



Testimony of Chris Fisher
Associated Builders and Contractors of Michigan
House Committee on Oversight and Government Reform
Subcommittee on Government Operations
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Chairman Mica and members of the committee, thank you for the opportunity to be here today. My Name is Chris Fisher and I am president of Associated Builders and Contractors (ABC) of Michigan. ABC of Michigan is a statewide trade association working with 1000 construction firms that employ 25,000 men and women who work in the commercial and industrial construction industry in Michigan. Nationally ABC has 70 chapters representing nearly 21,000 construction firms.

Here in Michigan and across the United States ABC helps members develop people, win work and deliver that work safely, ethically and profitably for the betterment of the communities in which they work. ABC member contractors employ workers whose training and experience span all of the 20-plus skilled trades that comprise the construction industry.

The vast majority of our contractor members are classified as small businesses. Our diverse membership is bound by a shared commitment to the principles of the merit shop philosophy in the construction industry - nondiscrimination due to labor affiliation and the awarding of construction contracts through open, competitive bidding based on safety, quality and value.

Today I would like to focus on a few labor issues by drawing a contrast between states like Michigan that have been making common sense reforms, compared to the federal government where an onerous and one-sided Big Labor-driven regulatory agenda is clearly not working.

The issue of government-mandated project labor agreements (PLAs) draws a distinct contrast between successes in states like Michigan and failures at the Federal level.

In 2009, President Obama issued Executive Order 13502 to encourage federal agencies to require PLAs on federally funded construction projects in excess of \$25 million. A PLA is a special interest handout designed to award construction contracts exclusively to unionized contractors and their all-union workforces.

Absent the economic benefits of competitive bidding, government-mandated PLAs are known to increase construction costs between 10 percent and 20 percent. The result is that these federal PLAs drive up costs for American taxpayers while unfairly discriminating against the 85.9 percent of U.S. construction workers who have chosen not to affiliate with a labor union.

In Michigan, on the other hand, the Governor and Legislature have taken the opposite approach by standing up for all businesses and workers and passing a law stating that all construction workers—union and nonunion alike—deserve fair treatment. The result is equal opportunity for everyone instead of political favoritism. Michigan taxpayers are also guaranteed the fiscal accountability they deserve through openness and integrity in the public construction competitive bidding process.

The Federal government needs to follow the lead of Michigan and 20 other states by eliminating union-based favoritism in contracting and treating all workers and businesses equally regardless of whether or not they are affiliated with a labor union. This committee has jurisdiction over a bill introduced by Rep. Andy Harris from Maryland, H.R. 436, The Government Neutrality in Contracting Act, which would prevent the government from further engaging in these unfair procurement processes.

Unfortunately, PLAs aren't the only example of federal regulations attempting to pick winners and losers based on union affiliation.

The out-of-control National Labor Relations Board (NLRB) has continually pursued a one-sided agenda that is entirely biased towards Big Labor instead of maintaining an even-handed and balanced approach on behalf of both labor and management.

The latest issue of concern is NLRB's proposed "Ambush" Election Rule. This rule would dramatically shorten the amount of time between when a union files a representation petition and when an election takes place – to as few as 10 days. This impedes employers' ability to pass along facts and information to employees as they weigh the important decision of whether or not their company should be unionized.

Construction employers find it particularly concerning that the Ambush Election proposal requires employers to submit their employees' personal contact information, including email addresses and phone numbers, to union organizers, raising distinct privacy concerns.

It is disturbing, moreover, that the NLRB has not even bothered to justify any of the proposed changes.

Whereas the Federal government seems determined to push as many workers into a union as possible, states like Michigan have instead passed pro-worker reforms like right to work that give individual workers more choices and the ability to know their rights surrounding important issues like union representation. Indeed, ABC supports

right to work because it empowers an individual to make a decision on whether or not to join a labor union instead of being forced to pay union dues and/or fees as a condition of employment.

Finally, the Occupational Safety and Health Administration (OSHA) is unfortunately another example of federal government regulations run amuck.

OSHA lately seems more interested in promoting a radical labor agenda instead of focusing on issues that are germane to its core purpose – safety and health. Take for example a letter of interpretation dated February 21, 2013, released by OSHA stating that nonunion employees can authorize an individual "affiliated with a union or a community organization" to act as their representative during agency-sanctioned inspections and other enforcement situations. Allowing a union organizer to enter the worksite of employers that are targeted for possible unionization raises serious questions about the intentions of the union organizer – and for that matter, the intentions of OSHA in promoting interference in the existing employer-employee relationship.

Fortunately, it doesn't need to be this way. In Michigan, we in the construction industry have been able to form alliances with MIOSHA and work cooperatively to promote worker health and safety for the benefit of our workforce and our industry. This cooperative approach is the way it ought to be, and is refreshing compared to the sometimes hostile approach we are seeing by Federal OSHA.

Here in Michigan we are able to see first-hand that our approach to labor policy—as opposed to the current federal government approach—is working. Over the past three years the Michigan construction industry has not only gained jobs every year, but construction worker incomes have likewise increased every year. ABC urges this committee to stand up for common sense by following the lead of states like Michigan to sensibly reform regulations – benefitting our industry, our workforce and the overall construction economy.

Once again, Mr. Chairman, we appreciate the opportunity to be here today and would be happy to answer any questions you or other committee members may have.