March 10, 2011

Representative Kurt Olson

Chair of Labor and Commerce Committee

Dear Mr. Olson,

I am a 43 year resident of Alaska and am writing to oppose any changes to the current threshold for Davis Bacon or definitions of maintenance. Currently there are 13 other states with equal or lower thresholds. None of those states have a \$12 Billion state surplus. This bill is nothing more than an attempt to lower the wages for an Alaskan worker trying to make a decent living for his family, while putting more money in the pockets of the contractors. Even if the threshold were zero, as is the case with 9 other states, the proposed maintenance definition would put a substantial amount of work outside of prevailing wages. Workers in smaller communities would be paid a substandard living, while the cost to live in Alaska continues to climb.

Below is a series of case studies from cities and states that have kept or eliminated prevailed wage. The results of the studies speak for themselves.

### 1. <u>Mahalia, Nooshin, Prevailing Wages and Government Contracting Costs: A Review of the Research,</u> Economic Policy Institute, 2008.

**Summary:** The report concludes that, "An overwhelming preponderance of the literature shows that prevailing wage regulations 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, more productive, and less prone to serious and fatal injuries on the job site. Prevailing wage regulations contribute to enhanced tax revenues, and higher wages support local consumer spending. Prevailing wage regulations discourage unscrupulous contractors who typically cheat on payroll taxes, employ low skilled workers and shirk health and safety requirements on the job site. Prevailing wage regulations also help expand apprenticeship training programs which enrich the community by offering avenues for residents to secure good paying middle class jobs. Removing prevailing wage regulations and thereby lowering wage and benefit standards on local projects shifts substantial costs onto the tax payer by pushing workers into requiring more subsidies in healthcare, housing and other social services. It also displaces or diminishes middle class jobs that have traditionally supported local consumer spending which hurts local businesses.

2. <u>The Fiscal Policy Institute, The Economic Development Benefits of Prevailing Wage, May, 2006.</u> Summary: An extensive economics literature shows that prevailing wage in construction means more cost-effective construction, and more skilled and better-paid workers. Skilled construction workers who receive higher wages are about 20 percent more productive than less skilled workers. All else being equal, higher productivity means lower unit costs. Industrial development authorities exist to enhance local economic development. Applying prevailing wage requirements to publicly-subsidized construction is likely to lead to a series of benefits that is the flip side of what has happened where prevailing wage apprenticeship opportunities for less educated workers, and the more effective functioning of the construction labor market overall.

# 3. Gasperow, Bob, Construction Labor Research Council, Federal Highway Administration, Do Higher Wages Raise Labor Costs?, Reported, May, 2001.

**Summary:** A 14-year study of highway construction in the United States from 1980-1993, found that skills and productivity, not differences in wage rates, are the critical determiner of bottom line labor costs. The federal study found that the payment of prevailing wages and the use of higher paid; higher skilled workers reaped an average of \$123,057 per mile in savings. The study found that "There is no basis to the claim that lower wage rates result in lower construction costs."

## 4. Phillips, Peter, Ph.D., A Comparison of Public School Construction Costs In Three Midwestern States That Have Changed Their Prevailing Wage Laws in the 1990s, February, 2001.

**Summary:** A study of public school construction costs in Kentucky, Ohio and Michigan over the period 1991-2000, found that the use of prevailing wages raised school construction costs by less than 1%, a statistically insignificant result. Instead of raising costs, the study found that the payment of prevailing wages and benefits forces contractors to hire and train a more skilled and productive labor force. The failure to pay living wages reduces wages, training and health and pension benefits. As a result trained workers migrate to other areas and young less trained workers have an injury rate 15% higher than trained workers.

## 5. Waddoups, C. Jeffrey, Ph.D., Employer-Sponsored Health Insurance and Uncompensated Care: The Role of the University Medical Center in Clark County, January, 1999.

**Summary:** A study of the University Medical Center (UMC) in Las Vegas (Clark County, Nevada), found that the failure to pay prevailing wages and health benefits shifts the burden of health care from employers to public health "safety nets." This adds costs to taxpayers as it allows employers to "free-ride" at the public's expense. The additional cost of this shift represents one-third of all uncompensated care at UMC, costing the taxpayers over \$10 million per year.

## 6. Phillips, Peter, Ph.D., Presentation on Prevailing Wage Laws, Michigan Prevailing Wage Symposium, March, 1999.

**Summary:** A study of school construction costs from 1992-1998 for 104 schools found that with the payment of prevailing wages average costs were \$99 per square foot. When prevailing wages were not paid the average cost was \$104.

## 7. Prus, Mark, Ph.D., Prevailing Wage Laws and School Construction Costs: An Analysis of Public School Construction In Maryland and the Mid Atlantic States, January, 1999.

**Summary:** A study for the Prince George County's County City Council in Maryland compared school construction in three mid-Atlantic states (Delaware, Pennsylvania and West Virginia) with prevailing wages between 1991-1997 with two states (North Carolina and Virginia) that did not pay prevailing wages. The study found that the slight increase in costs for states with prevailing wages was statistically insignificant. Further, future savings in maintenance costs because of higher quality construction produced additional savings for the states.

## 8. Dillon, Rodger, California Senate Office of Research, Potential Economic Impacts: Proposals of the Department of Industrial Relations to Alter Methodology Relating to Prevailing Wages, May, 1996.

