Adverse Economic Impact from Repeal of the Prevailing Wage Law in Missouri." Michael Kelsay. University of Missouri—Kansas City. April 2016.
Abstract:. Repeal would result in $217-347 million in lost worker income and $9-14 million in lost state sales and income tax revenues annually. In an analysis of 27,874 bids in twelve states in the North Central region from 2011-2015, there was no statistical difference in the average square foot costs of public construction in prevailing wage and non-prevailing wage states. In fact, mean square feet costs were actually higher ($181) in non-prevailing wage states than prevailing wage states ($132).

"Do Prevailing Wage Laws Increase Total Construction Costs?" *Review of Keynesian Economics*, 2(2): 189-206. Fadhel Kaboub & Michael Kelsay. Denison University; University of Missouri. April 2014.
Abstract: Using a regression analysis of 3,120 public building bids in Midwest states, the paper examines the claim that prevailing wage regulations raise public construction costs. The twelve Midwest states analyzed were Nebraska, South Dakota, North Dakota, Kansas, Missouri, Iowa, Minnesota, Wisconsin, Illinois, Indiana, Michigan, and Ohio. There is no empirical evidence supporting the claim that construction costs are lower in states that have repealed their prevailing wage laws compared to states that have not repealed their laws.

"The Adverse Economic Impact from Repeal of the Prevailing Wage Law in Missouri." Michael Kelsay, James Sturgeon, & Kelly Pinkham with Richard Wagner, Devin Rafferty, & Sabina Lopez Ennen. University of Missouri—Kansas City. December 2011.
Abstract: Repeal would result in $300-$452 million in lost worker income and $24-36 million in lost state sales and income tax revenues annually. The study also investigates the impact of so-called "right-to-work" on Missouri.

Op-Eds

- "Prevailing Wage Repeal Will Hurt Small Contractors, Workers." *St. Louis/Southern Illinois Labor Tribune*. Tim Rowden. Editor. May 2018.
- "A Warning for Missouri: Repealing the Prevailing Wage on Construction Jobs Hurts Workers and the Economy." *The Kansas City Star*. Marc Poulos. Indiana, Illinois, Iowa Foundation for Fair Contracting. February 2018.
- "Stand Up for Vets by Rejecting Prevailing Wage Repeal." *Springfield News-Leader*. Josh Wallis. Marine Corps veteran. April 2017.
- "Prevailing Wage is Good for Veterans and for Missouri." *St. Louis Post-Dispatch*. Ryan Hector. Army veteran and plumber. March 2017.

Montana

"The Impact of Montana's Prevailing Wage Law: Effects on Costs, Training, and Economic Development." Kevin Duncan, Matthew Hinkel, & Frank Manzo IV. Colorado State University-Pueblo; Alma College; Illinois Economic Policy Institute. February 2023.
Abstract: The completion rate of apprentices in Montana (53%) is 21% higher than in Idaho, North Dakota, and South Dakota (33%)—three neighboring states without prevailing wage. Construction worksites average 33% fewer health and safety violations than those in the three neighboring states without prevailing wage. Montana's prevailing wage law boosts construction worker income by 8%, expands employer-provided health coverage by 8%, creates 1,800 jobs, and boosts the state economy by $248 million annually.

Nevada

"Unintended Consequences of Nevada's Ninety-Percent Prevailing Wage Rule." Kevin Duncan & Jeffrey Waddoups. *Labor Studies Journal*, 1-20. Colorado State University-Pueblo; University of Nevada, Las Vegas. June 2020.
Abstract: An analysis of 81 school construction projects in the Las Vegas area revealed that Nevada's attempt to weaken prevailing wage by reducing prevailing wage rates on education-related construction to 90% of the applicable rate for state-funded construction contributed to decreased bid competition and increased construction costs. Union contractors in particular submitted fewer bids as they pursued other opportunities.

"The Impact of Nevada's Ninety-Percent Prevailing Wage Policy on School Construction Costs, Bid Competition, and Apprenticeship Training." Jeffrey Waddoups & Kevin Duncan. University of Nevada, Las Vegas; Colorado State University-Pueblo. March 2019.
Abstract: Joint labor-management apprenticeship programs trained 92% of Nevada's construction apprentices between 2000 and 2017. Joint programs had a completion rate that was 7% higher than employer-only programs.

