



March 19, 2009

The Honorable Mike Kelly  
Alaska House of Representatives  
State Capitol Building  
Juneau, AK 99801-1185

Reference: HB185 – Government Neutrality in Contracting

Swanson General Contractors has been in business for over 35 years in the state of Alaska, 37 years in business total, of which 14 years were signatory to the IBEW #1547 and the remaining as an unaffiliated general and electrical contracting entity. This unique experience allows for a very qualified opinion in regards to this proposed bill. I support the basic bill, with the following reservation:

- Having been raised in a union environment since I was literally born, and then also being a non-union electrician and contractor, my general opinion is that PLA's are in effect an expensive arrangement that not only restrict competition but also tend to have a negative effect on local hiring. This is especially true when larger projects are involved. One example of this was the construction of the Missile Defense System at Delta Junction and the Congressionally mandated PLA. Most of the local unions could not find enough local 'members' to fill the necessary openings and turned to recruiting outside union members to fill the open positions. This had a negative effect on local Alaskans that were looking for work. For this reason I strongly oppose the Natural Gas Pipeline exemption contained in this proposed bill. The Alaska Natural Gas Pipeline is being backed by the State of Alaska and should back Alaska workers – regardless of union affiliation. I would sincerely hope that this exemption would be revisited before this bill comes to a vote.

In addition to removing the Natural Gas Pipeline exemption from the bill I would strongly urge the Legislature to discourage any such requirement for any federally funded projects within the state of Alaska. Any PLA requirement promotes a non-competitive atmosphere that can only raise costs unnecessarily and hurt resident Alaskans when viable jobs are eventually filled by people from outside Alaska, our aim should be Alaskans first.

Sincerely,

A handwritten signature in blue ink, appearing to read "Robert B. Swanson Jr.", with a long horizontal flourish extending to the right.

Robert B. Swanson Jr.  
President, Swanson General Contractors, Inc.