**Summary:** A proposal to lower prevailing wages has the unintended consequence of reducing \$800 million in total tax revenues, far overshadowing the expected \$160-200 million in savings from the proposal. The proposal would also shift huge numbers of construction workers to public health care systems because of the commensurate loss of health insurance and pension benefits. The proposal would also make public work sites more dangerous because studies have shown that union sites are safer because of the additional safety training received by union workers. Finally, the reduction of prevailing wages would reduce the number of minority workers on public works sites. The proposal was not adopted.

## 9. Reich, Michael, Ph.D., UC Berkeley Institute of Industrial Relations, *Prevailing Wage Laws and the California Economy*, February, 1996.

**Summary:** A reduction in prevailing wages would have the result of lowering tax revenues, reduce job site productivity, reduce worker training and job site safety, decrease the numbers of minorities in

training programs, reduce health care and pension benefits, impact negatively on local and state health care systems, and slow the expansion of the California economy.

### 10. Phillips, Peter, Ph.D., et al, University of Utah, *Losing Ground: Lessons from the Repeal of Nine 'Little Davis-Bacon' Acts*, February, 1995.

**Summary:** A major study of nine states (Alabama, Arizona, Colorado, Florida, Idaho, Kansas, Louisiana, New Hampshire, and Utah) that had repealed prevailing wages found that the repeals had negative impacts on all state budgets. The loss of construction earnings and sales tax revenues had an adverse impact, and cost overruns on road construction also increased costs. In Utah, for example, these cost overruns tripled after the repeal. 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 that federal tax revenues would drop by \$1 billion per year, and that there would be 76,000 additional workplace injuries in construction annually, with more than 675,000 work days lost each year. These increases would be felt in increased workers compensation costs and costs placed on public health systems by workers without health and pension benefits.

## 11. Phillips, Peter, Ph.D., University of Utah, *Kansas and Prevailing Wage Legislation*, Prepared for the Kansas Senate Labor and Industries Committee, 1998.

**Summary:** After repeal of Kansas' prevailing wage law in 1987; Construction wage incomes fell by 10% throughout construction industry; Employer health insurance and retirement contributions fell by 17%; Apprenticeship training fell by 38%. Minority apprenticeship training fell by 54%; Serious injury rates in Kansas construction increased by 21%; The projected 6%-17% saving rates on state construction costs used to sell the repeal failed to materialize. Per square foot construction costs for schools are virtually the same across the Great Plains states regardless of prevailing wage regulations.

**12.** Phillips, Peter, Ph.D., University of Utah, *Quality Construction-Strong Communities: The Effect of Prevailing Wage Regulations on the Construction Industry in Iowa*, 2006.

**Summary:** Productivity was found to play a major role in explaining why less expensive labor does not always result in lower government construction costs in the absence of prevailing wage laws. In prevailing wage states, construction workers earned an average of 15% more in wages and about 25% more in Social Security, unemployment insurance, and worker's compensation. States with prevailing wage laws showed 13-15% more value-added per worker compared to states without the legislation. The result showed that prevailing wage laws raised productivity, possibly by inducing better management of projects, higher training standards, and more capital investment. Non-prevailing wage states created an environment where contractors would cut corners on safety, training, and payroll regulations in an attempt to offer lower bids. In Iowa, an estimated 2,500 workers were misclassified as independent subcontractors in order to save on payrolls. The misclassification of workers deprives the state of worker compensation and unemployment insurance payments, and allows the contractor to dodge health insurance, pension, and Social Security contributions.

#### **Other Studies**

(All of these studies have findings consistent with the studies summarized above).

13.Bilginsoy, Cihan, Department of Economics, University of Utah, Apprenticeship Training and Prevailing Wage Laws, February, 1996.

14. Carlson, Richard, Spectrum Economics, Inc., Impact of Repealing California's Prevailing Wage Laws on California's Local Economies, February, 1996.

15. Petersen, Jeffrey, Ph.D., School of Public Health, University of California, Berkeley, *Health Care and Pension Benefits for Construction Workers: The Role of Prevailing Wage Laws*, April, 1997.

16. Petersen, Jeffrey, Ph.D., School of Public Health, University of California, Berkeley, The Effects for California Construction Workers from Changing the Method of Calculating Prevailing Wage Benefits,

February. 1996.

17. Phillips, Peter, Ph.D., Economics Department, University of Utah, *Results of a Multi variate Regression Analysis of Construction Workers Incomes with a Focus on the Implementation of Prevailing Wage Policies*, February, 1996.

18. Prus, Mark, Department of Economics, SUNY, Cortland, The Effect of State Prevailing Wage Laws, January, 1996.

19. Waitzman, Norman, Ph.D., Department of Economics, University of Utah, *Worker Beware: The Relationship Between the Strength of State Prevailing Wage Laws and Injuries in Construction, 1976-1991,* 1996.

These statistics cited from www.smartcitiesprevail.org

As you can see from these studies, other states and communities have attempted to manipulate the wage of the middle class worker and the end result was detrimental to the intended purpose.

From the 2009 Nonresidents Working in Alaska Report, released from the Alaska Department of Labor in January of this year; the number of non-resident worker increased while the number of resident worker fell. Non resident's earnings increased 1.9% over 2008, to \$1.8 Billion dollars. Add to that, \$25 Million paid to interstate claimants in unemployment benefits. This is a substantial amount of money that more than likely never stayed in any community of Alaska long enough to have a positive economic impact.

