

LEAH VUKMIR STATE SENATOR

January 25th, 2017 The Senate Committee on Regulatory Reform Senate Bill 3

Mr. Chairman and members of the committee, thank you for affording me with the public hearing opportunity to testify on Senate Bill 3. This legislation simply ensures impartiality is established in the bidding process for public projects. Specifically, the bill guarantees that government cannot mandate or prohibit the use of a project labor agreements as a condition for the awarding of a publicly funded project. The bill in no way limits the ability for a construction firm to utilize a project labor agreement if they believe it will aide them in retaining qualified laborers.

Intentionally alienating any contractors from the bidding process by discriminating against a specific group of contractors and laborers discourages experienced construction firms with well-trained nonunion craft professionals from participating in the RFP process.

All contractors are technically free to bid on construction contracts subject to a government-mandated project labor agreement. However, these agreements often require contractors to replace most or all of their existing employees with union members dispatched from union hiring halls. Then they will be forced to exclusively use union apprentices, and contribute into union benefit plans regardless if they offer their own existing benefit plans. Coercing tradespeople to pay union dues for the duration of a project, then forfeiting those contributions once the project is complete is an unwarranted financial penalty on employees.

Opponents of this piece of legislation will contend that pre-hire collective bargaining agreements are a tool to avert strikes, guarantee the use of local workers, and deliver projects on time and on budget. This assertion lacks supportive historical data and fails to mention that this proposed legislation does not eliminate the use of project labor agreements, it simply states they cannot be a requirement during the bidding process. Mandating that project labor agreements be a prerequisite to merely participate in the bidding process unjustly hinders the ability for all contractors to partake in the bidding process.

Placing restrictive barriers for qualified Wisconsin laborers is not conducive to economic development. Intentionally diverting taxpayer-funded contracts to specific contractors with jobs almost exclusively for unionized construction workers, regardless of cost, is not in Wisconsin's best interest. The intent of the legislation is to make certain that government is not choosing winners and losers, but rather remains neutral, allowing for equal access to employment opportunities.

Thank you for the opportunity to introduce Senate Bill 3 this bill morning. Representative Hutton and I ask for your support and we are happy to answer any questions you may have.

STATE CAPITOL

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STATE REPRESENTATIVE • 13TH ASSEMBLY DISTRICT

January 25, 2017

To:

The Senate Committee on Labor and Regulatory Reform

From:

Rep. Rob Hutton

Re:

Senate Bill 3

Testimony of Rep. Rob Hutton in Support of Senate Bill 3

Mr. Chairman and members of the committee, thank you for giving Senate Bill 3 the opportunity for a public hearing. Over the past several months there has been much discussion and education on what project labor agreements (PLA) are and their applicability to public works projects. This public hearing format is the appropriate venue for explaining their use and effects on the construction industry.

This is a straight forward piece of legislation that establishes neutrality in the government bidding process. The bill says that government can neither require nor prohibit the use of PLAs as a condition to win a bid for a public construction project. It does not ban the use of PLAs should the winning contractor and government entity agree to enter into one. That will remain the right of those firms should they find a labor agreement helpful in fulfilling the labor obligations of that respective project.

Requiring PLAs discourage many contractors from participating in public construction RFPs. With a PLA requirement those contractors and sub-contractors, who are otherwise well qualified, often have to concede participating in the bid process due to the unnecessary weight of supporting additional workers, added pension obligations, and prohibitive work site rules. In addition, the work environment can become unmanageable as current well qualified workers are displaced for those recruited to meet PLA obligations. To most of these firms, maintaining two work forces is both impractical and financially unfeasible.

The intent of this legislation is to promote government neutrality in the bidding process by allowing for the market to have a greater impact on determining which firm is right for the job. Removing these requirements at the front end allows for a standard basis at which more firms operate. This drives additional competition for these public works projects allowing the government to assess different costs, quality, and proposed innovations. As with private sector projects, when we allow for added competition we encourage more variety in design and construction to drive the best value for stakeholders and their dollars that fund the projects.

Since 2009 20 states have made similar reforms to promote government neutrality. By adding Wisconsin to this list, we will continue in our effort in reducing barriers that prevent businesses from participating in the economy. Removing outdated barriers and encouraging greater participation is a win for Wisconsin's construction industry, for Wisconsin's economy, for Wisconsin's taxpayers.

Thank you for the opportunity to introduce this bill this morning. I ask for support from the committee and am happy to answer any questions you may have.