"Report on the Prevailing Wage Law of Nevada: Its History, Cost and Effects." Peter Philips. University of Utah. May 2001.
Abstract: Nevada construction workers earned relatively more in wages and received more in health insurance and pension contributions from their employers than their counterparts in Arizona, a state that repealed its prevailing wage law.

Op-Ed

- "Attack of the Middle Class Job Killers." *Reno Gazette Journal*. Kevin Duncan & Alex Lantsberg. Colorado State University-Pueblo; Smart Cities Prevail. May 2015.

New Hampshire

"Towards the High Road in the New Hampshire Construction Industry: The Impact of a State Prevailing Wage Law." Kevin Duncan, Stephen Herzenberg, Frank Manzo IV, & Alex Lantsberg. Keystone Research Center; Colorado State University-Pueblo; Midwest Economic Policy Institute; Smart Cities Prevail. January 2016.
Abstract: This study examines the effect of enacting a prevailing wage law in New Hampshire. Among other significant findings, the authors find that a prevailing wage law would result in a net gain of up to 4,000 jobs, economic activity would rise by up to $681 million, and state and local tax revenues would increase by up to $17 million.

New Mexico

"The Impacts of New Mexico House Bills 110 & 200." Kevin Duncan, Alex Lantsberg, & Frank Manzo IV. Midwest Economic Policy Institute; Colorado State University-Pueblo; Smart Cities Prevail. February 2016.
Abstract: This brief summarizes the impact of two House bills in New Mexico which asserted that prevailing wage repeal would cost millions of dollars to New Mexico's taxpayers. The authors find that these bills would result in a net loss of 2,340 jobs, there would be a $288 million loss in economic activity, and state and local tax revenues would decrease by $7.7 million.

New York

"Building Responsible Projects in New York City: Assessing the Impact of Prevailing Wage Benefits on Workers, Contractors, and the New York City Economy." Russell Weaver & Anne Marie Brady. Cornell University. September 2023.

Abstract: In January 2022, New York State expanded prevailing wage coverage to private projects that cost $5 million or more and receive public funds covering 30% of total construction project costs. Under this law, developers are likely to save money by hiring union contractors on private prevailing wage projects. That is because nonunion firms offer benefits packages at much lower rates than union firms and will pay their employees the prevailing supplemental benefits rate as wages, which, will increase their workers' compensation expenses relative to those sourcing union labor.

"New York's Prevailing Wage Law: A Cost-Benefit Analysis." Russell Ormiston, Dale Belman, & Matthew Hinkel. Economic Policy Institute; Allegheny College; Michigan State University. November 2017.

Abstract: This study relies on 15 years of peer-reviewed research and systematically critiques the "wage differential" methodology used in studies that attack prevailing wage, such as by New York's Empire Center. The authors conclude that New York's prevailing wage law is a net benefit to construction workers and not a burden on taxpayers. Prevailing wage boosts construction worker incomes by $653 million and increases tax revenues. States with a weak law or no law have 2.5% more construction workers below poverty, 3.6% more receiving EITC benefits, 11.5% less with employment-based health insurance coverage, and 10.8% less with employment-sponsored pension plan coverage than states with strong or average prevailing wage laws.

"New York State Prevailing Wage Law: Defining Public Work." Fred Kotler. Cornell University. March 2018.

Abstract: The commingling of various forms of public support—such as loans and tax incentives—has blurred the definition of "public work." This report examines the taxpayer interest in redefining "public work" to include both traditionally-funded public projects and private development funded in part by taxpayer dollars. 16 states—including California, Connecticut, Illinois, and New Jersey—have laws that cover a broader range of projects.

"The Economic Development Benefits of Prevailing Wage." Fiscal Policy Institute. May 2006.

Abstract: An extensive economics literature shows that prevailing wage in construction means more cost-effective construction, and more skilled and better-paid workers. Prevailing wage standards are a fundamental building block for a strong local, "high-road" economy.

Op-Eds

- "Expanded Prevailing Wage Law Will Drive Middle-Class Growth, Promote Equity." *Crain's New York Business*. Gary LaBarbera. Building & Construction Trades Council of Greater New York. January 2022.
- "Hail the Prevailing Wage!" *Commercial Observer*. Gary LaBarbera. Building & Construction Trades Council of Greater New York. March 2018.

