

# NFIB Wisconsin News

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## **SMALL BUSINESS TO WISCONSIN LAWMAKERS: TIME FOR ANTIQUATED PREVAILING WAGE LAW TO GO**

MADISON (March 30, 2015): Today the National Federation of Independent Business, the state's leading small business organization, is citing a recent study commissioned by the Associated Builders & Contractors (ABC) as a clear indicator that it is time for Wisconsin to shelve the antiquated prevailing wage law and allow the free market to reign in the construction industry. Formed in the 1930's, Wisconsin's existing prevailing wage law was intended to stop non local contractors from using low-wage workers to underbid local contractors on public projects. However, the formula is so archaic that in 2014 it resulted in local municipalities and tax payers paying upwards of \$300 million over fair market value for publically funded construction projects.

"Not only does this study clearly indicate that we are often paying 45% about the market average on prevailing wage, the state's formula for wages is causing dramatic swings in hourly wages as well as inconsistencies from county to county." According to Bill G. Smith, NFIB Wisconsin State Director. "Small businesses throughout our state have taken note of ABC's study and are calling on Madison lawmakers to repeal prevailing wage and allow the free market to regulate the construction industry."

In a state where only 25% of the construction industry is unionized, according to the study, 87% of reported hours are paid prevailing wage, leaving small business contractors unable to employ their workers and improve their companies, and support local economies.

"The study shows by allowing the free market to operate without interference from an archaic prevailing wage law, taxpayers will save hundreds of millions of dollars, while at the same time giving local small business owners and their employees greater opportunities to compete for public construction projects," continued Smith, "I encourage legislators to look carefully at this study, and to support our state's small business community by repealing prevailing wage in Wisconsin."

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*NFIB is the nation's leading small business association, with offices in Washington, D.C. and all 50 state capitals. Founded in 1943 as a nonprofit, nonpartisan organization, NFIB gives small and independent business owners a voice in shaping the public policy issues that affect their business. NFIB's powerful network of grassroots activists send their views directly to state and federal lawmakers through our unique member-only ballot, thus playing a critical role in supporting America's free enterprise system. More information can be found at [www.NFIB.com/newsroom](http://www.NFIB.com/newsroom).*