Wisconsin State Senate Committee on Labor and Regulatory Reform Senator Nass, Chair Testimony of Associated Builders and Contractors of Wisconsin, Inc. Senate Bill 3

Wednesday January 25, 2017

Senate Bill 3 does not ban the use of PLAs. It leaves the decision to use or not use a PLA to the private parties involved in the project. The legislation simply says that government can neither require nor prohibit the use of project labor agreements.

Proponents of government-mandated PLAs claim they are necessary to protect taxpayers from unqualified contractors because public owners are required to use a "low bid" contractor. This is statement is untrue. Public owners have tools under existing law to ensure they are hiring qualified contractors and a skilled workforce.

Wisconsin law generally requires public projects to be awarded to the lowest <u>responsive</u> and <u>responsible</u> bidder and not just the bidder with the lowest price. Responsive means the bidder is in compliance with bid documents. Responsible means the contractor is capable of performing the work.

Current law allows municipalities to examine a contractor's financial ability, work experience, equipment and "other matters that the municipality requires for the protection and welfare of the public in the performance of a public contract." (Wis. Stat. 66.0901(2)). If the municipality is not satisfied with sufficiency of the information, they can reject the bid.

Some may argue this legislation infringes on local control. However, the process municipalities must use to award public works projects is already heavily prescribed in state statute. Including the method of bidding, determining bidder responsibility, the rejection of bids and other aspects of the bidding process. This legislation simply clarifies the appropriate role of the public owner with regard to a contractor's labor affiliation.

ABC of Wisconsin believes the choice to enter into a collective bargaining agreement should be left to the contractor and the workers and that choice should not be mandated by the government. If PLAs deliver on all the promises their proponents claim, construction companies performing the work would adopt a PLA voluntarily.

For more information contact: John Mielke, President ABC of Wisconsin 608-244-5883 or jmielke@abcwi.org



Wisconsin State Senate Committee on Labor and Regulatory Reform Senator Nass, Chair Testimony of Associated Builders and Contractors of Wisconsin, Inc. Senate Bill 3

Wednesday January 25, 2017

ABC of Wisconsin believes that public construction projects (and taxpayers) benefit from an open bidding process that attracts competitive bids from responsive and responsible contractors. This legislation is about making sure the process for procuring public construction is open to competition from all qualified Wisconsin firms by prohibiting government-mandated project labor agreements (PLAs).

A government-mandated project labor agreements is typically required in a government's solicitation for construction services and the PLA requires contractors to enter into a collective bargaining agreement with one or more labor unions as a condition of being allowed to perform work on a taxpayer funded construction project. The "agreement" in project labor agreement is that labor unions agree not to strike or walk off the project in exchange for anti-competitive and costly conditions that favor unionized contractors and labor organizations.

Government-mandated PLAs limit competition because they typically contain mandates that discourage nonunion contractors from competing for taxpayer-funded construction contracts. Examples include:

- Requirements that workers join the union or recognize the union as the sole and exclusive bargaining agents for all construction employees
- Require nonunion contractors to hire most or all employees from a union hiring hall instead of their existing workforce
- Require nonunion contractors to make contributions to union benefit plans
 - Nonunion employees will never benefit from these contributions unless they join a union and become vested
 - Nonunion contractor's benefits costs are doubled because they are required to pay into existing benefit plans and into union benefit plans



Wisconsin State AFL-CIO
6333 W. Bluemound Road, Milwaukee, WI 53213
Phone: 414-771-0700, Fax: 414-771-1715, wisaficio.org
President: Phil Neuenfeldt, Secretary-Treasurer: Stephanie Bloomingdale

Stephanie Bloomingdale Wisconsin State AFL-CIO In Opposition to SB 3 January 24, 2017

Good morning Mr. Chairman and members of the Committee. My name is Stephanie Bloomingdale and I am the Secretary-Treasurer of the Wisconsin State AFL-CIO. I appear before you today on behalf of our members to oppose SB 3.

Project Labor Agreements have built America. Indeed, looking back throughout our Nation's history Project Labor Agreements were used to build Disney World, the Hoover Dam, and - in our own back yard – the Bucks Stadium and the Marquette Interchange, which was a highly complicated project that was successfully completed on-time and under budget. That is because there was a high level of cooperation between all of its partners. I live downtown Milwaukee and drive on the Marquette Interchange every day. I appreciate the Marquette Interchange's structure – both efficient and elegant structure.

