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Testimony of Tracy Smith

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Before Committee on Labor and Public Employees
SB 987 – An Act Requiring Community Workforce Agreements for Construction Projects at the Connecticut State University System
March 1, 2011

My name is Tracy Smith and I am a(n) employee of KMK Insulation Inc., located in North Haven who is a Member of Associated Builders and Contractors of Connecticut.

KMK Insulation Inc. works on construction projects in Connecticut and employs 37 Connecticut citizens. Unfortunately, as proposed, SB 987 would prevent us from competing for these Connecticut State University System projects. This lack of competition will drive up costs and further burden taxpayers. Therefore, I cannot support SB 987.

As proposed, the bill would not only detour the struggling construction industry from recovering from 20% unemployment, but it would create an insurmountable level of bureaucracy for contractors and subcontractors, which is a glaring conflict with Governor's Malloy's efforts to streamline and consolidate Connecticut's state government and state processes.

Financially, SB 987 requiring a so called Community Workforce Agreement on a state university project is a fiscal slap in the face to Connecticut taxpayers who pay for state university projects. Using taxpayers' money fairly is one thing, mandating its use for one sector of the workforce over another (union-only) is misguided governance. Merit shop construction companies in Connecticut represent more than 80% of the workforce, however, Community Workforce Agreements would be used at the merit shop craftsmen's expense.

CT's economic recovery begs for job creation. Governor Malloy recently spoke about the infrastructure projects that the Bond Commission would be approving by noting that these approved projects would lead to 1,200 jobs in the construction industry in Connecticut.

Mandated union-only agreements on public works projects are anti-competitive and detour open, fair and competitive bidding. PLA's drive up the cost of construction by reducing competition and effectively excluding merit shop craftsmen from staffing projects paid for by their own tax dollars. In the end, government-mandated construction contract agreements prevent taxpayers from getting the best possible product at the best possible price. As the state and local governments are squeezing every last cent from their revenue sources to keep the state, town, or city open for business, an arrangement like the Community Workforce Agreement should be scrutinized by the Committee as to how much these agreements would cost the Connecticut taxpayer, myself included.

I believe that any Community Workforce Agreement would be detrimental to Connecticut by decreasing competition, increasing the costs, and discriminating against local contractors. This would be a terrible misuse of taxpayer money as Connecticut struggles to overcome a $3.7 billion deficit.

SB 987 should not move forward. It would squash the much needed opportunities and competition for creating jobs as the majority of the construction industry would be unable to meet the unfair bid requirements.

On behalf of the industry, I urge you to oppose SB 987.

Gary Smith

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