

**Robert E. Lee  
First Selectman  
Town of Plainville  
Before the  
Labor & Public Employees Committee  
March 10, 2011**

Thank you for the opportunity to comment in support of the following bills:

- **SB-989 - AN ACT CONCERNING RESERVE FUND BALANCES AND CHANGES TO MUNICIPAL BINDING ARBITRATION.**
- **HB-6409 - AN ACT REQUIRING NEUTRAL MUNICIPAL ARBITRATORS BE MEMBERS OF THE AMERICAN ARBITRATION ASSOCIATION.**
- **SB-990 - AN ACT CONCERNING THE PREVAILING RATE OF WAGES.**

**SB-990, An Act Concerning the Prevailing Rate of Wages - Support**

I urge your support for SB-990 which will adjust the prevailing wage thresholds to reflect that construction costs have significantly increased since 1991 when the thresholds were last adjusted. Twenty years is too long a gap in revisiting this costly mandate.

I therefore support SB-990, which is a modest increase in the prevailing wage thresholds and a reasonable step to take to provide towns with some relief from this unfunded mandate. Increasing the thresholds will allow more contractors to bid on the projects and this increased competition will help reduce the cost of local building projects, water and sewer lines, well replacement, etc. It will also give our local contractors more opportunity to bid on projects which will help improve our local economy.

We have seen how prevailing wage laws directly increase the cost of local building projects. This anecdotal information in addition to various studies have all indicated that real savings can be achieved by increasing the prevailing wage thresholds. These savings whether they are 10, 15 or 20%, are absolutely critical to towns in this difficult economy. Many towns have held the line on spending but are now facing decreased revenues as a result of the economy. We need this relief and we need it now.

We therefore urge your support for SB-990.

**SB-989 Binding Arbitration Reform - Support**

I urge your support for in **SB-989** which will require arbitrators to disregard a town's fund balance for purposes of municipal binding arbitration awards. Given that the fund balance is a highly recommended tool to ensure the town's fiscal stability, it makes no sense that it should be considered in determining whether a town can afford an increase in salaries and benefits. Without a healthy fund balance, a town's bond rating will suffer, resulting in increased debt costs and burdens. This is a common sense measure and we urge your support.

**HB-6409 Certification of Arbitrators – Support**

This bill will ensure the professionalism and neutrality of arbitrators in the binding arbitration process. It certainly makes sense to bring more impartiality into a process that can be difficult for all parties. This will help ensure a balanced, workable arbitration process. I therefore urge your support.