

Candidate Questionnaire—State Legislature

Name of Candidate: Shannon Holloway

Name of Campaign: _____

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FPPC#: _____

Running for Which District? 32nd Assembly District

Associated Builders and Contractors (ABC) is a national construction trade association with nearly 25,000 member firms. In California, five chapters of ABC represent more than 1400 members. ABC supports fair and open competition, free enterprise, freedom of choice for workers concerning union membership and training programs, balanced budgets, lower taxes, and reasonable regulation. Our members range from some of the largest construction companies in the country to small businesses with five or fewer employees. Most ABC members in California perform commercial, industrial, and public works construction, with very few members involved in residential construction.

ABC supports the "Merit Shop" philosophy, which is that the lowest responsible bidder should win the job regardless of the union affiliation of its employees.

Please indicate on the questionnaire where you stand on the following issues:

1. Government-Mandated Project Labor Agreements

Government-mandated Project Labor Agreements (PLAs) are 20-60 page documents negotiated between public entities and labor unions that establish requirements on a construction project that essentially make the project a union-only job. Although contractors are not allowed to participate in PLA negotiations, they are required to sign and abide by the PLA in order to work on a project. Union-only provisions in PLAs include the following: required payment of health and welfare benefits to union trust funds instead of the company's own benefit program; all workers must be obtained from union hiring halls; all apprentices must come from union programs despite the existence

of state-approved non-union programs; all workers must pay union dues and fees. There has never been a PLA on a state construction project, although Governor Gray Davis tried and failed to require contractors to sign a PLA for the construction of the new campus of the University of California in Merced. Unions have also proposed that the state legislature mandate PLAs on construction projects funded by state bond measures.

- I support PLAs on public works projects.
- I support PLAs on some public works projects, such as large multi-year infrastructure projects that require numerous contractors and workers.
- I support PLAs on public works projects only when there is an emergency and the project needs to be finished quickly.
- I oppose PLAs.
- Other: _____

Prevailing Wage

Since the 1930s, contractors on state-funded public works projects costing \$1000 or more (in most cases) are required to pay "prevailing wages" determined by the California Department of Industrial Relations for each trade on a regional basis. Prevailing wages are calculated using the modal (most commonly seen) rate and therefore are always the union collective bargaining rates. When Governor Gray Davis was in office, prevailing wage coverage expanded to include private projects that receive any sort of assistance from government. Davis appointees in the Department of Industrial Relations attempted to expand prevailing wage coverage to assembly and fabrication work done off-site for a public works job, but Gov. Schwarzenegger ended the expansion effort.

- I support expanding prevailing wage to additional construction work.
- I support prevailing wage, but oppose coverage for off-site fabrication.
- I support prevailing wage, but want to repeal coverage for private projects.
- I support prevailing wage, but want to change the calculation of prevailing wages from modal rate to weighted average.
- I support prevailing wage, but want to increase the cost threshold from \$1000 to a higher amount. (Amount: _____)
- I support prevailing wage, but want to exempt certain categories, such as school construction, hospital seismic retrofits, and low-income housing.
- I support prevailing wage, but special calculations should be made for all trades in the Central Valley and the Inland Empire, which have a lower cost of living than the coastal metropolitan areas.
- I want to repeal prevailing wage.
- Other: _____

Construction Design-Build Authorization

ABC of California is not opposed to the concept of design-build, but it has opposed most design-build legislation because of discriminatory and unfair union-backed provisions that apply to projects authorized by these bills.

- ABC opposes provisions that penalize design-build entities in the prequalification process that intend to request apprentices from state-approved programs with less than five straight years of graduates. This puts contractors at a disadvantage who have an agreement with recently-approved programs.
- ABC opposes provisions that allow a contractor with a poor safety record to be "acceptable" if it is part of an alternative dispute resolution program that by law is restricted to contractors in a collective bargaining agreement or project labor agreement. ABC believes that all design-build entities should have a decent safety record, without exceptions.
- ABC opposes provisions that allow local agencies to exempt themselves from a labor compliance program requirement if they have a project labor agreement in place. ABC does not see any reason why a project labor agreement negates the need for labor compliance. In addition, such language creates an artificial argument that a project labor agreement would "save money" by relieving the local agency of a state mandate.

☐ I oppose the expansion of design-build authorization to additional public agencies as long as these provisions are in law.

☐ I oppose design-build authorizations that add these provisions to new sections of California law, but in sections of state law where the provisions already exist, I will support the inclusion of new public agencies.

☐ I support design-build authorization despite the provisions.

☐ I support design-build authorization AND the provisions.

