



TO: The Honorable Members of the PA House
FROM: Alex Halper, SVP, Government Affairs
DATE: June 24, 2024
RE: Oppose H.B. 2153 – Increasing Local Construction Costs

The PA Chamber urges you to oppose H.B. 2153, which would significantly expand the PA Prevailing Wage Act and may be considered by the House.

The PA Prevailing Wage Act requires state-determined wages to be paid to employees on public construction projects and can often complicate project execution and increase costs. H.B. 2153 proposes a significant expansion by applying the law to custom fabrication work that occurs separate from the worksite.

We have concerns from both a taxpayer perspective, as significant cost increases on school districts and local governments can lead to property tax hikes; and on behalf of custom fabrication companies, who have expressed concerns that this legislation would drive work to out-of-state competitors and negatively impact their workplace.

The bill would also prohibit the practice of paying “split rates” which employers utilize to promote efficiency on a worksite. Eliminating this option will also increase project costs and place more burdens on taxpayers.

We urge you to oppose this bill. Please contact Alex Halper at ahalper@pachamber.org or 717-645-8730 with questions or to discuss.