

SB37

(RT waived 5/20/91)

(X) USE COMMITTEE REPORT

(11)

Date Referred: May 20, 1991

FURTHER REFERRALS:

Date of Committee Action: 5/21/91

The FINANCE Committee considered:

CSSSSB 37(FIN)

CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL NO. 37 (FINANCE)

FOOD/HOUSING: CERTAIN CONSTRUCTION SITES

"An Act relating to food and housing for construction workers at remote construction sites on certain state highway and airport construction projects; and providing for an effective date."

RECOMMENDATIONS:

be replaced with HCS SS SB 37 (FIN) the same title a new title

have attached amendments(s)

do pass

do not pass

no recommendations

individual recommendations

additional referral to the _____ Committee

ADOPTS: _____ letter of Intent

ATTACHES NEW FISCAL NOTE(S): (Dept) _____

APPROVES PREVIOUS: (Dept/Date) _____

fiscal impact _____

fiscal note(s) DOTPF 4/29/91

zero fiscal note HFC

zero fiscal note(s) _____

SIGNING DO PASS	DP	OTHER RECOMMENDATIONS	DNP	NR	AM
<u>Mike Navarre</u> NAVARRE	<input checked="" type="checkbox"/>	<u>George J. Allen</u> JALLEN		<input checked="" type="checkbox"/>	
<u>Mark Boyer</u> Boyer					
<u>Jan. For...</u> BROWN	<input checked="" type="checkbox"/>				
<u>...</u> Koponen	<input checked="" type="checkbox"/>				
<u>...</u> Phillips	<input checked="" type="checkbox"/>				
<u>...</u> HANSON	<input checked="" type="checkbox"/>				
<u>...</u> ULLMAN	<input checked="" type="checkbox"/>				
<u>...</u> SHARP	<input checked="" type="checkbox"/>				

Mike Navarre NAVARRE
CO CHAIRMAN'S SIGNATURE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL

Version: C SSSSB 37 (24C)(S) Publish Date: 4/29/91**FISCAL NOTE**

Revision Date: April 29, 1991
 Title: An Act relating to food and housing for construction workers at remote construction sites on certain state construction projects; and providing for an effective date.
 Sponsor: Menard, Rodey, Collins
 Requestor: Menard

Department Affected: DOT&PF
 BRU: Statewide Engineering & Operations Standards
 Component: Eng. & Oper. Standards
 Component Serial Number: 547

EXPENDITURES/REVENUES: (Thousands of Dollars)

OPERATING	FY92	FY93	FY94	FY95	FY96	FY97
PERSONAL SERVICES	0	0	0	0	0	0
TRAVEL	3.0	0	0	0	0	0
CONTRACTUAL	15.0	0	0	0	0	0
SUPPLIES	0	0	0	0	0	0
EQUIPMENT	0	0	0	0	0	0
LAND & STRUCTURES	0	0	0	0	0	0
GRANTS, CLAIMS	0	0	0	0	0	0
MISCELLANEOUS	0	0	0	0	0	0
TOTAL OPERATING:	18.0	0	0	0	0	0

CAPITAL	400.0	400.0	400.0	400.0	400.0	400.0
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REVENUE	0	0	0	0	0	0
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FUNDING: (Thousands of Dollars)

GENERAL FUNDS	418.0	400.0	400.0	400.0	400.0	400.0
FEDERAL FUNDS	0	0	0	0	0	0
OTHER	0	0	0	0	0	0
TOTAL FUNDING:	0	0	0	0	0	0

POSITIONS

FULL-TIME	0	0	0	0	0	0
PART-TIME	0	0	0	0	0	0
TEMPORARY	0	0	0	0	0	0

Estimate of current year impact: None.

ANALYSIS: (Attach a separate page if necessary)

Prepared by: Jeffery C. Ottesen, Director

Phone: 465-2951

Division: Engineering and Operations Standards

Date: April 29, 1991

Approved by Commissioner: 

Phone: 465-3900

Agency: Department of Transportation and Public Facilities

Date: April 29, 1991

Distribution By Preparer: Legislative Finance, Legislative Sponsor, Requestor, OMB, Impacted Agency(ies).

