Representative Lemar, Senator Cassano, Senator Logan and members of the Planning and Development Committee, my name is Daniel McInerney and I am here to speak on behalf of the Connecticut Chapter National Electrical Contractors Association in opposition to Proposed Governor’s Bill No. 793 An Act Concerning Fairness to Municipalities and Local Taxpayers.

The Connecticut Chapter National Electrical Contractors Association represents over one hundred contractors working in Connecticut with more than 1.7 million man hours in 2016. We take pride in maintaining the highest safety and integrity of our workforce. It is one of our highest priorities.

Section 4. Section 31-35 subsection (h) increases the prevailing wage threshold requirements for public works projects from four hundred thousand dollars to one million dollars for new construction and from one hundred thousand dollars to five hundred thousand dollars for renovations and remodeling. The wages paid to our employees, which is what the prevailing wage is based on, attracts skilled dedicated workers who build higher caliber projects that last longer and require less maintenance and repair. Projects are done right the first time on time and on budget.

Connecticut already has the second highest threshold in the nation for new construction and the third highest for remodeling, which means the state already excludes prevailing wage from a significant number of public works construction projects. Raising the threshold will have a direct and destructive effect on our contractors as well as their employees.

If the committee thinks that raising the threshold will provide cost savings to cities and towns I believe that they are sadly mistaken. Labor comprises less than 25% of total construction costs and lower paid, less skilled workers cannot offer the same productivity as higher skilled workers. However, weakening prevailing wages will help decrease work site productivity and safety as well as lessen economic activity and local hiring which will help increase poverty.

It is ironic that while on one hand legislators want to raise the minimum wage to help workers stay above the poverty level, they are willing to reduce the wage that helps workers reach and maintain a middle-class existence, own homes, raise and educate their children at no cost to the taxpayer because they can afford to pay their fair share of the tax burden.
Strong prevailing wage standards discourages unscrupulous contractors that typically cheat on payroll taxes, employ less skilled workers at lower wages and disregard health and safety requirements on the job site, which undercuts our contractors. Using less skilled workers and unsafe working conditions usually leads to sub-par construction projects, worker injuries and, unfortunately, fatalities. Prevailing wage projects are also more likely to come in on time and on budget.

Strong prevailing wage laws encourages middle-class income for families, increased participation in health insurance and retirement coverage. These workers typically own homes locally which supports the local businesses, creates a stronger tax base, and increases the local quality of life.

The Connecticut Chapter National Electrical Contractors Association would hope that the Committee would realize the devastating effect that raising the threshold would be for contractors and their workers as well as the cities and towns of Connecticut. I would urge you to vote against any proposal to raise the threshold on Prevailing Wage Laws. Thank you

Daniel McInerney

Connecticut Chapter National Electrical Contractors Association