



# LOCAL 478 • CONNECTICUT

## INTERNATIONAL UNION OF OPERATING ENGINEERS

1965 Dixwell Avenue • Hamden, Connecticut 06514

Testimony for the Government Administration and Election Committee

March 17, 2014

### Senate Bill 454 - An Act Regarding Bid Transparency

Good Afternoon Chairman Musto, Chairman Jutila and the Honorable Members of the Government Administration and Election Committee. I want to begin by thanking you for the opportunity to address the Committee.

My name is Nate Brown and I am the Referral Manager and Government and Community Relations Director with the International Union of Operating Engineers, Local 478, a construction labor union that represents over 3000 members and their families throughout Connecticut. Today, I am here to testify in favor of Senate Bill 454, an Act increasing the transparency of General Bids for State Contracts and to respectfully request your approval of this measure.

As we all know, there have been times throughout our State's history when people in decision making positions have not been honorable in spending taxpayers money; nor have they been diligent in ensuring state bidders followed both the letter and the spirit of the law. As a result of those individuals, we, the residents of Connecticut, now embrace state statutes like SB 454 that ensure honest compliance of the laws and promote a clear understanding of how State services are procured and State projects are awarded.

I believe that more often than not when there are discrepancies in State construction projects, it is not an indication that vendors and contractors working for the State of Connecticut are dishonest – it's more likely, they're just disorganized. SB 454 will help to eliminate some of the confusion that arises when a bid is awarded to a contractor who employs several different subcontractors.

Having spent a great many years working within the construction industry, I know there are times when the construction manager assumes the subcontractors are filing the necessary forms and overseeing the regulatory aspects of the job while the subs believe the construction manager is taking care of that business. I believe that by passing SB 454, the State will be able to clearly define which contractor(s) or subcontractor(s) are responsible for maintaining and providing documents, thus making it easier for State agencies to address issues involving contractor misconduct such as wage violations, worker misclassification, and so-called independent contracting. By requiring the disclosure of the lower tiered subcontractors, SB 454 provides

departments more leverage in enforcing the laws. For example the DOL would better be able to determine wage and hour violations and workers compensation abuses since the bid package would require that all the companies taking part in a particular project be identified during the bid process.

SB 454 also allows for greater fiscal oversight by the State by requiring the vendors and contractors to provide more extensive information that will help decrease or even prevent mark-ups and change order costs, which can result in the State having to come up with unbudgeted money to get the project finished.

In closing, I respectfully ask all of the members of the Government Administration and Election Committee to vote "yes" on Senate Bill 454 so that fair contracting and fiscal responsibility become the cornerstone of every one of our State's construction projects. Thank you for your consideration.