**STATE OF ALASKA
1991 LEGISLATIVE SESSION**

BILL NUMBER: C555B 37 (24C)

ANALYSIS (cont. from page 1):**Regulations**

There will be approximately \$18.0 in one-time administrative costs in FY 1992 due to the costs of implement regulations; these funds will be used for legal support, advertising, public hearings and travel to public hearings. Of this amount, \$15.0 is for contractual items (legal costs \$12.0, transcriptions \$2.0, advertising \$1.0) and \$3.0 is for travel and per diem to meetings.

Operating Costs

Administrative costs of establishing new contract specifications and having them reviewed by the Attorney General's office, regional staff and federal agencies will be borne by existing operating budgets.

Opportunity Costs: Federal-Aid Capital Programs

While not a new cost requiring an appropriation the bill has the effect of raising costs on certain federal-aid highway and aviation projects and thereby reducing buying power. This cost is essentially an opportunity cost to the program. It is estimated at \$2.0 to 3.0 million annually and will result in the delay of some projects as the schedule for highway and airport improvements will stretch out accordingly. It does appear as a cost on the fiscal note.

Capital Costs: General Funded Capital Programs

For the GF capital budget, we assumed that, on average, about \$4 million dollars of general funded construction would be defined as "remote" each year, and that the cost of a camp would contribute about 10% additional expense to these projects. This amount would vary with the size of the state's capital budget and the portion of the budget that is allocated to remote projects.

FISCAL NOTE

STATE OF ALASKA
1991 LEGISLATIVE SESSION

BILL NO. _____

Revision Date: 5/21/91 Department Affected: _____

Title: Suspending Uniform Rules.... BRU: _____

Title Change for CSSSSB 37 (FIN) Component: _____

Sponsor: _____

Requestor: HOUSE FINANCE COMMITTEE COMPONENT SERIAL NO.

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Expenditures/Revenues: (Thousands of Dollars)

OPERATING	FY 92	FY 93	FY 94	FY 95	FY 96	FY 97
PERSONAL SERVICES						
TRAVEL						
CONTRACTUAL						
SUPPLIES						
EQUIPMENT						
LAND & STRUCTURES						
GRANTS, CLAIMS						
MISCELLANEOUS						
TOTAL OPERATING	-0-	-0-	-0-	-0-	-0-	-0-

CAPITAL	-0-	-0-	-0-	-0-	-0-	-0-
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REVENUE	-0-	-0-	-0-	-0-	-0-	-0-
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FUNDING: (Thousands of Dollars)

GENERAL FUND	-0-	-0-	-0-	-0-	-0-	-0-
FEDERAL FUNDS						
OTHER						
TOTAL	-0-	-0-	-0-	-0-	-0-	-0-

POSITIONS:

FULL-TIME						
PART-TIME						
TEMPORARY						

Estimate of current year impact: _____

ANALYSIS: (Attach a separate page if necessary.)

Prepared By: Representative Mike Navarre, Co-Chair *Mike Navarre* 465-3706
Representative Eileen MacLean, Co-Chair *Eileen MacLean* Phone: 465-3722

Division: _____ Date: May 21, 1991

Approved by Commissioner: _____

Agency: _____ Date: _____

Distribution (by preparer): Legislative Finance, Legislative Sponsor, Requestor, OMB, & Impacted Agency(ies).

**HOUSE CONCURRENT RESOLUTION NO.
IN THE LEGISLATURE OF THE STATE OF ALASKA
SEVENTEENTH LEGISLATURE - FIRST SESSION**

BY THE HOUSE FINANCE COMMITTEE

Introduced:

Referred:

A RESOLUTION

**1 Suspending Uniform Rules 41(b), 24(c), and 35 of the Alaska State Legislature concerning
2 Senate Bill No. 37, relating to food and housing for workers at certain state remote
3 construction sites.**

