

2018 SESSION PRIORITIES



Minnesota Chapter

ABC is committed to generating a strong economy by providing: **Training, Safety, and Market Opportunities** for commercial and industrial construction workers.

ABC strongly believes in open and fair competition, and eliminating wasteful regulation and bureaucracy.

Our Legislative Goals Focus On:

- Promoting careers in construction to high-school students
- Reducing arbitrary and lengthy licensing exam waiting periods for sprinklerfitters
- Reforming Minnesota's flawed and outdated Prevailing Wage law
- Expanding apprenticeship for young workers by eliminating artificial wage barriers
- Fixing the no-bid loophole for municipal water tower maintenance contracts.



Removing Artificial and Outdated Regulations to Build a Highly-Skilled 21st Century Workforce

Minnesota Ranks 40th in the Country and Earns Poor Grades on Key Merit-Shop Construction Industry Issues

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| D - Union-Only Project Labor Agreements | C - Public-Private Partnerships |
| D - Prevailing Wage | B - Workforce Development Incentives |
| F - Right to Work | D - Career and Technical Education |

ABC is a state association representing approximately 350 merit shop construction firms, with over 20,000 employees. ABC advances and defends the principles of the merit shop in the construction industry by helping members develop people, and work safely, ethically, and profitably for the betterment of the communities in which they work.

According to the Bureau of Labor Statistics, 65% of all Minnesota construction and craft professionals choose to work for merit shop, non-union contractors. Nationally, 87% work for merit shop, non-union contractors.



The time to make long-needed reforms is now.

The Minnesota construction industry has long been plagued by one-sided laws and rules that favor special interests at the expense of merit-based, open-shop contractors. Minnesota should not be picking winners and losers on its publicly-funded projects either. This legislative session could provide meaningful and cost-saving reforms that would benefit all Minnesotans and make our state friendly to merit shop craft professionals.

Careers in Construction

With the boom in construction over the past year and continuing into 2018, Minnesota contractors are looking to hire. ABC and our contractor members are working to attract, recruit, hire, and train the next generation of craft professionals to build our communities. The legislature can help by:

- Passing legislation to require schools to promote careers in construction to all students prior to graduation.
- Supporting *Project Build Minnesota*, a campaign founded by industry leaders and construction trade associations that promotes a positive image of construction as a lifelong career choice for young men and women of all backgrounds.

Prevailing Wage Reform

Prevailing wage increases taxpayer-funded construction costs by 10-15% without any additional return on investment.

- 75% of all prevailing wage rates in Greater Minnesota counties are set using old wage data or wages from outside that county.
- Minnesota prevailing wage laws should mirror federal law, requiring the average wage rate be used for setting prevailing wages in a county, not a modal calculation.
- Eliminate the 8-hour overtime mandate to allow workers to have flexible 40-hour workweeks like all other professions.

Sprinklerfitter Exams

Sprinklerfitter apprentices in Minnesota must undergo 8,000 hours of supervised instruction and on the job training under a licensed journeyworker before sitting for a journeyworker license exam.

- If an examinee does not pass on the first attempt, DPS imposes a 60-day waiting period to retake the exam.
- If an examinee does not pass on the second attempt, DPS imposes a 180-day waiting period to retake the exam again.

Reducing these retake waiting periods to 30 days like all other licensed construction trades would help more qualified sprinklerfitters to attain professional advancement.

Ensuring Fair and Open Competition on Public Construction Projects

Merit shop contractors build Minnesota's restaurants, office buildings, shopping centers, industrial and energy plants, and so much more. Yet on some public construction projects, like schools, discriminatory labor agreements are used to limit who is allowed to work on those projects. Merit shop contractors are prohibited from working on taxpayer-funded projects with these project labor agreements in place. 23 states ban the use of these discriminatory PLAs on taxpayer-funded construction. Minnesota should do the same and ensure that all Minnesota construction workers can build their childrens' schools.

Cities are also not required to use traditional competitive bid processes when contracting to repair or restore water towers. These contracts, some valued at over \$1 million, can be awarded without public bidding and to out of state contractors, which is what we're seeing happen all throughout Minnesota. It is time to close this loophole and ensure fair and open competition on these projects!

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