In closing, why would anyone want to further diminish the wages and drive down the standard of living in communities across Alaska? I strongly oppose House Bill 155. Let an honest worker make an honest wage.

Business Representative

Laborers' Local 942



Please enter into the record my testimony to the LaRor of CommeRce dated March. 9. 2011 committee on 155 bill/subject I oppose THIS BILL, TO LOWER Quality CONSTRUCTION ON OUR PUBLIC PROSECT. DECREASED ucces would have THE STANDARD OF LIVING STATEWIDE IT would NEGATIVE by AFFECT ALL WORKERS CANIDAS AND NOAS CONIDAY.

David LUNDBERG Signed: Dast Lunisola Carpointer Local 1281 Representing (Optional) 18717 THIRD ST. EaGLE PIVER, AK. 99577 Address 907-696-4914 Phone No.

MAR-09-2011 WED 04:57 PM ANCHORAGE LIO



## Alaska State Legislature

Please enter into the record my testimony to the <u>Labor + Commerce</u> committee name committee on <u>Bill 155</u> dated <u>3-9-11</u> bill/subject

I oppose HB155. It is unnecessary. It threatens an estalished standard of living, and has the potential to compromise safety on our public infrastructure.

Signed: Mark hetebue Representing (Optional) 9225 Endicott St. # (, Auch. AK, 99502

Address 206-455-7990 Videophone Phone No.



Please enter into the record my testimony to the Youse Labor Commerce Committee committee on HB155\_\_\_\_\_ dated \_3 bill/subject I, Jack Cavanaugh of Chugiak, AK an opposed to House Bill 155. I am just starting an 8,000 hour apprenticeship and I am counting on fature jobs/projects to support my future. I believe that if its bot broke, Why fry to change it. This is not a union then union issue, it is a standards of living issue for the residents of the state of Alaska. As a laborer we count on Davis-Bacon jobs to help put food on the fable and support our families. This bill only helps employers pay less arges, it in not way helps Alaskan workers. The work in this state should employ workers of the state of Alaska. If this bill were to pass the guality of work being done would be put in jeopardy. Like I said the standard has worked just fine in the past. There for I oppose house bill iss and support my local views of union and hon union workers alike. It would be very detrimental to the workers of our state if house bill iss were to pass. I am opposed to House Bill 155. Cavanange Signed: Testifier

MyGUF Representing (Optional) <u>P.O. Box (671545 Chugiak, AX 99567</u> Address <u>907-748-5479</u> Phone No.



Please enter into the record my testimony to the House Labor Commerce Committee committee name committee on \_\_\_\_\_\_\_\_\_ \_\_\_\_\_ dated 3-7-2011 bill/subject I, william Menny of WASILLA, AR AM opposed TO Hause bill 155. The Current Budget Requirement of Paying Prevailed wages For Publicly Functed Projects Costing over \$2,000 15 FINE. This Bill will Not Serve the TAXPAYERS Substice. It will cally serve TO Deterionate Quality & skill that use currently ENSOY @ ESTAblished Rates. Further, the WAGES PAid To company mere & comment of these Projects Serves the Local community & Stimulates the board Requires LOCAL HIRE would BE TANTAMOUNT to TAKing Americani Jobs & Seriding them overseas. Finally, To "Redefine "en Timker with TLesk PROJECTS By delinterting Adifference Between Constitudio à mainsteniance will only open the dear To "poplitical wood Play", AS opposed to completing the Requestments & intent of the law 144 AS ST is written - which is a cleck of balance For the TAXPAGET. Testifier Representing (Optional) 2150 S. Paddock DR Was TH, AK 99654 Address 907-357-8709 Phone No.



Please enter into the record my testimony to the Labor & Commence committee name committee on Marsz 611155 , dated 3/9/2011 bill/subject I am supporting my local union in the Opposition of house bill 155.

Signed:	Marine	Jagan	Chris	
÷ · ·	Testifier			

Representing (Optional)

Address

Phone No.



Please enter into the record my testimony to the Labor & Commerce committee name committee on <u>HB</u> #155 \_\_\_\_ dated March 9,2011 bill/subject I OPPOSE House Bill 165. I feel it would decrease wages, lower the Standard of himg and eliminate the local hire provision. Thank you? Watson /Allison watson Signed: Testifier

Testifier Self Representing (Optional) <u>140 Bower PL #le Anchorage</u> Address <u>310-201</u> Phone No.



Please enter in	nto the record my tes	stimony to the <u>Hi</u>	DUSE LABOR (	MITTEE
			committee name	
committee on .	HB 155	dated	MARCH 9,20	>11

committee on <u>HB 755</u> bill/subject

\_\_\_\_\_ dated \_\_

Dear Mr. Chairman and Members of the Committee,

I represent myself in testifying today: I am a resident of Anchorage, a construction worker, a Municipal property tax payer, and a lifelong Alaskan and I oppose House Bill 155.

HB 155 threatens working Alaskan families statewide. Its passage would reduce or eliminate local hire provisions in current law, allowing Alaskan work and wages to be "exported" out-of-state. HB 155 also promotes low wages for skilled work and would drive down the standard of living for Alaska's middle class.

This kind of legislation contributes to state and municipal budget crises like the ones we see occurring in many other states today. It is legislation that ultimately reduces municipal property tax bases by further "hollowing out" the American middle class.

