

My name is Allen Wiggs, I'm representing myself as a union electrician and a local restaurant owner who opposes HB 155.

It seems like every year there's a Republican sponsored attack on the middle class workers, union and nonunion. Last year it was the Right to Work for less bill and this year it's an attack on the Little Davis-Bacon's prevailing wage. The Republicans may think that all union member's support goes to the Democrats, so they don't need to worry about us, this is not the case. I've been in the IBEW since 1989 and it's my experience that about 97% of the people I have worked with are conservative. If Republicans think that passing bills like these will not affect the outcome of their next election, they are mistaken.

Maybe they're unaware that Sen. James J. Davis and Rep. Robert L. Bacon, co-sponsors of the Davis-Bacon Act, were Republicans; and that the Davis-Bacon Act reflects a clear desire by Congress to reserve jobs on federal projects for local workers. Not only did local workers complain about non-locals taking these jobs, but Congressmen were frustrated that their efforts to bring projects home to their districts did not result in jobs (and therefore political support) from their constituents. I don't see HB 155 helping Alaskans with our local hire issue or politicians with their reelection campaigns.

It's been said that this is not a union vs nonunion issue, yes it is. It's the Union's pay scales that set the prevailing wages for the nonunion workers. If this bill passes, it may backfire by helping unions organize nonunion workers. If nonunion workers are not making a livable wage they will be more likely to strike their present employer and or join a union.

I have done some research; look at [smartcitiesprevail.org](http://smartcitiesprevail.org). There are numerous studies on this website one of which states the following. "A 14 year 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 savings." The study found that "There is no basis to the claim that lower wage rates result in lower construction cost." Another study of school construction cost from 1992-1998 for 104 schools found that with payment of prevailing wages average costs were \$99 per sq. foot. When prevailing wages were not paid the average cost was \$104. I think that lowering the prevailing wage will not lower the bids it will just put more money in the pockets of fewer people.

Rep. Tammy Wilson and Soldotna's city manager Larry Semmens made it sound like \$20 per hour was a fair wage. Even though it may sound like a lot of money, if you multiply that by 2,000 hours worked in a year it equals \$40,000. I surveyed a class of 14 apprentices on their annual cost of living and the following numbers are the averages; Housing \$13,000, food \$8,000, auto insurance for 1 vehicle \$1,200, electric and water \$2,400, fuel oil \$2,000, gasoline \$3,000. Now let's deduct taxes (FICA, Medicare, Social Security, etc.) @ 22% equals \$8,800. That leaves a grand total of \$1,600. I don't think these numbers are out of line, except the last one. We didn't include; car payments, health insurance, kids clothing, maintenance, repairs and some 50 other direct and indirect taxes we pay.

I mentioned earlier that I own a restaurant. If you take contractor with 12 employees cut their wages in half leaving more profit in the owner's hands, I now went from 13 to possibly only 1 customer that can afford to eat out. How is this helping the local economy? I think this bill will create a domino effect of trickle up poverty.

Instead of the state going after the middle class why don't you pick a fight with someone your own size or even bigger? For example go after the federal government over our statehood compact's 90/10 vs 50/50 oil taxation issue. What, too big of a fight for you? Governor Wally Hickel wasn't scared so bring back that lawsuit and leave us alone.

Thank you for your time.



Allen Wiggs  
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Please enter into the record my testimony to the Labor and Commerce  
Committee name  
Committee on HB 155  
Bill/Subject, dated \_\_\_\_\_

March 14, 2011

Dear sirs,

My name is Al Brouillette. I am a life long Alaskan and 35 year construction worker. I have worked in small communities all across the state and have come to the realization that schools are the focal point and usually the most substantial building in their town. It behooves us to keep these facilities as high quality, well maintained and retrofitted as possible. This bill does none of these.

It's very expensive to build these buildings and to let them deteriorate with low quality additions and retrofits is not a fiscally sound strategy.

Like the old construction saying goes "you're spending a dollar to save a dime". I urge you not to pass this bill.

Sincerely,  
Al Brouillette

Signed:

Al Brouillette

Testifier

All Alaskans

Representing (Optional)

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