With the knowledge of Project Labor Agreements used both here in Wisconsin and throughout the nation, why would anyone wish for local governments to be restrained from using this important tool that sees to projects being done on time, on budget, while putting local people to work? That is the question that needs to be sincerely thought about here today as you make decisions that will affect the future of our building projects and how healthy our middle class will be.

I am here not only to voice opposition to this specific piece of anti-worker legislation, but to convey on behalf of the hard-working men and women of Wisconsin State AFL-CIO our profound disappointment that in the face of the many challenges facing our State, this body has chosen to open the new session with a bill of this sort.

We are, indeed, disappointed but not surprised. Since the majority party took control of the legislature, we have seen a seemingly endless succession of legislation designed to usurp local control and disempower Wisconsin's working families, while giving unfair advantage to those who benefit from our labor. Stripping public sector workers of their collective bargaining rights, enacting so-called "right to work" legislation, undermining prevailing wage agreements, and now this attack on project labor agreements, all cynically labeled as "reforms".

We all remember Governor Walker's promises regarding job creation in our State. Those promises were made in 2010; we still have not come anywhere close to achieving his promises. Then, on January 5 of this very year – just 19 days ago – Governor Walker called for a Special Session for opioid addiction. We have people dying at unprecedented levels because of their addiction to opioids and heroin. Surely, this is a problem that needs our attention immediately.

But yet what is the first major issue that has received a hearing in the Legislature? It's another attack on our communities, our workers, and our middle class. So now rather than dealing with an epidemic that has infected communities around our State, we are here today creating more damage to working people and our middle class.

Governor Walker has time and time made promises to justify his anti-worker agenda as necessary so-called "reforms". The dictionary tells us to "reform" something is to make changes in order to improve it. I challenge the members of this committee to explain to Wisconsin voters how these changes have improved the lives of working families in our state when, according to U.S. Bureau of Labor Statistics, Wisconsin has trailed the national average in job creation every year since 2011.

And now certain members of the majority party propose another so-called "reform", taking away local governments' ability to use a project labor agreement to complete important projects. What does a Project Labor Agreement do? Simply put, it is a tool to ensure the quality and timely completion of a major construction project. It is a mechanism that has long been available to and usefully employed by the private sector. Historically, Project Labor Agreements have not been used on every single public sector project, but it is frankly poor public policy to deny local communities this option. I would point to the Marquette Interchange in Milwaukee as an example where taxpayers benefited from having a Project Labor Agreement in place. As I stated at the outset, the Marquette Interchange is a stellar example of a complicated public project that was completed on time and under budget because of the Project Labor Agreement that was put in place at the outset.

In addition to ensuring that work is done using qualified labor and appropriate wages, Project Labor Agreements often include Community Workforce Agreements that spur local employment and keep public dollars in the community where the project is being done.

What benefits do these agreements provide Wisconsin taxpayers? They ensure that a project will be completed on-time and on-budget by providing a reliable supply of highly-qualified workers at predictable cost; they improve worker safety by requiring that project safety standards are maintained on the jobsite; they include binding dispute resolution procedures for the life of the agreement; and through included Community Workforce Agreements, they create career paths for women, minorities, veterans, and other under-represented workers.

Most people would agree these are all good things for our communities. So why would anyone want to eliminate project labor agreements? Opponents will say government should not pick winners and losers, that contractors should be free to hire whom they want and pay workers as little as possible. They argue this saves tax dollars by keeping the total project costs down.

But for the kinds of projects covered by Project Labor Agreements, getting the highest return on taxpayers' investment is not a function of price alone. These projects are long-term investments in the infrastructure of our communities. True value comes from doing the job right the first time, and that means using qualified labor paid an appropriate wage. It is frankly irresponsible to try to do major infrastructure with low-skill, low-wage workers. Who on this committee would be comfortable asking your constituents to drive their children over a bargain basement bridge built by unqualified workers from a temp agency? That is truly what is at stake here.

Others suggest that Project Labor Agreements restrict competition by shutting out non-union contractors. This is simply not true. On public projects, all contractors, union and non-union alike, are invited to bid. The only contractors who are discouraged from bidding when a Project Labor Agreement is in place are those whose business model is based on low-wage, low-skill labor, workers often from out of state and easily exploitable, and in any case, unlikely to provide real value for tax dollars spent.

