



6520 Kulis Drive

Anchorage, AK 99502

Phone: (907) 245-1865

4/25/2025

RE: HB 186

Dear House Transportation Committee,

As a non-union contractor engaged in public construction projects exceeding \$2.5 million in your district, we strongly oppose HB 186, which mandates that 15% of labor hours be performed by apprentices. While we support workforce development and veteran hiring, this legislation introduces significant operational and administrative challenges that could hinder Alaska's construction industry.

Key concerns include:

1. **Limited Access to Apprenticeship Programs:** Non-union contractors often lack access to union-affiliated apprenticeship programs, making the 15% requirement difficult to meet. Rural Alaska faces even greater challenges due to the scarcity of state-recognized programs and available apprentices, potentially delaying or preventing project completion.
2. **Inflexibility:** The mandate's one-size-fits-all approach ignores project scope, complexity, and seasonal constraints, where safety and precision demand experienced crews.
3. **Veteran Hiring Mandate:** Requiring 20% of apprentices to be veterans, while commendable, is impractical. Veterans, who represent only 5.6% of the workforce and often have developed skills, may not align with the younger, less experienced demographic typically suited for apprenticeships.
4. **Administrative Burdens:** With multiple projects and subcontractors per project, tracking and reporting apprentice hours, especially for subcontractors like trucking, would require significant resources, diverting focus from project execution.

5. **Ignoring Alternative Training:** Many non-union contractors like Knik Construction operate effective internal training programs that build skilled workers but do not count toward state-registered apprenticeship numbers, undermining our contributions to workforce development. This bill could create a barrier for capable non-union contractors, reducing competition and increasing costs for the state.

Based on conversations with union representatives, the intent of HB 186 aims to pressure non-union contractors into signing job agreements. **Forcing compliance for the sake of an agenda is misguided and could harm the industry.** Instead, we urge policies that recognize diverse training pathways, reduce administrative burdens, and ensure flexibility to maintain safety, efficiency, and competition.

I respectfully request your opposition to HB 186 and welcome further discussion on balanced workforce development solutions.

Sincerely,



Troy Gray

Knik Construction

tgray@lynden.com