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Testimony by Stephen J. Borrelli, President of
All-Brite Electric, Inc.

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HB 6246 An Act Concerning Labor Agreements and the Governing Bodies of Municipalities

Good afternoon my name is Stephen J. Borrelli and I am the President of All-Brite Electric, Inc. in West Haven CT 06516. All-Brite Electric and have 49 employees and have been in business since 1977. We have done work on many large public projects up to several million dollars. Public construction is a good percentage of our work.

I am here to voice my support for HB 6246, An Act Concerning Labor Agreements and the Governing Bodies of Municipalities. Project Labor Agreements (PLAs) are often decided on by municipalities with little research by the town, and no input from the taxpaying public. Given the expensive nature of these projects, it is worth a public hearing before a final decision is made.

Many large public construction jobs, including schools and government buildings, exceed \$20 million in cost, and sometimes even cross the \$100 million threshold. Outside of the budgeting process and the general management of the project, many municipalities are faced with the decision whether or not to use a Project Labor Agreement (PLA). PLAs are unique construction contracts, design to tilt the playing field in favor of contractors who are signatory to the union. In most situations, PLAs leave non-union contractors unable to competitively bid, and leave their workers on the outside looking in, ensuring the work goes exclusively to union labor.

While PLAs are harmful to non-union contractors and their employees, they also have a negative impact on the cost of construction. Many studies show that on average, a PLA can increase the cost of construction by as much as 20%. If a project is 20% over budget, the municipality must remove 20% of the project to cut costs, or pay more for the job just to ensure that it is completed with union labor. I can only assume that the taxpayers would want to have the opportunity to discuss that situation in a public setting with their elected officials.

It is also important to note that construction plays a large part in our state's economic recovery. While our economy is slowly recovering, construction has not quite caught up to many other sectors of the economy. It is important that the many skilled tradesman of our state have every opportunity to get back to work and provide for their families. It is also important that *every worker has the ability to share in that recovery*, not just a select few. Union labor makes up less than 20% of the workforce in Connecticut, which means that over 80% of the industry will not be able to work on a project that is bid with a PLA. In an economy so desperate for jobs, it is simply not fair that a contractor not have the opportunity to work.

In conclusion, we support HB 6246, and urge the members of the committee to support it as well. A decision as significant as a PLA deserves a public hearing, no matter what side of the issue you are on.