

**Kalweit, Cindy**

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**From:** nysclerkboard-request@nysac.us on behalf of Mark LaVigne <mlavigne@nysac.org>  
**Sent:** Wednesday, June 19, 2019 5:10 PM  
**To:** nysclerkboard@nysac.us  
**Subject:** NYSAC ALERT: Contact State Leaders to Stop Job Killing Prevailing Wage Agreement  
**Attachments:** Municipal\_Council\_Statement on Prevailing Wage2.pdf; Memo in Opp. Prevailing Wage Proposal.pdf

Please share with your chairs and the members of your county boards.

New York State Association of Counties



**NYSAC** Alert/Action

June 19, 2019

Dear County Official,

It has been reported that Governor Cuomo and Legislative Leaders have reached an agreement on prevailing wage legislation that will require contractors to pay “prevailing wages to workers on taxpayer-supported projects,” a move that will jeopardize construction projects and the creation of new jobs in upstate counties.

Several counties have contacted us this afternoon concerned about the behind the scenes public policy agreement that surfaced today, the last scheduled day of the State Legislative Session.

Attached please find a memo in opposition and a press release distributed by NYSAC, the Association of Towns, and the Conference of Mayors.

We encourage you to contact your Senator(s), Assemblymember(s) AND Legislative Leaders to register your opposition to this proposal. Feel free to share this Memo in Opposition or adapt it for your county and share with your members.

**Governor Andrew Cuomo**

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**Andrea Stewart-Cousins**



**FOR RELEASE:** Immediately  
June 19, 2019

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## **Municipal Associations Strongly Oppose Expansion of Prevailing Wage Historic Preservation, Affordable Housing, Brownfield Redevelopment, and Economic Revitalization at Risk**

The executive directors of the statewide municipal associations representing New York's counties, cities, towns and villages today repeated their associations' strong opposition to expanding the non-prevailing "prevailing wage" to any economic development project that receives public funding. The local government cost and tax impact of such action must be taken into consideration when evaluating the pros and cons of this state mandate. In a high-tax State like New York, any proposal that would increase the cost of doing business or running municipal governments should be rejected.

***Peter A. Baynes, Executive Director of the New York State Conference of Mayors (NYCOM), said:***

"The term 'prevailing wage' as it is used in New York is a misnomer. As calculated by the New York State Department of Labor, the prevailing wage can exceed the average market wage by more than 50 percent, and as a result already inhibits the undertaking of public works projects. Expanding the application of New York's often-inflated prevailing wage would have crippling effects on myriad projects that the State and its local government partners have previously found to be important and vital to New York. From affordable housing, to historic preservation, to the mitigation of vacant and abandoned properties and the revitalization of our regional economies, critically important programs that improve the quality of peoples' lives will be hamstrung and retrenched if New York's faulty prevailing wage is expanded."

***Stephen J. Acquario, Executive Director of the New York State Association of Counties (NYSAC), said:***

"Local governments support policies that help working men and women. If the intent of this legislation is to strengthen the ability to work and the ability to earn a decent living, then that is a worthwhile end. However, in this case the means to that end will end up driving businesses out of New York because construction costs will be too high. This legislation will hurt the workers it intends to help because there will be fewer and fewer construction projects in the State. The State should enact policies that support job creation, rather than policies that reduce the number of projects that can be built."

***Gerry Geist, Executive Director of the Association of Towns of the State of New York (AOTSNY), said:***

"New York seems to continually find itself on the wrong end of the metrics. Since New York already has some of the highest construction costs in the nation, expanding the prevailing wage in this tough economic climate will bring infrastructure and other development projects to a screeching halt, putting New York, again, at the back of the line when it comes to competing with the rest of country in terms of economic development and quality of life."



**NYSAC**  
NEW YORK STATE  
ASSOCIATION OF COUNTIES

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Stephen J. Acquario, Esq., *Executive Director*

## **Memorandum In Opposition**

### **Prevailing Wage**

The New York State Association of Counties (NYSAC) has reviewed several prevailing wage proposals being considered in Albany and counties strongly oppose the passage of any one of the current prevailing wage proposals.

The proposed bill agreed upon today would require any project that is awarded more than \$750,000 (or 30%) in funds, subsidies or tax exemptions by New York State or a local public authority to pay prevailing rates of wages and supplements. Proposals would achieve this goal by expanding the definition of public works.

The proven model for a growing economy in New York and throughout the county – both historically and presently – is based on public-private and academic partnerships. New York counties attract and keep necessary local business and complete complex projects because of these partnerships. These needed projects increase local job rates and deliver necessary services to residents.

New York State is in direct competition for business and job growth with all other states and even other countries. Over the past decade, the Governor and Legislature have made great strides to keep New York competitive in this modern business environment. Even with this state-lead effort, New York is still one of the most expensive states to do business.

Imposing prevailing wage mandates on all projects that include any public funding would drive up the cost of construction projects across New York State, affecting manufacturing, housing, urban revitalization, historic preservation, and non-profit organizations. This would make doing business in New York even more costly and less competitive. According to a 2014 study by the Center for Urban Real Estate (CURE) and Columbia University, prevailing wage would increase project costs by an additional 25-30%. Expanding prevailing wage to private projects would simply mean fewer projects, job loss, and billions in lost revenue across New York State.

NYSAC and our county members support policies that help working men and women. If the intent of this legislation is to strengthen New York's middle class, then that is an admirable goal and one counties support. However, these bills will achieve the opposite, as the increased costs of these public-private projects would likely result in businesses simply choosing to build projects in other states. By reducing the number of projects undertaken in New York State, this legislation will hurt the vulnerable workers it intends to help. The State should enact policies that support job creation rather than stifle it.

For the aforesaid reasons, NYSAC opposes these legislative proposals and encourages the Legislature to continue to fight for economic and job growth throughout New York State.

*The New York State Association of Counties is a bipartisan municipal association serving all the counties of New York. Organized in 1925, NYSAC's mission is to represent, educate, advocate for and serve our member counties and the thousands of elected and appointed county officials who serve the public. For more information, visit [www.nysac.org](http://www.nysac.org).*

**TO: Members of the NYS Senate and NYS Assembly**