4 BE IT RESOLVED BY THE LEGISLATURE OF THE STATE OF ALASKA:

**5 That under Rule 54 of the Uniform Rules of the Alaska State Legislature, the provisions of Rule
6 41(b), Rule 24(c), and Rule 35 of the Uniform Rules, regarding changes to the title of a bill, are
7 suspended in consideration of Senate Bill No. 37, relating to food and housing for workers at certain
8 state remote construction sites.**

By:

Boyer/Menard/Adam

Donley/Mano/MacKie

AMENDMENT TO SENATE BILL 37 (FINANCE)

INSERT ON PAGE 2, LINE 19 AFTER THE WORD "HOUSING"

"THE SPECIFICATIONS SHALL FURTHER REQUIRE THAT THE CONTRACTOR UTILIZE PERSONS WHOSE DOMICILE IS LOCATED WITHIN THE VICINITY OF THE PROJECT TO THE MAXIMUM EXTENT PERMITTED BY LAW."



Alaska State Legislature

SENATE

Official Business

P.O. Box V
State Capitol
Juneau, Alaska 99811

Senator Curt Menard

SPONSOR STATEMENT:

CSSSSB 37 (Fin): "An Act relating to food and housing for construction workers at remote construction sites on certain state highway and airport construction projects"

The legislation requires a contractor to provide food and housing to employees working on state highway or construction projects at a remote construct site. It accomplishes very important goals:

. It gives contractors a financial incentive to hire locally for remote projects. The more local employees on the job, the fewer that must be housed or fed by the contractor. In lieu of food and housing the contractor can transport the employee to the job site for one hour each way without incurring any additional wage costs.

. All employees will be accorded the same basic human dignity that having a roof provides. Currently there are two classes of employees working at remote construction sites: those that own RV's and those that are desperate enough to camp in gravel pits under visqueen tents. This bill eliminates that class structure.

The Department of Transportation and Public Facilities, organized labor, and the Associated General Contractors have worked together and the bill version before you represents significant compromises on all sides in an effort to resolve the problem.

The provisions of the bill apply to state construction projects but contains a number of limiting factors:

. The bill applies only to state highway or airport construction projects.

. The project must be at least 60 continuous days of active on-site work and require more than 15 contractor employees at peak employment periods.

. A contractor, as an alternative to food and housing, may provide transportation as specified.

. "Remote" is defined as more than 50 road miles or inaccessible by two-wheel drive from adequate commercial food and lodging facilities.

I appreciate your support of this legislation.

ALASKA STATE AFL-CIO

2501 Commercial Dr.
Anchorage, Alaska 99501
(907) 258-6284



819 1st Ave.
Fairbanks, Alaska 99701
(907) 456-2030

MANO FREY
Executive President

GARY BROOKS
Secretary / Treasurer

ALASKA AFL-CIO'S POSITION ON EMPLOYEE-OPT OUT/EMPLOYMENT PREFERENCE AMENDMENT FOR SPONSOR SUBSTITUTE FOR SENATE BILL 37

A PROPOSED EMPLOYEE OPT-OUT PROVISION THAT PROVIDES AN EMPLOYMENT PREFERENCE ACTUALLY WORKS AGAINST WHAT THE SUPPORTERS OF THE AMENDMENT ARE PROPOSING. SUCH AN AMENDMENT WOULD RENDER THE BILL WORTHLESS IN REGARDS TO A POTENTIAL BENEFIT IN THE SELECTION OF ALASKA RESIDENTS OVER NON-RESIDENTS.

THE EMPLOYEE OPT-OUT ALONE WOULD PRODUCE AN INCENTIVE FOR EMPLOYERS TO COERCE THEIR EMPLOYEES TO SIGN A WAIVER FOR FOOD AND HOUSING AS A CONDITION OF EMPLOYMENT.

THE EMPLOYMENT PREFERENCE GIVEN TO THOSE EMPLOYEES WHO WOULD SIGN THE WAIVER FOR FOOD AND HOUSING WOULD ENCOURAGE OUT OF WORK CONSTRUCTION WORKERS TO MIGRATE TO ALASKA FROM THE LOWER FORTY-EIGHT BY BEING INSURED OF A PREFERENCE OVER ALASKAN WORKERS WHO DON'T HAVE THE MEANS TO PURCHASE A CAMPER OR THOSE WHO WILL FIND IT TOO DIFFICULT TO LIVE IN A TENT FOR THE DURATION OF THE PROJECT. SUCH A PREFERENCE IF ENACTED INTO LAW WOULD PROBABLY BE UNCONSTITUTIONAL.

