



2011-2012 Key Issues

Associated Builders and Contractors of Wisconsin

Associated Builders & Contractors of Wisconsin is a statewide association representing over 800 contractors, material suppliers, manufacturers and other construction-related firms in Wisconsin, primarily merit shop contractors. Visit www.abcwi.org to learn more about ABC of Wisconsin and its members.

Prevailing Wage: Prevailing wage laws mandate that on government construction projects the wages paid to construction workers are set by government officials and not by the market.

Prevailing wage laws may result in higher wages for those (few) who are able to work on prevailing wage projects but at what cost?

- Higher project costs for public construction projects
- Fewer public construction projects
- Fewer jobs / higher unemployment
- Less money to fund other government priorities
- Higher compliance costs for contractors

The 2009-2011 budget bill (2009 Wisconsin Act 28) made several changes to Wisconsin's prevailing wage laws that made it more difficult for companies to work on local municipal projects and increased the cost to municipalities and taxpayers.

Our position: *The ideal solution would be to allow the market to determine the most efficient allocation of resources by eliminating Wisconsin's prevailing wage laws. Absent repeal, Wisconsin's prevailing wage laws need significant reform.*

Uniform Commercial Building Code:

Nearly all construction in Wisconsin is governed by the Uniform Dwelling Code, the Uniform Multi-family Dwelling Code (a sub-set of the Commercial Building Code), the Manufactured Housing Code, or the Commercial Building Code. Of this list, the Commercial Building Code is the only building code left in Wisconsin that is not a min/max code.

While the Wisconsin Commercial Building Code is based on a model code, local units of government are free to adopt additional code provisions by virtue of local ordinances. These local ordinances can create confusing pockets of local variations to the Wisconsin Commercial Building Code. A uniform (minimum / maximum) commercial building code would simplify and streamline construction regulations for architects, builders, and developers.

Our position: *ABC of Wisconsin supports legislation that would make Wisconsin's Commercial Building code a uniform (minimum / maximum) code.*

UPDATE: State Sen. Terry Moulton has drafted a bill that would mandate a uniform commercial building code. We will keep members informed of its status. (March 16, 2011)

Require Government Neutrality in Contracting: Anti-competitive project labor agreements (PLAs) are special interest schemes that end open, fair, and competitive bidding on public works projects. PLAs drive up the cost of construction by reducing competition and effectively excluding merit shop contractors and their skilled employees from building projects paid for by their own tax dollars. Government-mandated PLAs prevent taxpayers from getting the best possible product at the best possible price.

Our position: ABC of Wisconsin supports legislation that prevents units of government from either requiring or prohibiting Project Labor Agreements (PLA's) on public construction projects.

Geographic Bid Preferences: Geographical bid preferences in the award of construction contracts typically consist of assigning percentage credits or preference points to a bidder who is not the low bidder but who is located within a particular community. Geographical bid preferences are fundamentally anti-competitive and result in higher contracting and procurement costs for public entities, diminishing the value of taxpayer dollars. If many communities follow suit with reciprocal parochial laws, it creates a situation that undermines the purpose of "lowest responsible bidder" laws.

Our position: ABC of Wisconsin supports legislation that would prohibit the use of geographical bid preferences on public construction projects.

Thermal Insulator Licensing: 2009 Wisconsin Act 16 is a classic "fence me out" law. Prior to the act contractors and many trades were able to do their own thermal insulation work. This legislation created regulatory scheme where only licensed individuals can engage in thermal insulation installation. Now sheet metal contractors, HVAC contractors, plumbers, and others must hire licensed Thermal Insulation Installers to do the insulation work they previously completed with their own crews. The law also created Thermal Insulation Council and a statewide Thermal Insulation Inspector and provided penalties for contractors who fail to comply.

Our position: ABC of Wisconsin supports legislation that would repeal 2009 Wisconsin Act 16 (Thermal Insulator Licensing).

Executive Order 108: Issued by Governor Doyle, Executive Order 108 contains directives that contractors awarded state construction projects utilize apprentices.

Our position: ABC of Wisconsin encourages Governor Walker to rescind Executive Order 108.

UPDATE: On March 9th, 2011 Governor Scott Walker suspended Executive Order 108 and has deemed it to have no effect until further executive action is taken. (March 16, 2011)

*For More Information Contact:
John Mielke, Vice President
Phone: 608-244-5883, Fax: 608-244-2401
Cell: 608-332-5824
jmielke@abcwi.org*