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ECONOMIC STIMULUS REQUIRES OPEN COMPETITION **– PROJECT LABOR AGREEMENTS WILL WASTE GOVERNMENT INVESTMENT –**

BUFFALO, NY, January 15, 2009 – The Empire State Chapter of Associated Builders and Contractors (ABC) sent a letter to Governor Paterson today requesting that he ask President-elect Obama to maintain Executive Order 13202 banning project labor agreements (PLAs) on federally funded projects.

ABC has supported President-elect Obama's \$1 trillion stimulus package in large part due to the \$350 billion allocated for state sponsored infrastructure projects. However, ABC opposes the use of project labor agreements on taxpayer funded projects. In 2006, the Beacon Hill Institute completed a study that found New York state school projects completed without a PLA were 20% to 30% less expensive than those projects that implemented a PLA. In contrast, the Big Dig project for the Boston Harbor, which implemented a PLA, experienced billions in cost overruns and experienced sub-standard workmanship. The PLA bidding process has been found to be discriminatory and exclusionary, so many New York Companies cannot qualify for the public projects.

"New York is facing huge financial problems and any federal funding to assist the state in improving our infrastructure is welcomed," said Scott Zylka, Government Affairs Director, Empire State Chapter of ABC. "However, because the state needs so many improvements to our roads, bridges and schools, we cannot afford to throw away one-third of that funding to appease special interests," he added. The association is concerned that the state would only be able to repair 4 out of 5 bridges that are in need of repair and renovate only 80% of schools that in need of upgrades. ABC's request is aligned with Governor Paterson's call for more efficient spending in New York, as stated in his State of the State Address last week.

The Empire State Chapter sent a letter to Governor Paterson requesting that he urge President-elect Obama to support the \$1 trillion stimulus package and to keep in place President Bush's ban on PLAs for federally funded projects.

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“This stimulus plan is meant to provide assistance to every American and U.S. company; not just those affiliated with labor organizations. Every New York construction worker deserves the right to work on these public jobs because every New Yorker will fund these projects with their hard earned paycheck.” Zylka concluded.

Associated Builders and Contractors (ABC) is a national association representing nearly 25,000 construction general contractors, specialty contractors, suppliers and construction-related firms across the US. ABC promotes open competition and free enterprise in the US construction industry where more than 7 million people are employed and another 2 million are self-employed. Construction makes about a \$1 trillion contribution to the nation's economy each year. The Empire State Chapter of ABC serves nearly 700 members throughout New York from its central office in East Syracuse, and from branch offices in Albany, Buffalo, and Long Island/Metro NYC. For more information visit, please visit www.abcnys.org.

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