Ohio

"The Effect of Prevailing Wages on Building Costs, Bid Competition, and Bidder Behavior: Evidence from Ohio School Construction." Lameck Onsarigo, Kevin Duncan, & Alan Atalah. *Construction Management and Economics*, 1-17. Kent State University; Colorado State University-Pueblo; Bowling Green State University. February 2020.

Abstract: An analysis of 669 bids on 113 school construction projects in Ohio found that prevailing wage standards do not affect building costs or the level of bid competition. In fact, the cost-reducing effect of increased competition is stronger on projects covered by prevailing wage.

"The Economic, Fiscal, and Social Effects of Ohio's Prevailing Wage Law." Lameck Onsarigo, Alan Atalah, Frank Manzo IV, & Kevin Duncan. Kent State University, Bowling Green State University, Midwest Economic Policy Institute, Colorado State University-Pueblo. April 2017.
Abstract: Repealing Ohio's prevailing wage law would lower the incomes of blue-collar construction workers by 16%, result in 9,700 jobs lost in the economy, and reduce Ohio's economic activity by $1.4 billion. In an analysis of 110 school construction projects built between 2013 and 2016, there was no statistically significant difference in low bids for projects that did (33) and did not (77) include prevailing wage standards.

"Road and Bridge Construction Workers in the Midwest: Productive, High-Skilled, and Well-Paid." Frank Manzo IV & Robert Bruno. Midwest Economic Policy Institute; University of Illinois at Urbana-Champaign. March 2015.
Abstract: Construction workers in the Great Lakes region—Illinois, Indiana, Michigan, Ohio, and Wisconsin—build highways 43% cheaper than the national average. In addition, value added is $155,100 per employee annually in Great Lakes states, the second-highest of any region. The only region with higher productivity is the Far West (Alaska, California, Hawaii, Nevada, Oregon, and Washington). The correlation between strong and average prevailing wage laws and road construction worker productivity is 0.62.

"Do Prevailing Wage Laws Increase Total Construction Costs?" *Review of Keynesian Economics*, 2(2): 189-206. Fadhel Kaboub & Michael Kelsay. Denison University; University of Missouri. April 2014.
Abstract: Using a regression analysis of 3,120 public building bids in Midwest states, the paper examines the claim that prevailing wage regulations raise public construction costs. The twelve Midwest states analyzed were Nebraska, South Dakota, North Dakota, Kansas, Missouri, Iowa, Minnesota, Wisconsin, Illinois, Indiana, Michigan, and Ohio. There is no empirical evidence supporting the claim that construction costs are lower in states that have repealed their prevailing wage laws compared to states that have not repealed their laws.

Do Responsible Contractor Policies Increase Construction Bid Costs?" C. Jeffrey Waddoups & David May. *Industrial Relations*, 53(2). University of Las Vegas, Nevada; Keene State College. April 2014.
Abstract: Beginning in 2000, some school districts in Ohio required contractors to incorporate health insurance coverage, among other items, into their bids. This study estimates construction bid costs using data on elementary school projects bid in Ohio from 1997 to 2008, some of which were covered by a Responsible Contractor Policy and some of which were not. The results indicate that once variation in the geographic location of schools is accounted for, Responsible Contractor Policies exert no statistically discernible impact on construction bid costs.

"Impact of Prevailing Wages on the Cost Among the Various Construction Trades." Alan Atalah. *Journal of Civil Engineering and Architecture*, 7(4): 670-676. Bowling Green State University. December 2013.
Abstract: In 1997, Ohio exempted contractors from paying prevailing wages on public school construction projects. A comparison of average bid costs per square foot from 2000 through 2007 indicates that there is no statistically significant difference between union and nonunion contractors across the state. There was no difference when evaluating all 8,093 bids or just the 1,497 winning bids.

"Comparison of Union and Non-Union Bids on Ohio School Facilities Commission Construction Projects." Alan Atalah. *International Journal of Economics and Management Engineering*, 3(1): 29-35. Bowling Green State University. March 2013.
Abstract: In 1997, Ohio exempted contractors from paying prevailing wages on public school construction projects. When analyzing 8,093 bids on school construction projects from 2000 through 2007 for different trades, the average bid cost per square foot was not higher for 15 of the 18 trades (83%) that paid union rates. The payment of union wage rates is not associated with increased construction costs.

