

# BDR 28-828

## SB 392

### EXECUTIVE AGENCY FISCAL NOTE

AGENCY'S ESTIMATES

Date Prepared: March 26, 2015

Agency Submitting: Business and Industry, Labor Commissioner

Items of Revenue or Expense, or Both	Fiscal Year 2014-15	Fiscal Year 2015-16	Fiscal Year 2016-17	Effect on Future Biennia
Salaries (Expense)		\$15,917	\$15,917	\$31,834
In-State Travel (Expense)		\$1,925	\$1,925	\$3,850
Operating Costs (Expense)		\$1,248	\$1,248	\$2,496
Information Svcs Costs (Expense)		\$1,444	\$1,444	\$2,887
Total	0	\$20,534	\$20,534	\$41,067

#### Explanation

(Use Additional Sheets of Attachments, if required)

Bill Draft Request (BDR) 28-828 proposes to change the way the prevailing wage is determined, and increases the threshold for a public works project from \$100,000 to \$1,000,000.

Presently, the prevailing wage rates are determined in accordance with Nevada Revised Statutes (NRS) section 338.030 and Nevada Administrative Code (NAC) section 338.040. Because BDR 28-828 would change the way the prevailing wage is determined, it is anticipated that there would be an increase in the number of objections filed to the new prevailing wage rates.

NRS section 338.030 provides in relevant part, that an objection to the prevailing wage rates that are determined as of October 1st of each year must be filed within 30 days after the rates are determined. The Labor Commissioner shall hold a hearing in the locality in which the work is to be executed if the Labor Commissioner is in doubt as to the prevailing wage, or receives an objection or information within 30 days after the rates are determined. The Labor Commissioner may hold only one hearing a year on the prevailing wage of any craft or type of work in any county. There are currently 18 different crafts where the prevailing wage rate is determined by the Labor Commissioner. Notice of the hearing must also be published in the newspaper nearest to the locality of the work once a week for 2 weeks before the time of the hearing.

The Office of the Labor Commissioner projects that it will receive a minimum of 10 objections based on the new method for determining the prevailing wage rates.

It is projected that at least three (3) objections for three (3) separate crafts will be submitted in Clark County, Washoe County, and Carson City. It is projected that one (1) objection will be received for one (1) craft for Elko County. This would result in 10 hearings pursuant to NRS 338.030.

The estimated travel expenses for the Labor Commissioner to hold three (3), one day hearings in Clark County are \$1584.00 or \$528.00 per trip.

Name Shannon Chambers

Title Labor Commissioner

#### DEPARTMENT OF ADMINISTRATION'S COMMENTS

Date Wednesday, March 25, 2015

The agency's response appears reasonable.

Name James R. Wells, CPA

Title Interim Director