

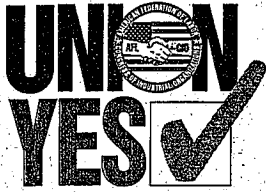
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TESTIMONY to the House Commerce & Economic Development Committee

In Opposition to HB2515, By Andy Sanchez, Exec. Sec-Treasurer, KS AFL-CIO

January 26, 2012

Mr. Chairman and members of the committee, thank you for this opportunity to appear before you today and share our view on HB 2515. Although we only had one day to assess the bill, the Kansas AFL-CIO would have to oppose this bill. The bill before you today seeks to remedy problems that really do not exist and actually goes counter to accomplishing the purposes set out in the bill. Inherent in HB 2515 is a focus on Efficiency; Fair and Open Competition; and a notion that the use of Project Labor Agreements (PLA's) involves some sort of discrimination or malfeasance. Addressing the latter first, PLA's are simply a tool to meet the needs of an industry (construction) where bidders will know what is expected of them whether they be union or non-union. HB 2515 uses the term "pre-hire" as a negative term when in fact qualified and skilled are the goals sought. PLA's are simply a tool for accountability.

Efficiency, Fair and Open Competition

Next, we should consider that PLA's were borne out of "need" and not to give union contractors an advantage. PLA's were developed to outline terms and conditions whereby construction specifications and standards are met. A PLA does and should give an advantage to responsible contractors; that simply means responsible to the needs of the customer. PLA's are a voluntary collaborative effort on behalf of a customer and a general contractor with deliberate intent for the efficient and effective completion of a project.

HB 2515 in Sec. 2, Parts (d), (e) and (f) uses language such as "certain terms" and "certain conditions" without defining what that is. Entities of government as they are referred to in the bill have a moral obligation and responsibility to the public, PLA's help to meet that obligation. Public officials have a stake because their integrity is called into question if they award a contract based solely on the lowest bid. Past experience and history may justify that they reason their decisions based on the things that could go wrong and indeed have gone wrong. Like any

consumer, they must weigh the cost with the value of th

House Commerce & Economic
Development Committee

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project comes in over budget or behind schedule public officials bear the responsibility of their decision. We offer that delivery of poor quality projects can result in cost overruns that may be the equivalent of doing a project twice. That is, it is a lot easier to do it right the first time and PLA's remove that burden of concern.

Again, PLA's were fostered out of mutual interests as a result of the responsibility to bring a project from design to reality. Such agreements benefit the local community; otherwise they would not exist today. In addition, we at the Kansas AFL-CIO see no need to further infringe upon the sovereignty of local government entities; after all, Kansas is already a right to work state. We believe the use of PLA's are what is "right" with the procurement process and asking governmental entities to compromise their standards is counter-productive. We respectfully ask that you keep sacred the customers preference and oppose HB 2515. Thank you.