Apprenticeship

The State of California requires contractors to employ one apprentice (worker in training) from a state-approved apprenticeship program for one hour for every five hours worked by a journeyman. The Division of Apprenticeship Standards regulates apprenticeship programs, which require a certain amount of classroom and on-the-job training depending on the trade. Until the late 1980s, unions held a monopoly on state-approved apprenticeship programs. After years of costly court battles, Merit Shop associations such as ABC won approval to operate apprenticeship programs in a few trades. While Governor Gray Davis was in office, unions and political appointees worked to shut down Merit Shop apprenticeship programs and restore the old union monopoly. Under a law

passed in 1999, the state legislature allows the state to approve a new program or permit an existing program to expand to a new county only if there is a need, and the Davis Administration saw no need for a Merit Shop program where a union program already existed. The state now also requires contractors to pay apprentices prevailing wages even when they work on private projects. Some bills signed by Governor Gray Davis prohibit an apprentice from working on certain projects unless the apprentice is enrolled in a program that has five years of graduates, thus preventing apprentices in newly-approved programs from working on those projects. The discrimination became so brazen that in 2007 the U.S. Department of Labor ended California's authority to regulate apprenticeship for federal purposes.

- I think unions should run all state-approved apprenticeship programs.
- I support current law regarding apprenticeship programs.
- I support repealing prevailing wage requirements for apprentices on private work.
- I support repealing the "needs test" for new or expanding apprenticeship programs.
- I oppose requiring apprentices to be enrolled in programs with five years of graduates without exempting new programs.
- I support comprehensive reform of apprenticeship laws to end union control of the approval and regulatory process.
- I support repealing apprenticeship requirements.
- Other: _____

Power Plant Greenmail

Since the mid-1990s, most power plants in California have been built with union-only Project Labor Agreements (PLAs). Why? Construction union lawyers operating under the name California Unions for Reliable Energy (CURE) intervene in the approval process at the California Energy Commission for power plant construction. CURE cites environmental objections and delays the project until the owner agrees to build the power plant with a PLA. Then CURE allows the project to move forward. Some power plants were delayed for years until the owners gave in to the union request for a PLA. ABC believes that California environmental law should be amended to prohibit and punish this "greenmail" against power plant owners. This practice of environmental permit extortion is now being used against housing developments as well.

- I do not support changing environmental law to prohibit and punish greenmail.
- I support changing environmental law to prohibit and punish greenmail.
- Other: _____

Labor History in the Classroom

Various bills have been introduced in the state legislature that encourage or require "labor history" to be taught in California public school classrooms. Unions are trying to present a one-sided version of history in classrooms in order to recruit students to be union members or even union organizers. Associated Builders and Contractors has its own 59-year history of fighting for the "Merit Shop" philosophy of fair and open competition, free enterprise, and the right of workers to choose whether or not to belong to a union. ABC's history will be marginalized and demeaned under the union version of history.

- I support requiring labor history to be taught to public school students.
- I support encouraging labor history to be taught to public school students.
- I support encouraging labor history to be taught to public school students, as long as provisions are made to ensure balance from the side of business groups.
- I oppose requiring or encouraging labor history as a specific field to be taught to public school students.
- Other: _____

Taxpayer-Funded Labor Institute

From 2000 to now, a total of more than \$34 million has been provided in state budgets for a "Multi-Campus Research Unit for Labor Studies" at the UC Berkeley and UCLA campuses. Now called the University of California Miguel Contreras Labor Institute, this program hires pro-union staff and funds hundreds of biased studies designed to support the union political agenda at state and local governments. Studies are produced to support greater union intervention in every sector of the state's economy. Governor Schwarzenegger rescinded funding for the labor institute in December 2003 and completely eliminated direct funding with line-item vetoes in the 2005 budget and the 2008 budget. The University of California and the California Labor Federation are intent on maintaining full funding for the program.

- I support full funding for the Multi-Campus Research Unit for Labor Studies in the state budget.
- I support reducing but not eliminating funding for the Multi-Campus Research Unit for Labor Studies.
- I support eliminating funding for the Multi-Campus Research Unit for Labor Studies.
- Other: _____

Pro-Union Bias of California Labor Code

Section 923 of the California Labor Code contains the following statement, which is used to justify discrimination against Merit Shop companies, workers, and apprentices:

Governmental authority has permitted and encouraged employers to organize in the corporate and other forms of capital control. In dealing with such employers, the individual unorganized worker is helpless to exercise actual liberty of contract and to protect his freedom of labor, and thereby to obtain acceptable terms and conditions of employment.

ABC does not believe this statement is accurate, especially considering that 80% of California construction workers choose to work for a company without a union collective bargaining agreement.

- I support keeping this language in the California Labor Code.
- This language should be rewritten simply to recognize the right of workers to organize into a union.
- I support repealing this language in the California Labor Code.
- Other: _____

Signed: Shannon Holloway

Date: April 9, 2010

Please return completed questionnaire to:
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