Project Labor Agreements have brought us some of America's most iconic construction that have withstood the test of time: the Hoover Dam, the St. Lawrence Seaway, Disney World, and the recently completed Freedom Towers on the site of the 9/11 attacks. The value that Project Labor Agreements provide has not diminished over the years. For example, in my own city of Milwaukee, my teenage sons are eagerly watching as the new Bucks Arena takes shape, with contractors and Union labor working cooperatively and effectively under a project labor agreement.

Before you cast your vote on this bill, I would ask that you remember where you are and who you represent. Elected officials in third-world countries often cut corners on public construction projects, and their citizens frequently pay the price. Consider the recent case of the Ranza Plaza in Bangladesh. One hundred fifty workers were killed and a thousand injured when shoddy construction caused an eight-story building to collapse. After the disaster, I'm sure officials there wished they would have done more to ensure that the highest construction standards had been maintained. But for the victims, it was too late.

By allowing municipalities the freedom to utilize Project Labor Agreements, you can ensure that what happened in Bangladesh never happens in Brookfield. Or Oshkosh, or anywhere else in our state. Since the days of the New Deal, Project Labor Agreements have brought us projects that have enhanced the lives of generations of Americans. They have created quality jobs and contributed to the vitality of the middle class on which our economy rests. As elected officials, it is your responsibility to ensure Wisconsin's taxpayers that public money is spent in the most efficient and impactful way possible. When the last beam is put in place and the doors open on a new project, voters have a right to know that their hard-earned dollars have been spent wisely. They must be confident that the new project will be an asset to their community for years to come. History has clearly demonstrated that project labor agreements are an important part of that process.

This bill is the latest piece of ill-advised legislation that undermines local government and needlessly damages our ability to have a strong middle class. Project labor agreements have served taxpayers well for generations. They have fostered a cooperative approach between government, contractors and workers. A vote for this bill may serve a partisan agenda, but it utterly fails the people of Wisconsin.

Submitted boy Sen. Ringhand

UPDATE: Robinson Elementary School in Beloit Will Be Open Thursday



Posted: Tue 4:23 PM, Oct 09, 2012 | Updated: Wed 1:47 PM, Oct 10, 2012

UPDATED Wednesday, October 10, 2012 --- 1:46 p.m.

Robinson Elementary School in Beloit will be *open* on Thursday, according to the school district's Website.

Picture Day will be postponed. Breakfast will be served in the classrooms starting at 8 a.m.

UPDATED Wednesday, October 10, 2012 -- 7:35 a.m.

BELOIT, Wis. (AP) -- An elementary school in Beloit was evacuated after a gymnasium wall began cracking during construction.

Crews were working on a new addition behind Robinson Elementary School on Tuesday. Corporate Contractors Inc. was digging to place footing for the addition when the foundation under the gymnasium began to collapse, causing the north gym wall to crack.

Construction was stopped immediately, and the fire department responded. The building was evacuated just before 3 p.m., and students were released at their normal time.

No gym classes were going on at the time. No one was hurt.

Crews plan to backfill the foundation of the school and support it with heavy timber. Structural

engineers will inspect the gym and the building repaired.

About 400 students attend the K-3 school. Classes are canceled for Wednesday.

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UPDATED: Tuesday, October 9, 2012 -- 8:32p.m.

Release from City of Beloit:

Tuesday, October 9, 2012 Corporate Contractors, Inc. was working on the new addition behind Robinson Elementary school located at 1801 Cranston Rd. CCI was digging to place footings for the addition when the foundation under the gymnasium began to collapse causing the north gymnasium wall to crack in several locations.

Construction was immediately stopped.

At 2:46p.m. the City of Beloit's Fire Department was dispatched to Robinson Elementary School. The fire department arrived at 2:51p.m. and the building was immediately evacuated. Students were released at their normal time of 3:06p.m. At the time of the call, there was not a gym classes in the gymnasium. The wall did not collapse. There were no injuries.

The Beloit Fire Department initiated a mutual aid box alarm system. Ten regional fire departments responded to Robinson Elementary School. Technical Rescue Squads were deployed to manage exterior shoring of the site. CCI intends to backfill the foundation of the school and support it with heavy timber with the assistance of the Stateline Technical Rescue Team. Several truckloads of heavy timber were delivered to the site before 6p.m. The gymnasium will be inspected by structural engineers and the building will be repaired as soon as possible.

Posted Tuesday, October 9, 2012 --- 4:20 p.m.

