



2019 MERIT SHOP AGENDA



Federal Issues

Government Neutrality in Contracting
Davis-Bacon Act
National Labor Relations Board Reform

Government Neutrality in Contracting

A contractor's affiliation and willingness to comply with a PLA shouldn't be the reason they're awarded federal construction contracts. We believe these contracts should be awarded based on sound and credible criteria, such as quality of work, experience, and cost. The Government Neutrality in Contracting Act supports this position.

Davis Bacon Act

This mandates contractors to pay "prevailing" wages on federally financed construction projects. Davis-Bacon significantly increases the cost of construction which impedes economic growth, increases the deficit, imposes enormous burdens that stifle contractor productivity, ignores skill differences for different jobs, and imposes rigid craft work rules. We support repealing the Davis-Bacon Act.

National Labor Relations Board Reform

The five-member National Labor Relations Board (NLRB) is tasked with interpreting and enforcing the National Labor Relations Act (NLRA). The agency is supposed to serve as a neutral arbiter of federal labor law. However, in recent years, it has acted as an entity bought and paid for by the unions. We support balanced policies that reflect the NLRB's original mission to interpret and enforce federal labor laws fairly.



State Issues

Prevailing Wage Reform
Elevator Licensing
Scaffold Law
Annualization

Prevailing Wage

New York State is the only state that allows the unions, who only represent 30% of the workforce, to dictate the prevailing wage.

As outlined by the Empire Center's report, "Prevailing Waste," New York's ill-conceived prevailing wage process already costs taxpayers billions of dollars a year on public projects.

In 2018, there was an effort made to expand prevailing wage to all entities providing economic development assistance to private projects. This will completely shut down economic development in New York by astronomically increasing the cost of construction.

Instead of expanding the prevailing wage mandate, Albany needs to focus on fixing the current law, starting with reforming how the prevailing wage is calculated. It needs to reflect the actual "prevailing" wage in a real labor market. Having an accurate, reasonable and responsible prevailing wage will save taxpayers billions of dollars on construction projects.

Elevator Licensing

Millions of people use lift devices every day in New York. ABC supports efforts to improve elevator safety for both workers, and the people that use them. To accomplish this, we recommend the establishment of a state licensing system which would help to promote accredited craft and safety training for those working on apparatuses such as elevators, escalators and accessibility lifts.

We believe that any such licensing system must be bifurcated to recognize commercial elevator and accessibility lift devices, as these are uniquely separate trades. Furthermore, any such licensing process should identify the "Certified Elevator Technician" as it is an accredited, established industry training and licensing standard used by many merit shop contractors specializing in accessibility devices.

Scaffold Law

New York's controversial "Scaffold Law," adopted in the 19th century, is a significant cause of the state's enormous construction costs. The law is wasting millions of tax dollars annually and has not made New York any safer than states where this law doesn't exist.

This antiquated law imposes unnecessarily strict liability, which makes insurance excessively expensive. This subsequently drives up the cost of construction in New York State. The current standard of "absolute liability" isn't working and must be replaced with a standard of "comparative negligence." Under this common-sense reform, liability is apportioned by a jury, in proportion to the actual fault.

By adopting a standard of "comparative negligence" New York State will be able to rebuild our dilapidated infrastructure without gouging the taxpayer.

Annualization

Under the current model, the New York State Department of Labor calculations annualize both private and public benefits by the same method. This practice results in outrageous costs to contractors already providing benefits to their workers. Due to this, many contractors are moving away from traditional benefits packages and, instead, are offering the benefits as a cash supplement in the employee's paycheck.

This growing practice eliminates the double payment as previously offered benefits by contractors. However, it subjects the employee to higher taxes and the employer to more payments in payroll taxes and other burdens. All this without the employee receiving essential benefits. We support Annualization reform that would allow contractors to provide, and employees to receive benefits, without penalty.



Local Issues

Construction Safety
Project Labor Agreements
Mandated Apprenticeship Programs

Project Labor Agreements

These discriminatory agreements prevent fair and open competition which inflates construction costs upwards of 18-30%. Governor Cuomo continues to use PLAs to award projects to those who fill his campaign account, all at the expense of the merit shop contractor. ABC supports a process open to everyone, where the contractor who offers the best value at the best price wins the work.

Mandated Apprenticeship Programs

We support training programs that promote safety and craft skill. There are many training programs, including apprenticeship programs, that accomplish this. However, ABC has an issue with municipalities unfairly mandating the use of apprenticeship programs as a way to exclude qualified contractors.

Apprenticeship programs are not the only path to becoming a successful craft professional. There are many quality training programs outside of apprenticeship programs that accomplish the same goal. Mandating contractors have access to formalized apprenticeship programs doesn't guarantee any higher quality work or safer job sites, but doing so ignores other time-tested methods of education and safety training.

New York City Construction Safety

Merit shop labor has become a significant player in the New York City construction market. Merit shop contractors place a particular emphasis on safety and the continued education of their employees. The ABC and its member companies believe that it's the responsibility of all parties to ensure a worker leaves the job site in the same condition or better than when they came to work. As the merit and open shop community continues to strengthen and more and more people choose to work for our contractors, it's vital to have their voice heard in any proposals that affect licensing, safety and craft training in construction in the city.

A Message from President Brian Sampson

The Empire Chapter promises to be the voice for the merit shop philosophy in New York. We will protect the belief that projects and personal advancement should be awarded based on performance, skill, and achievement. As leaders in the industry, we've been setting the standard for safety, quality, and integrity in the construction industry for over 60 years.

Merit shop contractors are under unrelenting attack from corrupt, union-owned politicians who are passing policies that are negatively affecting our members. Governor Cuomo has pledged his undying support for organized labor by stating multiple times that he will "do everything he can" to make sure New York builds everything union.

Small contractors are struggling, infrastructure is crumbling, and taxes are soaring. Yet, Governor Cuomo continues to set New York up for failure by putting his political aspirations over his constituency. We must continue to advocate for changes in legislation at the federal, state and local levels of government.

Our 2019 Legislative Agenda outlines critical issues that need to be addressed. ABC has been at the forefront of issues advocating for fair and open competition in the construction market, and we will continue to do so unapologetically. We will be relentless in fighting for the need for equality and fairness in the marketplace. We will never stop our pursuit of an even playing field for ALL contractors, regardless of labor affiliation.

We look forward to a great and prosperous 2019!

Regards,



Brian Sampson
President



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