THE BILL AS PROPOSED IN CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL 37 (FINANCE) HAS AN EXCELLENT LOCAL HIRE INCENTIVE BY SIMPLY ALLOWING THE CONTRACTOR TO PROVIDE HOUSING ONLY FOR THOSE EMPLOYEES THAT ARE HIRED FROM OUTSIDE THE PROJECT AREA.

THE ALASKA STATE AFL-CIO AND ALL OF ITS AFFILIATES WOULD APPRECIATE YOUR VOTE FOR THE SWIFT PASSAGE OF CS FOR SPONSOR SUBSTITUTE FOR SENATE BILL 37 (FINANCE) WITHOUT AMENDMENTS.

THANK YOU FOR YOUR SINCERE CONSIDERATION

JAN 30 1991

LABORERS' INTERNATIONAL UNION of NORTH AMERICA

LOCAL 341

2501 Commercial Drive
Anchorage, Alaska 99501
PHONE (907) 272-4571



MANO FREY
BUSINESS MANAGER
SECRETARY-TREASURER
ANDREW J. PIEKARSKI
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VICE PRESIDENT
DON WEBER

FIELD REPRESENTATIVES:
ANDREW J. PIEKARSKI
WILLIAM "BILL" MCPHETE
MIKE GALLAGHER
ROBERT J. GLORIOSO

January 25, 1991

The Honorable Drue Pearce
Alaska State Legislature
P.O. Box V (MS 3100)
Juneau, Alaska 99811

Dear Senator ~~Pearce~~: *Drue*

I would like to enlist your help on a humanitarian issue. Currently, there are many people working on our state's road construction jobs who are living in very unhealthy and unsanitary conditions. Sometimes these individuals have the luxury of living in their campers (usually without hookups), but most of them are living in squalor. When I say squalor, I mean visqueen lean-tos, tents, the back seats of cars, the front seats of pickups, and sometimes inside a nice, dry culvert.

The state used to provide for food and housing in the bid specifications. That is not the situation any longer. The outside NON-union contractors found they could underbid conscientious Alaskan contractors by cutting out decent living and working conditions on their bids. Then the Alaskan contractors followed suit to remain competitive. Since then, the DOTPF, at least under the last administration, has taken a negative position because the cost would cut into the actual physical construction dollars.

Dignity in the workplace has taken a setback to well before Alaska's statehood. People are getting sick because they don't have potable water, housing, laundry facilities, showers, or warm food. One laborer told me that he would come home to his visqueen tent after twelve hours on a muddy road job, make a sandwich out of stale bread, and fall asleep in the same clothes we worked in the day before. Then he'd wake up, drink a cup of cold instant coffee, and go to work with another stale sandwich for lunch. He was working a twelve-hour shift seven days a week.

Put yourself into this individual's position and ask yourself, "How long would I last on a job like this?"

I would appreciate it very much if you would add your name as a sponsor to Senate Bill 37 so that we may hopefully rectify this terrible situation.

Sincerely,

Mano Frey
Business Manager/Secretary-Treasurer

MF/dsr



APR 23 1991

THE ALLIANCE

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ENSR Consulting & Engineering

Gordon Stevens - Vice President Events
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Barbara Webb - Staff
Administrative Assistant

Kathryn Huseman - Staff
Office Assistant

April 18, 1991

Honorable Drue Pearce
Alaska State Senate
Post Office Box "V"
Juneau, Alaska 99811

Dear Senator Pearce:

Our Public Policy Committee has reviewed sponsor substitute for Senate Bill 37 and have no objection or suggested changes to this bill in its current form.

Sincerely yours,

William F. Webb
General Manager

cc: Public Policy Committee

Alaska Support Industry Alliance

... for responsible economic development