From the Beloit School District:

Robinson Elementary School (Beloit School District) closed tomorrow due to building issues.

The message is posted on the school district's website: beloitschools.net

Robinson Elementary School is located at 1801 Cranston Rd. in Beloit.

A school spokesperson told NBC15 crews were digging at the school when they discovered a crack in the foundation.

Administrators evacuated the building as a precaution.

The school will be closed tomorrow so they can evaluate the situation.

Stay with NBC15.com for continuing coverage.

Refresh Date 10/6/16 10:02 AM

Wisconsin Bureau of Apprenticeship Standards

Submitted by John Schmidt

State Const Craft Laborers Advisory Comm State Committee Report - Construction

This summary counts employers and apprentices with contract(s) active or unassigned on 10/1/2016 in trade(s) associated with this committee.

				Αŗ	Apprentices	S					Ш	Employers	S	
Sponsor Name		Minority	rity	Female	ale	Union	on	Non- Union	nion		W/Union Appr	1 Appr	W/Non-Union Appr	ion Appr
Trade	Total	#	%	#	%	#	%	#	%	Total	#	%	#	%
1	2	3	3a	4	4a	5	5a	6	6a	7	8	8	9	9a
All Sponsors Total	348	55	15.8	17	0.05	332	95.4	16	4.6	126	120	95.2	7	5.6
ABC of Wisconsin (All)	16	ယ	18.8	2	0.13			16	100.0	7			7	100.0
Construction Craft Laborer (186946358001)	16	ω	18.8	2	0.13			16	100.0	7			7	100.0
Fox Valley Area Laborers JAC	42	ယ	7.1	ယ	0.07	42	100.0			19	19	100.0		
Construction Craft Laborer (186946358001)	42	ယ	7.1	ω	0.07	42	100.0			19	19	100.0		
Northwest WI Constr Craft Laborers JAC	53	ယ	5.7	0	0	53	100.0			20	20	100.0		
Construction Craft Laborer (186946358001)	53	ω	5.7	0	0	53	100.0			20	20	100.0		
SE WI Construction Craft Laborers JAC	114	32	28.1	7	0.06	114	100.0			46	46	100.0		
Construction Craft Laborer (186946358001)	114	32	28.1	. 7	0.06	114	100.0			46	46	100.0		
South Central Constr Craft Laborers JAC	77	14	18.2	5	0.06	77	100.0			33	33	100.0		
Construction Craft Laborer (186946358001)	77	14	18.2	5	0.06	77	100.0			33	33	100.0		
SW WI Area Const Craft Laborers JAC	46	ယ	6.5	_	0.02	46	100.0			16	16	100.0		
Construction Craft Laborer (186946358001)	46	ω	6.5	_	0.02	46	100.0			16	16	100.0		



Wisconsin

Memorandum

To:

Members of the Senate Committee on Labor and Regulatory Reform

From:

Bill G. Smith, State Director

Date:

January 25, 2017

Re:

Senate Bill 3

Small business owners succeed because they are able to maximize opportunities of the marketplace, are able to achieve a level of flexibility allowing an effective response to changing economic conditions, and importantly being allowed to compete freely, and fairly, with their competitors.

Whenever government – state or federal – interferes in the marketplace with policies, regulations or mandates, in effect choosing winners and losers, too often our Main Street business community are the losers.

Senate Bill 3, introduced by Senator Leah Vukmir, Representative Rob Hutton, and others, would require state and local governments be neutral about whether to include Project Labor Agreements in their contracts. The legislation does not prohibit these agreements nor are they a requirement.

They provide government with the choice, while providing contractors an equal opportunity to compete fairly and openly on taxpayer-funded projects.

We believe passage of this legislation is good for small and independent business, good for those who work for these firms, good for taxpayers, and good for the state's economy.

Therefore, we respectfully urge members of the committee to support a recommendation for passage.

Thank you for your consideration.

Testimony for Public Hearing Senate Committee on Labor and Regulatory Reform January 25, 2017

William Carroll 1012 S. 7th Ave West Bend, WI 53095

S.B. 3 - Relating to: project labor agreements and public contracts.

Good Morning Assembly Committee Members. My name is Bill Carroll, I am the President and a Business Representative for Teamsters Local 344. I am also the Political and Legislative Coordinator for Teamsters Joint Council 39. I am here today representing Teamsters Joint Council 39, which is the governing body for all Teamsters Local Unions in the State of Wisconsin, and collectively, hold a membership of roughly 20,000 hard working men and women.

