



# WISCONSIN LEGISLATURE

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January 27, 2015

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## **Hutton, Vukmir Call for an End to Government Mandated Project Labor Agreements**

MADISON, Wis. — State Representative Rob Hutton (R-Brookfield) and State Senator Leah Vukmir (R-Brookfield) circulated a memo to their legislative colleagues seeking support for legislation which would prohibit the mandating of a project labor agreement (PLA) for public construction projects.

“This legislation creates government neutrality and open competition within the construction industry,” said Representative Hutton. “Increased competition always leads to better quality, enhanced innovation, and the most cost effective outcome for the consumer. This bill will encourage greater bid participation by prohibiting all levels of government from neither prohibiting nor requiring a contractor to entering into a PLA. We believe contractors should be free to make labor decisions they believe will directly impact their ability to compete on any given public project.”

Current law allows government entities to require, as part of a labor contract, that contractors enter into collective bargaining agreements in order to work on a taxpayer funded project. While project labor agreements shouldn't be prohibited, they should not be an enforced stipulation in order for a contractor to bid for a public works project. Current law prevents those firms, who are otherwise well qualified to compete, from bidding on many public projects while inflating the overall cost.

“The government should not be in the business of choosing winners and losers, particularly at the expense of tax payers,” Vukmir stated. “Government-mandated project labor agreements obstruct open, impartial and competitive bidding on construction projects.”

Studies have shown that project labor agreements can increase the cost of projects by as much as 18% by reducing the number of eligible contractors. Twenty one states have enacted legislation to significantly reform or completely eliminate government imposed PLA laws.

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