Don't allow Alaska to make the mistake of disregarding its middle class. HB 155 threatens the standards by which union and non-union workers alike make our livings.

Thank you for your time in taking my testimony. Please join me in opposing HB 155.

Signed:	SUSANNA	MISHLER_	G	2 files	
Ū	Testifier		$\overline{\mathcal{D}}$		~
	ELECTRIC	AL APPREN	TICES	·	
	Representing (Op	itional)			
_	2408 COTT	DNWOOD ST.	ANC.	99508	
	Address				
-	907 2	29 4237			
	Phone No.		Kin Revealed by grant of an angle of the second state of the second second second second second second second s	1 *** Tanke and and and if #1 fan (*) an (* 1 *********************************	

MAR-09-2011 WED 04:43 PM FBKS LEGISLATIVE INFO

01/08 465-35

ALASKA STATE LEGISLATURE Please enter into the record my testimony to the Committee on HB 155 Bill/Subject Committee Name Dated -9-2011 and a resident of this state for nearly 19 years of believe this bill theatons and Lakos away Loom my Lamily and & line long alaskon Friends. JECKMANN SIGNED: LOCAL 942 + The Alaskan Workers. Representing POROX 55526 NORTH POLE AK 99705 978-8736 Address / Phone Number

P. 02/08

ALASKA STATE LEGISLATURE MAC Please enter into the record my testimony to the \_\_\_\_ Committee Name HR \_\_\_\_\_\_ Committee on \_\_\_ Dated I approse HB #155 25 an Alaskan worker This Bill threatens to Take From my Family & I SIGNED: Testifie Representing Address / Phone Number

P. 03/08

ALASKA STATE LEGISLATURE Please enter into the record my testimony to the Committee Name Dated \_3/9/11 Hb155 Bill/Subject Committee on \_ I Appose the House bill 155 In support of Local 942 upto alle SIGNED: Representing 488-69 Address / Phone Number

## HLAC 3/1/11

I am writing to oppose house bill 155. With more jobs going to out of state workers it is even more important to not make changes to the Davis-Bacon threshold. Lowering the threshold and tampering with the definition of maintenance would only hurt our local economy by reducing or eliminating the 90% local hire provisions on 100's if not thousands of jobs. With the state of Alaska having a surplus of \$12 billion dollars, there is no need further incentivize companies to import lower paid workers to take food off the plate of hard working Alaskan families.

I strongly urge you to not pass HB 155 out of committee.

Games M Uland 4/12 HAINES AVE FAIR BANKS AF 99701 Ph. 907-451-9969 LABORES LOCAL 942

HLAC 3/9/11

My name is Alex Marchuk I'm am a third generation construction worker and have lived in Alaska all my life. I have worked construction across the Interior of Alaska both union and non union, the Davis Bacon wage has kept food on the table when I was young and now as an adult in construction Davis Bacon allows me to make a living wage. With a short construction season in Alaska workers need to "money up" for winter by lowering wages you will make it harder for working man to provide for his family.

Lowering wages on hundreds of projects across the State and giving up local hire protection is not the answer. With this bill you aim to diminish wages, when you drop wages you lower the standard of living for workers in the State, at time when there is a 12 billion dollar state surplus. This bill seems to a direct attack on workers' and their families. The goal of this bill is to reduce workers pay so the State can get more work done with less money, but the reality is that the contractors bids will not be any lower instead they will pay workers less and pocket more money themselves. There has been no talk of fixing the price that companies can charge for material or rental equipment or limiting the profit a company can workers to bear the burden of working more for less so companies can make more profit. House bill 155 hurts Alaskan working families and I urge you to kill this Bill.

Do not mess with a law that works, with Davis Bacon in place, all contractors have to pay the same wages for the same work, without Davis Bacon you give the bidding advantage to unscrupulous contractors who will pay their workers the least. You would allow contractors to bring their workers from who knows where and have them work for substandard wages without having to house or feed them. Leave the law alone, protect local hire with Davis Bacon; and keep the per-diem language, keep wages set for workers, and please keep the Davis Bacon threshold at \$2000.

Please do not pass House Bill 155.

Thank you for your time

Sincerely,

Dent Gmarchit

Alex Marchuk



HB 155 is bad for Alaska and bad for Alaskan workers. Manipulating the definition of Maintenance versus construction is just an end run around the law. If a municipality is performing the work, their employees are exempt from the prevailed wage laws. If the work has to go to contract and go through a fair bidding process, the worker should be paid the prevailed wage. Any attempt to alter the maintenance definition is an attempt to further drive down wages for and Alaskan worker in an already distressed economy.

Leave this law alone. I oppose House Bill 155

Lordia Pauly Loral Laborro 942 2601 Barnett + 2 Lairbeak, A.K. 99701





I do not support any changes to Davis-Bacon, Title 36. Every summer I see campers and "extended stay" hotel rooms filled with out of state workers coming up to take advantage of Alasha's construction season. Every fall they take their money and leave. Changing the threshold would only invite more companies to get away with not having to hire 90% Alashan workers for these jobs. As a resident of Alasha, I see the cost of living continuing to go up and I see lawmakers trying to find ways to pull more money out of the pockets of the Alashan workers. House Bill 155 is bad for Alaskan worker and their families. I request you put this bill where it belongs, in the document shredder.

