## united transportation union

TY E. DRAGOO DIRECTOR/CHAIRMAN KANSAS STATE LEGISLATIVE BOARD

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January 25, 2012

The Honorable Anthony Brown
Chairman of Committee on Commerce and Economic Development
Kansas State Legislature House
785 DSOB
Topeka, KS 66612

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

Dear Representative Brown;

The United Transportation Union (UTU) Opposes HB2515.

As Kansas struggles to create Jobs, Studies have found that Public labor agreements (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.

House Commerce & Economic Development Committee Date: 01/2612012
Attachment #: 7-1



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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

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

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

<sup>[3]</sup> 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)