"Analysis of Regression and Surveys in Ohio LSC Report on S.B. 102 on Claimed Cost Savings from Exempting School Construction from Prevailing Wage Requirements." Herbert Weisberg. Ohio State University. July 2002.
Abstract: This report finds that the Ohio Legislative Service Commission (LSC) report is invalid. The LSC report notes multiple times that there was no evidence that prevailing wage contributed to the reduction in school construction costs (Example: "Evidence was not available as to the portion of the estimated savings, if any, that could be directly and conclusively attributed to the prevailing wage exemption").

"The Effects of the Exemption of School Construction Projects from Ohio's Prevailing Wage Law." Ohio Legislative Service Commission. May 2002.
Abstract: This report has been used by opponents of prevailing wage because the report claimed that the school construction exemption in the state's prevailing wage law saved the state 10.7%. However, this estimate was derived from three regression models in which none of the prevailing wage coefficients were even close to statistical significance. An accurate assessment of their results reveals that prevailing wage had *no statistically significant* impact on school construction costs.

"A Comparison of Public School Construction Costs: In Three Midwestern States that Have Changed Their Prevailing Wage Laws in the 1990s." Peter Philips. University of Utah. February 2001.
Abstract: This study of public school construction costs in Kentucky, Ohio, and Michigan from 1991-2000 found that prevailing wage has no significant impact on school construction costs. Instead of raising costs, prevailing wages entice contractors to hire and train more skilled and productive workers.

Oregon

"Constructing a Diverse Workforce: Examining Union and Non-Union Construction Apprenticeship Programs and Their Outcomes for Women and Workers of Color." Larissa Petrucci. University of Oregon. November 2021.
Abstract: In Portland, joint labor-management apprenticeship programs enroll 72% of all construction apprentices. The joint programs have greater gender and racial diversity and a graduation rate of 58% versus a 36% graduation rate in employer-only programs, a 22% difference. Finally, about half of all women apprentices and apprentices of color earned an exit wage of at least $40 per hour from the joint programs compared to just one-in-five earning at least $40 per hour from the employer-only programs.

"The Impact of Oregon's Prevailing Wage Rate Law: Effects on Costs, Training, and Economic Development." Lina Stepick & Frank Manzo IV. University of Oregon; Illinois Economic Policy Institute. January 2021.
Abstract: Oregon's Prevailing Wage Rate Law improves construction worker wages by 8% and their health insurance coverage by 9%, is associated with 19% more bid competition, increases the market share of in-state contractors by 12%, creates 5,400 jobs, boosts the state's economy by $752 million annually, and generates $35 million in state and local tax revenue every year. 63% of all apprentices in Oregon are enrolled in joint labor-management apprenticeship programs.

"Oregon's Prevailing Wage Law: Benefiting the Public, the Worker, and the Employer." Michael Sheehan, Robert Lee, & Lisa Nuss. Oregon and Southwest Washington Fair Contracting Foundation. 2000.
Abstract: Oregon's Prevailing Wage Act is a public commitment to the high-skill, high-productivity path. The Act reduces accidents on the job, does not increase the cost of public project construction, is not "racist," and has been beneficial to public agencies building public projects.

Pennsylvania

"Construction Apprenticeship and Training in Pennsylvania." Stephen Herzenberg, Diana Polson, & Mark Price. Capital Area Labor-Management Council, Inc. September 2018.
Abstract: Joint labor-management apprenticeship programs account for 85% of Pennsylvania's construction apprentices and 9-in-10 apprentices who are people of color and women. Joint labor-management apprenticeship programs graduate more than 6 veterans for every 1 veteran graduated by non-union programs and starting wages for union apprentices are 36% higher than their non-union counterparts.

"The Benefits of State Prevailing Wage Laws." Mark Price & Stephen Herzenberg. Keystone Research Center. October 2011.
Abstract: Without family-supporting wages, health and old-age insurance, and training, Pennsylvania's construction industry will not attract and retain a qualified workforce. Prevailing wage laws re-focus competition on efforts to raise productivity and quality.

"Do Lower Prevailing Wages Reduce Public Construction Costs?" Howard Wial. Keystone Research Center; Rutgers University. July 1999.
Abstract: For the period in which they existed, Pennsylvania's lower prevailing wage and benefit requirements had no measurable impact on construction costs in the state. If the lower prevailing wage and benefit rates were intended to save taxpayers money, they failed to achieve that goal.