Sincerely Ronnie Du 1 aboveis



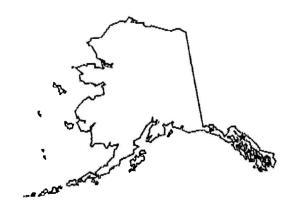
Dear Labor and Commerce committee,

Do not mess with a law that works with Davis Bacon in place, all contractors have to pay the same wages for the same work, without Davis Bacon you give the bidding advantage to unscrupulous contractors who will pay their workers the least. You would allow contractors to bring their workers from who knows where and have them work for substandard wages without having to house or feed them. Leave the law alone, protect local hire with Davis Bacon; and keep the per-diem language, keep wages set for workers, and please keep the Davis Bacon threshold at \$2000.

Lowering wages on hundreds of projects across the State and giving up local hire protection is not the answer. With this bill you aim to diminish wages, when you drop wages you lower the standard of living for workers in the State, at time when there is a 12 billion dollar state surplus. This bill seems to a direct attack on workers' and their families. The goal of this bill is to reduce workers pay so the State can get more work done with less money, but the reality is that the contractors bids will not be any lower instead they will pay workers less and pocket more money themselves. There has been no talk of fixing the price that companies can charge for material or rental equipment or limiting the profit a company can make on a State Project. You are asking workers to bear the burden of working more for less so companies can make more profit. House bill 155 hurts Alaskan working families and I urge you to kill this Bill.

Thank you for listening,

M. Samson Mark Samson 435 Todd Ct. Fairbanks Ak, 99709 452-0595 Laborens PH2



## **Refrigeration & Food Equipment Inc.**

1901 W. Tudor Road Anchorage, AK 99517 Ph: (907) 248-2525 Fax: (907) 243-6709 Email: tim.agosti@alaska.com

March 9, 2011

The Honorable Kurt Olson Alaska State Representative State Capitol Building Juneau, Alaska 99801-1182

RE: House Bill 155

I would like to express my support for raising the threshold to \$75000 dollars for contracts that would be subject to the Little Davis Bacon prevailing wages. I have personally seen where public entities in the state were not able to purchase and install a piece of equipment from us because of the existing 1930's era \$2000 threshold. They had to delay or cancel their remodel process because of the extra cost associated with a prevailing wage requirement.

With the raised threshold, this would spur these entities to proceed with deferred maintenance projects on the books and reduce their costs also.

Thank you.

Respectfully, Tim Agosti President



House Late Pourage
Please enter into the record my testimony to the House Labor Committee name
committee on
bill/subject
I strongly oppose house bill 155. I do NOT
believe Davis Bacon should be adjusted. The law
works the way it is currently written. No
changes should be made.

Signed:	Kaye Dixon
	Testifiér
	Myself Representing (Optional)
	Representing (Optional)
	684 E. Auklet Ave Palmer, AK 49645
_	Address (907) 715-7603
_	Phone No.

## HARBOR PLUMBING & HEATING, INC. P.O. BOX 32117 JUNEAU, AK 99803-2117 (907) 789-7222 (907) 789-0314 FAX

## FAX LETTER

Date: March 9, 2011

ATTN: Labor and Commerce Committee

FAX: (907) 465-2693

Re: HB 155

Chairman,

I strongly oppose HB 155. It is unnecessary. It threatens an established standard of living, and has potential to compromise safety on our public infrastructure.

This is neither a union or non-union issue; in fact it will definitely hurt non-union workers more than union workers. As a 30-year union member and contractor, I advocate for all workers, not just union members.

Sincerely,

James L. White

President



Alaska State Legislature Please enter into the record my testimony to the LABOR & Commerce committee name committee on Heuse Binner 1855, dated \_\_\_\_\_ bill/subject 10 mpt concern macon 17 I Ann いやっていい で TELL 400 MART I STRONGLY depose house are use As A Long Fime ALASKAN THE DAVIS - BACON WAGES AMP HAS ALLOWOD الحت المس المر المر WARLINY EMPLOYEES pro work. Any Convers to trais ~ var 17 .5 ~ 0 ~~ 0-5-4 1-27-5 MAGE RUALITY OF WERE BENG PORFORMED AND THE QUALITY OF EMPLOYEDS Signed: Testifier Representing (Optional) 12200 WOODCHASE ANCW 99576 AK Address 907)952-8765 Phone No



Please enter into the record my testimony to the <u>LABOR AND COMPACE</u> committee name committee on <u>HOUSE BILL 155</u>, dated <u>3-9-2011</u> bill/subject

LABOR AND COMMENCE COMMETTE,

I AM WRITTING IN REGARDS TO HOUSE BILL 155. I STRONGLY ODPOSE THIS BILL, AS WELL AS ANY CHANGE TO THE CURPENT DANIS-BACON, TITLE 36 LANGUAGE. AS A DO YEAR OLD UNION ELECTRICIAN, I FEEL THAT THESE BELL IS BAD FOR CONSTRUCTION, BAD FOR ALASKANS, AND ALASKAS ECONOMY ALIVE. I DON'T SUPPORT THIS, NOR ANY CHANGE TO THE CURRENT LAW. THAML YOU FOR YOUR TIME.

Signed:	Testifier MY FUTURE	KYLE MCALLEN
	Representing (Optional) 5501 PENN CILCLE	ANCITORACE, AK
	Address 332-5501	
	Phone No.	

