



**Testimony  
Bart Russell, Executive Director  
Connecticut Council of Small Towns  
Before the  
Labor & Public Employees Committee  
February 28, 2012**

The Connecticut Council of Small Towns (COST) opposes SB-181, which would extend the costly and cumbersome prevailing wage mandate to business organizations receiving any type of state financial assistance. At a time when state and local governments must work together to rebuild the economy and support job growth, this bill is headed in the wrong direction. We are very concerned that this bill would further hurt our local economies by shutting small contractors out of jobs on various construction projects.

COST urges you to instead address concerns with the current prevailing wage mandate by **increasing the prevailing wage thresholds for local building projects to help reduce capital building costs for our smaller towns and cities.**

Towns are struggling to continue to fund critical services, including education, road repair and public safety, given an economy that has resulted in declining tax revenues and flat funding of state aid. We must act now to relieve towns of the tremendous cost burdens associated with unfunded mandates.

The prevailing wage laws are one of the most expensive unfunded mandates on the books. In the past, recognizing that thresholds should be adjusted to reflect increases in construction costs, the prevailing wage thresholds were revisited every six years. It has now been 21 years since the thresholds have been adjusted and relief is long overdue.

This mandate has cost towns millions of dollars over the years. It is very difficult to explain to taxpayers that property taxes must increase because a building that could have been constructed for \$1 million comes in between 15% and 30% higher due to prevailing wage mandates.

Many towns have also indicated that the process forecloses opportunities for local contractors – men and women who have donated time and services to towns and who are vital members of the community - from even bidding on jobs because of costs and burdens associated with the prevailing wage laws. It is time to act to relieve towns of this unfunded and unnecessary mandate.

**We therefore urge you to oppose SB-181, which will further erode our local economies and, instead, support increases in the prevailing wage thresholds.**

**Connecticut Council of Small Towns**  
1245 Farmington Avenue, 101 West Hartford, CT 06107  
860-676-0770      860-676-2662 Fax