Utah

"The Effects of the Repeal of Utah's Prevailing Wage Law." Hamid Azari-Rad, Anne Yeagle, & Peter Philips. University of Utah. September 1993.
Abstract: Construction wage premiums fell 2% after the state repealed its prevailing wage law. Including benefits, the wage premium fell even further. In addition, apprenticeship training fell to historically low levels post-repeal.

Vermont

"Limitations with the use of *Occupational Employment Statistics* in the Determination of Prevailing Wages in Vermont." Kevin Duncan. Colorado State University-Pueblo. March 2015.
Abstract: There are three basic problems with using the OES for prevailing wage determination—(1) it includes residential construction; (2) it excludes benefits; and (3) it uses data that are up to three years old. In addition, it does not collect information on hours or overtime. It cannot report data by county, and it attributes all of a contractor's work to the contractor's business address regardless of where the actual construction worksite is.

"An Evaluation of the Fiscal Note-Revised for the Component of the Capital Bill-Prevailing Wages." Kevin Duncan. Colorado State University-Pueblo. March 2015.
Abstract: The Vermont Departments of Labor and of Buildings and General Services utilized the "wage differential" approach, which ignores other changes that occur when wage rates increase in the construction industry and ignores the academic research on the cost effect of prevailing wage laws.

"Survey of the Research on Changes in Prevailing Wage Rates and Total Construction Costs: Implications for the Proposed Capital Bill." Kevin Duncan. Colorado State University-Pueblo. February 2015.
Abstract: Altering prevailing wages, up or down, does not affect building costs. The current prevailing wage policy in Vermont does not include health and retirement benefits; adopting Davis-Bacon wage and benefits rates addresses this shortcoming of the current policy.

Washington

"Are Plumbing Apprentice Graduates Safer than Their Non-Apprentice Peers? Workers' Compensation Claims Among Journey Level Plumbers by Apprenticeship Participation." *Journal of Safety Research*, 83: 349-356. Sara Wuellner & David Bonauto. Washington State Department of Labor and Industries. December 2022.
Abstract: Washington State Department of Labor & Industries researchers linked apprenticeship data with plumber certification information, compared that with workers' compensation claims between 2000 and 2018, and found that journey-level plumbers who graduated from apprenticeship programs had workers' compensation claim rates that were 31% lower than plumbers with no formal apprenticeship training.

"An Analysis of House Bill 1073: Proposed Legislation to Alter Prevailing Wages in the State of Washington." Kevin Duncan. Colorado State University-Pueblo. February 2015.
Abstract: "Random stratified sampling" will result in inaccurate prevailing wage rates. The current survey method used by the Department of Labor and Industries avoids the challenges, expense, and problems associated with switching to a random stratified sampling approach. Concerns about the current survey method can be addressed by finding ways to increase survey response rates.

West Virginia

"The Impact of Repealing West Virginia's Prevailing Wage Law: Economic Effects on the Construction Industry and Fiscal Effects on School Construction Costs." Michael Kelsay & Frank Manzo IV. University of Missouri — Kansas City; Midwest Economic Policy Institute. May 2019.
Abstract: After West Virginia repealed its prevailing wage law in May 2016, inflation-adjusted construction wages fell 1%-8%, active apprentices fell by 28%, the on-the-job injury rate increased by 26%, and there were no savings for taxpayers based on an analysis of 107 school construction projects.

"The Adverse Economic Impact from Repeal of the Prevailing Wage Law in West Virginia." Michael Kelsay. University of Missouri-Kansas City. January 2015.
Abstract: Repeal of the prevailing wage statute in West Virginia would not save money on construction costs and would result in a negative economic impact on families in West Virginia, a $6 million decrease in state tax revenue, and a $71 million drop in in West Virginia's economic activity.

"West Virginia's Prevailing Wage: Good for Business, Good for Workers." Sean O'Leary. West Virginia Center on Budget & Policy. January 2015.
Abstract: Multiple academic studies have shown that prevailing wage laws do not raise public construction costs. Instead, the impact of higher wages on costs is compensated by the positive effect on productivity. West Virginia's school construction costs are lower than its surrounding states, including Virginia, which does not have a prevailing wage law, and Ohio, which exempts school construction from its prevailing wage law.