MAR-U9-2011 WED U3:45 PM ANCHORAGE LIO



# Alaska State Legislature

Please enter into the record my testimony to the <u>Labor</u> and <u>Commerce</u> committee name I am a 3rd generation Alaskan Construction Worken and I am NOT in support of House Bill 155. I believe this bill will have only negative affects on Alaska's middle class workforce

Signed: Lulle Frison Testifier My Self / I.B.E.W. Representing (Optional) 12525 Secure Street Anchory, AK 955/6 Address 907-360-7663 Phone No

MAR-U9-2011 WED U3:45 PM ANCHORAGE LIO



# Alaska State Legislature

Please enter into the record my testimony to the <u>habor and Commerce</u> committee name committee on <u>House Bill 155</u>, dated <u>3/9/2011</u> bill/subject I don't agree with bill 155. I think it should stay the way it is, It will be

Fine the way it is. It will be bad for both non-union and union.

Signed:	- Levy Tour
2	Testifier
	my self
	my self Representing (Optional)
	761 Selina hot 1 Wasilla AK
	Address
-	355-1495
	Phone No.

MAR-09-2011 WED 03:46 PM ANCHORAGE LIU



# Alaska State Legislature

Please enter into the record my testimony to the <u>Labor and Commerce</u> committee name

committee on <u>H.B. 155</u> dated <u>3/9/11</u> bill/subject

I oppose H.B. 155. The Bill should be left As is. Any Changes would allow unskilled habor to Construct + mantain our construction Projects. As a lifetime alaskan and Boyean member of IBEW Local 1547, Changing H.B 155 will only lower our Quality of life and allow cheaper labor. (Hence poor work manship

Signed: _	allen Rent	
-	Testifier	-
	Local 1547	
	Representing (Optional)	
	9255 Kirkwall Cir.	
	Address	-
موجود الم	248-6388	
	Phone No.	-



Please enter into the record my testimony to the Labor and Commerce committee name committee on <u>IAB 155</u>, dated <u>3/9/2011</u> bill/subject I am opposed to HB 155. As written I feel that this bill would take money out of the hands of the working people and not save money the state money. It promotes lower wages and drives down the standard of living in communities Ahroughout Alaska. Removing title 36 language; requiring Alaska hire, would only take more jobs away from Alaskams. Please vote against this bill and save good paying jobs for Alaskans.

Signed: Hard & Barrows Edward L Barrows

Representing (Optional) 2330 N. Lawy Trail Waspilla Alaska 99654 Address 907) 376-3525

Phone No



Please enter into the record my testimony to the <u>Labor and Commerce</u> committee name committee on <u>House bill 155</u> dated <u>3/9/11</u> bill/subject I am in opposition of House Bill 155. I beleive that taising the threehold of Davis bacon mages will only start a process that will countually Cripple Hlaskas

Conomy. I don't believe this will Substancially lower the biding costs. In Stead it will put money in the contractors pocket while the working man is taking Pay Cuts, thus lowering the Standard of living for thousands of Alabka's men and woman.

Please don't change anything.

Thank you very much for your time

Strong Kyle. Signed

Representing (Optional)

1061 N. Reduse City Wabilla, AK 99654 Address (907) 841-2888

Phone No.

Today I am writing to voice my opposition to House bill 155, this bill modifying the Davis bacon threshold invites a race to the bottom. In the bidding process there are three variables; materials, management, and labor. Materials generally cost the same for all contractors, management costs are generally the same for all contractors, labor with Davis Bacon is fixed so all contractors have to pay workers the same, but if you lift the Davis Bacon requirements on these projects you allow the labor costs to become flexible giving the advantage to the contractor who is willing to pay workers the lowest wage.

Sincerely,

Billy M Smith 28:7 Talkeet na Ade Fairbanks AK, 99209

To whom it may concern,

Lowering wages on hundreds of projects across the State and giving up local hire protection is not the answer. With this bill you aim to diminish wages, when you drop wages you lower the standard of living for workers in the State, at time when there is a 12 billion dollar state surplus. This bill seems to a direct attack on workers' and their families. The goal of this bill is to reduce workers pay so the State can get more work done with less money, but the reality is that the contractors bids will not be any lower instead they will pay workers less and pocket more money themselves. There has been no talk of fixing the price that companies can charge for material or rental equipment or limiting the profit a company can make on a State Project. You are asking workers to bear the burden of working more for less so companies can make more profit. House bill 155 hurts Alaskan working families and I urge you to kill this Bill.

Do not mess with a law that works with Davis Bacon in place, all contractors have to pay the same wages for the same work, without Davis Bacon you give the bidding advantage to unscrupulous contractors who will pay their workers the least. You would allow contractors to bring their workers from who knows where and have them work for substandard wages without having to house or feed them. Leave the law alone, protect local hire with Davis Bacon; and keep the per-diem language, keep wages set for workers, and please keep the Davis Bacon threshold at \$2000.

Thank you for your time,

De 3 mm Dean Budas POB.y 70157 Fairbanks Ah 99707 907-590-3634

## Please do not pass HB 155

Lowering wages on hundreds of projects across the State and giving up local hire protection is not the answer. With this bill you aim to diminish wages, when you drop wages you lower the standard of living for workers in the State, at time when there is a 12 billion dollar state surplus. This bill seems to a direct attack on workers' and their families. The goal of this bill is to reduce workers pay so the state can get more work done with less money, but the reality is that the contractors bids will not be any lower instead they will pay workers less and pocket more money themselves. There has been no talk of fixing the price that companies can charge for material or rental equipment or limiting the profit a company can make on a State Project. You are asking workers to bear the burden of working more for less so companies can make more profit. House bill 155 hurts Alaskan working families and I urge you to kill this Bill.