We are here in opposition to SB 3, and ask that you to reject this bill.

We are opposed to SB 3 for the following reasons:

- Teamsters members work in many industries in our State including in the construction industry. This Bill would erode wages and working conditions for hundreds of Teamsters Families and negatively affect many more thousands of working men and women in the construction industry across the State.
- Union involvement in PLA's have been helpful for large projects by promoting labor
 stability and skilled labor access, as well as a greater chance of a project being done with

fewer unwanted surprises, higher quality and finished on time and at or under budget using local workers.

- This bill can only serve to handcuff the State or Municipality who may recognize the
 value of a Union Labor PLA in some instances, but will be prevented from entering into
 one because this proposed unnecessary government regulation has outlawed it.
- We don't believe SB 3 will result in the cost savings that proponents claim it will. We do
 believe that wage reductions for workers in the construction industry will be real and
 they will be harsh.

I am not certain if a fiscal estimate has been submitted yet, so I'm not sure what the cost savings, if any, are projected to be. I would hope the Legislative fiscal bureau takes into account the potential lost revenue due to lower income taxes from workers and the potential additional cost to taxpayers because of increased need for public assistance for what will become full time working poor in affected construction jobs.

You may believe this assessment of SB 3 is unnecessarily negative; however, when you combine SB3 with last year's prevailing wage repeal and outlawing Union Security

Agreements in 2015 (Right to Work), a downward spiral for wages and working conditions is inevitable for all workers; but even more so in the construction industry.

Lastly, I hear a lot of talk coming out of State Government about how there is a skilled worker shortage, particularly in the trades, and question that college may not be the best path for some. I would ask this committee, and any of SB 3's sponsors how legislation like this that decreases wages and working conditions for men and women working in these trades provides any incentive to attract new, quality talent. It didn't take long for a teacher

shortage to develop due to Act 10 and the resulting loss of wages and working conditions.

SB 3 will put us on a similar path in the construction industry.

Teamsters Joint Council urges you to reject SB 3 and the big government over-regulation that it represents.

Thank you for your time and consideration.

Sincerely,

William Carroll, Political and Legislative Coordinator Teamsters Joint Council 39



Memorandum

TO: Chairman Nass, Honorable Members of Senate Committee on Labor and Regulatory

Reform

FROM: Eric Bott, State Director

Americans for Prosperity-Wisconsin

DATE: January 25th, 2017

RE: Support Senate Bill 3 - Project Labor Agreement Neutrality

On behalf of the more than 130,000 Americans for Prosperity activists in Wisconsin, I would like to thank Senators Vukmir and Olsen and Representatives Hutton and Kitchens for authoring this legislation. We would also like to offer our sincere thanks to Chairman Nass and the members of the committee for taking testimony today.

Senate Bill (SB) 3 is as straightforward as legislation comes. It seeks to bring fairness to public works contracting with a simple change to the law. Under the bill, governmental units would no longer be able to mandate that a business enter a project labor agreement (PLA) as a condition of bidding on a public works project. In other words, powerful politicians could no longer deny the vast majority of Wisconsin contractors and workers the opportunity to compete for government work. We believe this change will benefit the people of Wisconsin in several ways.

By bringing fairness and free competition to public works contracting, SB 3 will protect Wisconsin workers from unfair discrimination based upon their status as belonging or not belonging to a union. According to the United States Bureau of Labor Statistics, 86.8% of the nation's private sector construction workforce is employed by a merit shop or non-union contractor. This legislation will help to ensure that the overwhelming majority of construction workers in Wisconsin have a fair opportunity to work on public projects.

SB 3 will protect taxpayers and stretch public resources further by helping to increase fair competition. It is a long held law of economics that competition reduces costs and improves quality. In the case of PLAs, the academic literature supports this maxim. Studies have demonstrated the positive effect competitive bidding has on reducing the cost of public works projects including Cornell Professor Paul G. Carr's heralded report, *Investigation of Bid Price Competition Measured through Prebid Project Estimates, Actual Bid Prices, and Number of Bidders*.

Conversely, several published reports have specifically found that the reduced competition resulting PLAs drives costs higher. For instance, the Beacon Hill Institute found in a series of studies that PLAs cause between 14 and 18 percent higher construction costs for schools when compared to similar non-PLA projects. A study from the National University Institute for Policy Research found that construction costs for schools in California were 13 to 15 percent greater for PLA projects.