Op-Eds

- "Results in States that Repealed Their Prevailing Wage Laws Aren't Pretty." *Crain's Chicago Business*. Frank Manzo IV. Illinois Economic Policy Institute. January 2023.
- "Real Data on Prevailing Wage Show No Savings." *The State Journal*. Steve White. Affiliated Construction Trades. August 2016.

Wisconsin

"Apprenticeship as a Career Development Alternative: Enrollment, Hours, and Earnings in Registered Apprenticeship Programs in Wisconsin." Frank Manzo IV, Nathaniel Goodell, & Robert Bruno. Midwest Economic Policy Institute; University of Illinois at Urbana-Champaign. October 2021.
Abstract: Joint labor-management programs account for 81% of all construction apprentices in Wisconsin, including 85% of all women, 89% of Black apprentices, 86% of Hispanic apprentices, and 85% of veterans. The joint programs account for 95% of training investments. Registered apprenticeship programs require 41% more training hours than bachelor's degree students and deliver earnings that are on par with workers with bachelor's degrees.

"The Effects of Repealing Prevailing Wage in Wisconsin: Impacts on Ten Construction Market Outcomes." Frank Manzo IV, Kevin Duncan, Jill Gigstad, & Nathaniel Goodell. Midwest Economic Policy Institute; Colorado State University-Pueblo. October 2020.
Abstract: This report looks at 10 economic outcomes to examine the effects of Wisconsin repealing its prevailing wage laws in 2017. Notable findings include: 1) repeal decreased the incomes of construction workers by 6%, 2) average construction industry CEO pay increased by 54%, 3) road construction projects had 16% fewer bidders, 4) there was a 60% increase in Wisconsin Department of Transportation projects being awarded to out-of-state contractors, primarily from Iowa, Michigan, and Florida, and 5.) repeal had no impact on the average cost per mile of resurfacing roads.

"The Social Costs of Repealing Wisconsin's Prevailing Wage Law." Frank Manzo IV and Jill Manzo. Midwest Economic Policy Institute. June 2017.
Abstract: Using the assumptions made by critics of Wisconsin's prevailing wage law as a "thought experiment" to demonstrate the social costs of repeal, this report finds that repealing Wisconsin's prevailing wage would cost the state $224-337 million in social costs such as food stamps, public health insurance, and earned income tax credits. Furthermore, 4%-12% of construction workers in Wisconsin would newly qualify for government assistance in if prevailing wage were repealed, in addition to the 14.5% who already qualify. Taxpayers do not save from repeal of prevailing wage, they subsidize.

"Weakening Waukesha County: Prevailing Wage Changes Will Hurt the County." Jill Manzo. Midwest Economic Policy Institute. November 2016.
Abstract: Labor costs comprise only 22.5% of total costs on heavy and civil engineering projects in Wisconsin. Waukesha County will lose 600 jobs and $82 million in economic activity after Wisconsin weakened its prevailing wage laws.

"Prevailing Wage Repeal Cannot Result in '44 Percent Savings': Evidence from Southwestern Wisconsin." Frank Manzo IV. Midwest Economic Policy Institute. October 2016.
Abstract: The average monthly earnings of employees in highway, street, and bridge construction were 8% more in southwest Wisconsin than across the border in northwest Iowa (which did not have prevailing wage) and labor costs account for just 21% of total costs. Mathematically, the maximum cost savings that could occur without prevailing wage are 2%. This estimate does not control for factors such as worker quality and productivity.

"Prevailing Wage and Military Veterans in Wisconsin: Applied Policy Brief." Frank Manzo IV, Jill Manzo, Kevin Duncan, & Robert Bruno. Midwest Economic Policy Institute. August 2016.
Abstract: Weakening Wisconsin's law would result in a net employment loss of 2,000 veterans in construction and a $113 million decrease in total veteran incomes, leading to an additional 200 veterans falling below the poverty line.

"How Weakening Wisconsin's Prevailing Wage Policy Would Affect Public Construction Costs and Economic Activity." Kevin Duncan & Alex Lantsberg. Colorado State University-Pueblo; Smart Cities Prevail. May 2015.
Abstract: Prevailing wage repeal in Wisconsin would eliminate 2,660 jobs, $1.2 billion in economic output, and $39 million in local and state tax revenue, and would export $468 million in construction investments out of state every year.