Thank you,

All Charlie Anderson Laborer's Local 942

P.O. Box 8/172 Fairbacks, AK 99708

Kill House Bill 155

I am writing to voice my opposition to House bill 155, this bill modifying the Davis bacon threshold invites a race to the bottom. In the bidding process there are three variables; materials, management, and labor. Materials generally cost the same for all contractors, management costs are generally the same for all contractors, labor with Davis Bacon is fixed so all contractors have to pay workers the same, but if you lift the Davis Bacon requirements on these projects you allow the labor costs to become flexible giving the advantage to the contractor who is willing to pay workers the lowest wage. Lowering wages on hundreds of projects across the State and giving up local hire protection is not the answer. With this bill you aim to diminish wages, when you drop wages you lower the standard of living for workers in the State, at time when there is a 12 billion dollar state surplus. This bill seems to a direct attack on workers' and their families. The goal of this bill is to reduce workers pay so the State can get more work done with less money, but the reality is that the contractors bids will not be any lower instead they will pay workers less and pocket more money themselves. There has been no talk of fixing the price that companies can charge for material or rental equipment or limiting the profit a company can make on a State Project. You are asking workers to bear the burden of working more for less so companies can make more profit. House bill 155 hurts Alaskan working families and I urge you to kill this Bill.

Sincerely,

Robert Hunnip 1105 3<sup>-d</sup>ave Favilankr, AK. 99701

To whom it may concern,

Lowering wages on hundreds of projects across the State and giving up local hire protection is not the answer. With this bill you aim to diminish wages, when you drop wages you lower the standard of living for workers in the State, at time when there is a 12 billion dollar state surplus. This bill seems to a direct attack on workers' and their families. The goal of this bill is to reduce workers pay so the State can get more work done with less money, but the reality is that the contractors bids will not be any lower instead they will pay workers less and pocket more money themselves. There has been no talk of fixing the price that companies can charge for material or rental equipment or limiting the profit a company can make on a State Project. You are asking workers to bear the burden of working more for less so companies can make more profit. House bill 155 hurts Alaskan working families and I urge you to kill this Bill.

Do not mess with a law that works with Davis Bacon in place, all contractors have to pay the same wages for the same work, without Davis Bacon you give the bidding advantage to unscrupulous contractors who will pay their workers the least. You would allow contractors to bring their workers from who knows where and have them work for substandard wages without having to house or feed them. Leave the law alone, protect local hire with Davis Bacon; and keep the per-diem language, keep wages set for workers, and please keep the Davis Bacon threshold at \$2000.

Thank you for your time,

In Walters 214 7th Ave #5 FBKS AK 99701

Ph 799 54181

## Please do not pass HB 155

Lowering wages on hundreds of projects across the State and giving up local hire protection is not the answer. With this bill you aim to diminish wages, when you drop wages you lower the standard of living for workers in the State, at time when there is a 12 billion dollar state surplus. This bill seems to a direct attack on workers' and their families. The goal of this bill is to reduce workers pay so the State can get more work done with less money, but the reality is that the contractors bids will not be any lower instead they will pay workers less and pocket more money themselves. There has been no talk of fixing the price that companies can charge for material or rental equipment or limiting the profit a company can make on a State Project. You are asking workers to bear the burden of working more for less so companies can make more profit. House bill 155 hurts Alaskan working families and I urge you to kill this Bill.

Thank you, Diquid Mutchler

Juniel Mutchen Local 942

3350 Thomas St Box 108 Fairbanks Alaska 99709 Hold House Bill 155

Today I am writing to voice my opposition to House bill 155, this bill modifying the Davis bacon threshold invites a race to the bottom. In the bidding process there are three variables; materials, management, and labor. Materials generally cost the same for all contractors, management costs are generally the same for all contractors, labor with Davis Bacon is fixed so all contractors have to pay workers the same, but if you lift the Davis Bacon requirements on these projects you allow the labor costs to become flexible giving the advantage to the contractor who is willing to pay workers the lowest wage.

Sincerely, Jame M Ulland JAMES M ULLAND 4/2 HAINES AVE 716 FIFTING Ph 907 4519969 FAIRBANKS AK 99701

## Protect local hire and workers wages kill HB155

Please do not mess with a law that works with Davis Bacon in place, all contractors have to pay the same wages for the same work, without Davis Bacon you give the bidding advantage to unscrupulous contractors who will pay their workers the least. You would allow contractors to bring their workers from who knows where and have them work for substandard wages without having to house or feed them. Leave the law alone, protect local hire with Davis Bacon; and keep the per-diem language, keep wages set for workers, and please keep the Davis Bacon threshold at \$2000.

