

TY E. DRAGOO DIRECTOR/CHAIRMAN KANSAS STATE LEGISLATIVE BOARD

3741 S.W. KINGS FOREST ROAD TOPEKA, KS 66610 OFFICE (785) 418-1280 CELL (785) 817-9607 FAX (785) 408-1420 EMAIL utukansas@att.net WEBSITE kansas.utu.org

March 12th, 2012

The Honorable Senator Carolyn McGinn Chairwoman of Senate Standing Committee on Ways and Means Kansas State Legislature Senate 545 S Topeka, KS 66612

Re: **HB 2515-**-Enacting the competitive bid protection act.

Dear Senator McGinn;

The United Transportation Union (UTU) Opposes HB2515.

As Kansas struggles to create Jobs, Studies have found that Public labor agreement (PLA's) offer benefits to project owners and local communities, and do not disadvantage nonunion contractors and employees. A 2009 study by Fred B. Kotler, J.D., Associate Director of the Cornell University School of Industrial and Labor Relations found that there is no evidence that PLAs discriminate against employers and workers, limit the pool of bidders, and raise construction costs. [1]

In a 2009 report by Dale Belman, of Michigan State University; Matthew M. Bodah of the University of Rhode Island and Peter Philips of the University of Utah, the authors stated that rather than increase cost, the agreements provide benefits to the community. According to their report, project cost is directly related to the complexity of a project, not the existence of an agreement. They found that PLAs are not suited to all projects, but some projects are good candidates for their use, such as highly complex construction projects. [2]

In many instances local governments are entering into PLA's and it is our hope that the legislature not replace a mutually agreed upon agreement with a 'one-size-fits-all' policy. Not only will this create more government dictating what local communities agree upon by eroding local control, it will also hurt communities that use PLAs to boost their economy and support their local workers. Kansas projects need Kansas workers.

Date: 03-13-2012

Senate Ways and Means

Attachment:

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Many local governments in Kansas choose to use PLA's and a unanimous U.S. Supreme Court decision has already established the right of those local units of government to enter into project labor agreements through the *Boston Harbor* case. [3]

Thank you for your consideration.

Sincerely,

Ty E. Dragoo

United Transportation Union Kansas State Legislative Board

Director/Chairman

^[11] Fred B. Kotler, J.D. Associate Director, Cornell University School of Industrial and Labor Relations. March, 2009.

^[2]Belman, Bodah Phillips http://www.onlinecpi.org/downloads/PLA-report.pdf UCLA Labor Center, "Construction Careers for our Communities." 2008

^[3] Building & Constr. Trades Council of the Metro. Dist. v. Ass'd Builders & Contractors of Mass./R.I., Inc., 507 U.S. 218, 231 (1993) (The "Boston Harbor" case)