"Wisconsin's Prevailing Wage Law: An Economic Impact Analysis." Peter Philips. University of Utah. April 2015.
Abstract: Wisconsin's prevailing wage law helps promote training and skill formation and supports middle-class construction workers. Eliminating prevailing wage would result in a decline of apprenticeship training, a rise of low-wage jobs, and an emergence of chronic skill shortages. In Wisconsin, 95% of apprenticeship training investments are from joint labor-management programs.

"Prevailing Wage Laws and 2015 Assembly Bill 32." Ryan Horton, Fiscal Analyst. Wisconsin Legislative Fiscal Bureau. March 2015.
Abstract: This legislative fiscal note finds that the research on the impact of prevailing wage laws on costs is mixed and inconclusive. The evidence on prevailing wage effects generally range from relatively small effects to no statistically significant effects. These findings echo a 2007 report prepared by the nonpartisan Minnesota Office of the Legislative Auditor. Possible explanations might include: (a) contractors might already be paying wages that are required under prevailing wage laws; (b) labor costs are not the predominant costs in government contracts; (c) prevailing wage rates can attract higher-skilled workers, and more efficient management; and (d) higher wages may be offset by factor substitution, such as more efficient materials.

"Road and Bridge Construction Workers in the Midwest: Productive, High-Skilled, and Well-Paid." Frank Manzo IV & Robert Bruno. Midwest Economic Policy Institute; University of Illinois at Urbana-Champaign. March 2015.
Abstract: Construction workers in the Great Lakes region—Illinois, Indiana, Michigan, Ohio, and Wisconsin—build highways 43% cheaper than the national average. In addition, value added is $155,100 per employee annually in Great Lakes states, the second-highest of any region. The only region with higher productivity is the Far West (Alaska, California, Hawaii, Nevada, Oregon, and Washington). The correlation between strong and average prevailing wage laws and road construction worker productivity is 0.62.

"Do Prevailing Wage Laws Increase Total Construction Costs?" *Review of Keynesian Economics*, 2(2): 189-206. Fadhel Kaboub & Michael Kelsay. Denison University; University of Missouri. April 2014.
Abstract: Using a regression analysis of 3,120 public building bids in Midwest states, the paper examines the claim that prevailing wage regulations raise public construction costs. The twelve Midwest states analyzed were Nebraska, South Dakota, North Dakota, Kansas, Missouri, Iowa, Minnesota, Wisconsin, Illinois, Indiana, Michigan, and Ohio. There is no empirical evidence supporting the claim that construction costs are lower in states that have repealed their prevailing wage laws compared to states that have not repealed their laws.

"Prevailing Wage Laws in Construction: The Costs of Repeal to Wisconsin." Dale Belman & Paula Voos. University of Wisconsin—Milwaukee; University of Wisconsin—Madison. October 1995.
Abstract: Prevailing wage results in lower maintenance costs by ensuring construction quality and contractor stability, a decrease in cost overruns, a lower incidence of construction-related injuries and reduced workers' compensation costs. Prevailing wage laws ensure that the competitive bidding process is not used to undermine community wage levels and living standards.

