

International Brotherhood of Electrical Workers

Local 1547

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DOUG TANSY
BUSINESS MANAGER • FINANCIAL SECRETARY

CECIL COLLEY III
PRESIDENT



March 20, 2024

Dear House State Affairs Committee,

I'm writing today in opposition of House Bill 173 – a bill that seeks to increase the dollar amount threshold for public construction projects funded by the State of Alaska to qualify for Alaska prevailing wage under Title 36, also known as Little Davis-Bacon.

Prevailing wage laws such as Title 36 in Alaska ensure that government funds do not undercut local area wage and benefit standards and prevent a race to the bottom among contractors performing work on these projects. These laws provide for an even playing field for competitive bidding on publicly funded projects, provide good value to taxpayers, and support good jobs. Increasing the threshold for qualifying projects would harm workers in the construction industry and would force competing contractors to pay sub-standard wages and benefits on a larger number of contracts.

Prevailing wage laws such as Alaska's Little Davis-Bacon not only ensure that workers are paid the prevailing wage for a specific area, they also ensure that apprentices are paid at the proper rate through the submission of certified payroll information.

Furthermore, the current threshold of \$25,000 for state-funded projects in Alaska is already substantially higher than the threshold for federally funded public construction projects to qualify for Davis-Bacon requirements. Presently, such federal projects are subject to the requirements of the Davis-Bacon Act if the project cost is more than \$2,000.

In conclusion, the Davis-Bacon Act and related state law's such as Alaska Title 36 are a benefit to employers, workers, and citizens alike. Conversely, any increase to the threshold requiring the payment of prevailing wage would be to the detriment of those same groups. I respectfully ask that you oppose this bill and that you do not vote to advance it. Thank you for your time and attention to this important matter.

Respectfully,

Ryan Andrew
Assistant Business Manager
IBEW Local 1547