Thank you,

CHARLIE FALCONER

1444 MOSES DR.

NP AK 9905

I am writing to voice my opposition to House bill 155, this bill modifying the Davis bacon threshold invites a race to the bottom. In the bidding process there are three variables; materials, management, and labor. Materials generally cost the same for all contractors, management costs are generally the same for all contractors, labor with Davis Bacon is fixed so all contractors have to pay workers the same, but if you lift the Davis Bacon requirements on these projects you allow the labor costs to become flexible giving the advantage to the contractor who is willing to pay workers the lowest wage. Lowering wages on hundreds of projects across the State and giving up local hire protection is not the answer. With this bill you aim to diminish wages, when you drop wages you lower the standard of living for workers in the State, at time when there is a 12 billion dollar state surplus. This bill seems to a direct attack on workers' and their families. The goal of this bill is to reduce workers pay so the State can get more work done with less money, but the reality is that the contractors bids will not be any lower instead they will pay workers less and pocket more money themselves. There has been no talk of fixing the price that companies can charge for material or rental equipment or limiting the profit a company can make on a State Project. You are asking workers to bear the burden of working more for less so companies can make more profit. House bill 155 hurts Alaskan working families and I urge you to kill this Bill.

Sincerely,

Janha Vauly Jaborers 942 2601 Barnett # 2 Lairbonk, AK

## Protect local hire and workers wages kill HB155

Please do not mess with a law that works with Davis Bacon in place, all contractors have to pay the same wages for the same work, without Davis Bacon you give the bidding advantage to unscrupulous contractors who will pay their workers the least. You would allow contractors to bring their workers from who knows where and have them work for substandard wages without having to house or feed them. Leave the law alone, protect local hire with Davis Bacon; and keep the per-diem language, keep wages set for workers, and please keep the Davis Bacon threshold at \$2000.

Thank you,

Marvin Jackson Jr 1509 25th AVE Apt#1C Fairbanks, AK

From:	Atta-Boy Awards [attaboy@alaska.net]
Sent:	Friday, March 11, 2011 9:44 AM
To:	Konrad Jackson
Cc:	'Kathy Ruppert'; Dave W. Gardner; Brandon Brefczynski
Subject:	HB 155 support

Mr Jackson,

I fully support the provision in HB 155 to raise the Davis Bacon threshold minimum for projects conducted in rural road service areas from \$2000 to \$50,000. This will allow small taxpayer supported road service areas to obtain more competitive bids for projects, stretching tax revenues further and getting more work done for the dollar. I am available at any time to discuss the matter further if you like.

Kindest Regards,

Bryan White Commission Chairman, Airway Road Service Area 2158 Flight St. North Pole, AK 990705 (907) 590-1991

Atta-Boy Awards, Inc. (907) 488-2132 Fax (907) 488-2214 <u>attaboy@alaska.net</u>

From: Sent: To: Subject: Craig Compeau [craig@compeaus.com] Friday, March 11, 2011 9:07 AM Konrad Jackson HB155 Support

My name is Craig Compeau and I strongly support HB155. As a lifelong Alaskan, business owner, and road service commissioner for the past 20+ years, I see the need to control costs on the smaller, less technical jobs that we often require for maintenance and upkeep of our subdivision.

HB155 would go a long way to improve this situation, and allow for more repairs of this type that are often needed to improve our area roads, ditches, etc.

Craig Compeau 375 Parkland Drive Fairbanks, Ak. 99712

From: Sent: To: Subject: Don and Carol Callahan [caltec@mosquitonet.com] Thursday, March 10, 2011 10:35 PM Konrad Jackson HB 155

Donald A. Callahan

Yak Road Service Commissioner. 3 years

Registered Civil Engineer and Land Surveyor

City Engineer and Public Works Director 1972 1976

606 Bennington Drive Fairbanks, Alaska 99709

Phone 907-388-1658

This just makes to much sense not to pass with very much opposition.

With the escalation of prices on evedything, \$2500 doesn't pay for cleaning ditches.

I support this Bill.

Don Callahan

From: Sent: To: Subject: Marie McGlinchy [mmconst@alaska.net] Thursday, March 10, 2011 5:54 PM Konrad Jackson FW: Support House Bill 155

I am James McGlinchy, owner of M & M Constructors in Fairbanks, Alaska. My company has the largest number (29), and most mileage (Approximately 169), of road maintenance contracts with the Fairbanks North Star Borough and perhaps the State. I think by passing House Bill 155 it will relieve the taxpayer of an expense that is not justified. The residents of these service areas have voted to tax themselves to pay for the maintenance of roads in their neighborhoods and should not be subject to State Labor Rates for maintenance work on their roads.

I believe in good wages and pay my employees good wages but this burden of expense for a few private citizens is not fair. I am in support of House Bill 155.

Sincerely,

James McGlinchy Owner M & M Constructors

From:	bref5@mosquitonet.com
Sent:	Thursday, March 10, 2011 10:37 PM
То:	Konrad Jackson
Subject:	HB155

My name is Steve Brefczynski. I am the Road Commissioner for Becker Ridge Road Service area in the FNSB. I am sending this email to support HB 155. I feel it is necessary to raise the amount from \$2000 to \$50,000, since the money for any projects that are done in the road service are provided by the taxpayers of their road service area. This money is used for any repairs or up-grades needed for their roads. This is not a hardship to the unions, since it is not their taxes that are going to go up to pay for the davis bacon wages if the amount is kept at \$2000.

They do not bid these jobs because they are too small. A law that was passed in 1935, needs to be up-dated with the current times.

Sincerely,

Steve Brefczynski Becker Ridge Road Commissioner 2476 Livingston Loop Fairbanks, AK 99709 907-378-8614