Op-Eds

- "Results in States that Repealed Their Prevailing Wage Laws Aren't Pretty." *Crain's Chicago Business*. Frank Manzo IV. Illinois Economic Policy Institute. January 2023.
- "Frank Manzo IV: Data Show Prevailing Wage Repeal Was Bad Policy." *The Cap Times*. Frank Manzo IV. Midwest Economic Policy Institute. October 2020.
- "Fair Wage? What Repeal of the Prevailing Wage Could Mean for the Construction Trades." *Milwaukee Business Journal*. Panel. August 2017.
- "Repealing Prevailing Wage Will Hurt Vets." *La Crosse Tribune*. Leroy Miller. Army veteran and heavy equipment operator. July 2017.
- "Repeal of Prevailing Wage Would Hurt Wisconsin Economy." *Milwaukee Journal Sentinel*. Abdur Chowdhury. Marquette University. June 2017.
- "Prevailing Wage Repeal Will Hurt Taxpayers, Workers." *Ashland Daily Press*. Beth Meyers. State Representative. June 2017.
- "Lawmakers Should Consider the Social Cost of Construction Wage Cuts." *The Cap Times*. Frank Manzo IV. Midwest Economic Policy Institute. June 2017.
- "Repealing Wisconsin's Prevailing Wage Law Would Hurt Veterans." *Wisconsin State Journal*. Gary Wetzel. Legion Post 434. February 2017.
- "Time to Be Honest About Prevailing Wages." *Daily Reporter*. Robb Kahl. Construction Business Group. January 2017.
- "Repealing Prevailing Wage Laws Hurts Veterans." *Post Crescent*. Paul Gehl. Air Forc veteran and president on Lunda Construction Co. January 2017.
- "Repeal of Prevailing Wage Too Costly for Wisconsin." *Milwaukee Journal Sentinel*. Kevin Duncan & Alex Lantsberg. Colorado State University-Pueblo; Smart Cities Prevail. June 2015.
- "Prevailing Wage Law Good for Wisconsin." *Green Bay Press Gazette*. Steve Lyons. Wisconsin Contractor Coalition. April 2015.
- "Wisconsin, Workers and the 2016 Election." *The New York Times*. Editorial Board. February 2015.

British Columbia

"Prevailing Wage Regulations and School Construction Costs: Cumulative Evidence from British Columbia." Kevin Duncan, Peter Philips, & Mark Prus. *Industrial Relations*, 53(4). Colorado State University-Pueblo; University of Utah; State University of New York, Cortland. September 2014.
Abstract: This study measures the effect of prevailing wage laws by comparing the public vs. private construction cost differential for schools built before and after British Columbia's Skills Development and Fair Wage Policy. Regression results indicate that public schools were 40.5% more expensive to build prior to the policy. This differential was unchanged after the policy was adopted. The policy did not contribute to increased building costs.

"Using Stochastic Frontier Regression to Estimate the Construction Cost Inefficiency of Prevailing Wage Laws." Kevin Duncan, Peter Philips & Mark Prus. *Engineering, Construction and Architectural Management*, 19(3). Colorado State University-Pueblo; University of Utah; State University of New York, Cortland. April 2012.
Abstract: This report finds that projects covered by British Columbia's prevailing wage policy were no more cost inefficient than other projects. The results imply that prevailing wage standards do not contribute to long-run construction cost inefficiency.

"The Effects of Prevailing Wage Regulations on Construction Efficiency in British Columbia." *International Journal of Construction Education and Research*, 5(1). Kevin Duncan, Peter Philips, & Mark Prus. Colorado State University-Pueblo; University of Utah; State University of New York, Cortland May 2009.
Abstract: This study examines the effect of prevailing wage on the efficiency of school construction. A short-term decrease in construction efficiency was followed by a sharp and durable increase, supporting that view that prevailing wage laws are not associated with higher, long-term construction costs.

"Prevailing Wage Legislation and Public School Construction Efficiency: A Stochastic Frontier Approach." Kevin Duncan, Peter Philips, & Mark Prus. *Construction Management and Economics*, 24(6): 625-634. August 2006.
Abstract: The authors use British Columbia data to examine the effect of prevailing wage laws on productivity and efficiency. They found that public school projects were between 16%-19% smaller than comparable private structures, in terms of square feet per project expenditure, before prevailing wage was introduced. This size differential did not change after the policy was in effect. These results suggest that prevailing wage standards do not alter labor or other input utilization in a way that significantly affects projects.

"Prevailing Wage Regulations and School Construction Costs: Evidence from British Columbia." Cihan Bilginsoy & Peter Philips. *Journal of Education Finance*, 25(3). University of Utah. Winter 2000.
Abstract: This study examines effects of prevailing wage laws on school construction costs, using final cost data from six British Columbia school districts. When controlling for factors such as construction business cycle, number of competitors, and school type, there was no significant unit cost change following the Skill Development and Fair Wage Policy Act.

"Labor Market Regulation and the Winner's Curse." Cihan Bilginsoy. *Economic Inquiry*, 37(3): 387- 400. University of Utah. July 1999.
Abstract: An analysis of 452 bids on school construction projects in British Columbia, Canada reveals that the introduction of prevailing wage standards was associated with an increase in bid competition (+8.4 bids) that diminished over time (-0.2 bids per year). Bidders responded to rising competition by lowering their bids, so prevailing wage standards did not lead to higher bid prices.