

Testimony of Michael J. Widmer President, Massachusetts Taxpayers Foundation

May 20, 2008 Section 10 of Chapter 86 of the Acts of 2008 Police Details

As a follow up to the May 2nd meeting on police details, the Foundation offers the following suggestions.

In addition to visiting several states, EOT should conduct a thorough telephone survey of several highly populated states, including California, Oregon, Washington, New York, New Jersey, Florida, Texas, and Illinois, to learn how these states manage construction details, whether they have developed a tiered approach for local communities, and what regulations have been promulgated. It would be helpful to know which of these states employ prevailing wage rates and whether they have conducted analyses of cost savings.

We also suggest that EOT examine the MBTA's flagger policy which uses both flaggers and police details at construction sites at separate rates. While the T does not have a job category of flagmen, T employees serve as flagmen on construction projects at the top rate of \$25.97 per hour versus \$33.00 to \$43.75 per hour for MBTA police details. If the MBTA can operate a dual flagger policy with a \$7 to \$18 per hour differential, it would seem that MHD, DCR and local communities should be able to do the same.

We need better data. It is critical that the administration develop and maintain a consistent methodology collecting all necessary data from each city and town annually so that policy makers can know the real costs of police details. This publicly available information should include the total number of hours worked by police details, total number of hours billed by police details, and total amount paid for details by each city and town.

The legislation requests that the secretaries make recommendations to cities and towns on the use of alternative personnel. The Foundation believes that cities and towns should be encouraged to provide for construction details outside of collective bargaining agreements. EOT should publish prevailing wage rates for flaggers in each region to assist community officials. Further, communities should have the option to use current DPW personnel as 'flaggers' at appropriate sites just as the MBTA uses its personnel as flagmen.

Eliminating requirements for four hour minimum shifts and reducing overtime charges is vital to cutting costs and should be included as a requirement in the 'construction zone safety plan' when selecting appropriate number of personnel.

Finally, EOT should provide an ombudsman to assist cities and towns determine how to apply the recommended guidelines.

In examining potential cost savings, a requirement of the legislation, the Foundation offers the following brief analysis.

It is understood that flaggers are subject to prevailing wage rates. Under the federal government Davis-Bacon rate schedule, flaggers, with one of the lowest rates for highway construction work in Massachusetts, would be paid an average of 34.05 (19.15 + 14.90 in fringe benefits).

Using \$42 as an average rate for patrolmen as a base measure (Melrose paid \$38 per hour for patrolmen and \$48 per hour for supervisors; Stoneham paid \$41.82 for patrolmen and \$49.80 for supervisors), cities and towns pay over \$7 more per hour for police officers than they would pay flagmen under prevailing wage rates.

According to a Beacon Hill Institute report, *Police Details in Massachusetts: Protection or Perk?*, there were approximately 2.7 million hours of community construction police details in 2003. The calculation is an estimate but rounding the number down to 2.5 million hours provides a baseline to compute potential savings.

A \$7 additional savings per hour translates into a \$17.5 million in annual savings (\$7 per hour times 2.5 million hours) for local communities. For Stoneham which paid \$850,000 for detail work in 2007, using the Davis-Bacon rate would have saved over \$140,000.

Thank you for the opportunity to offer this testimony.