

Labor and Public Employees Committee

JOINT FAVORABLE REPORT

Bill No.: HB-6862

AN ACT CONCERNING BROADBAND CONSTRUCTION AND THE

Title: PREVAILING WAGE.

Vote Date: 3/23/2023

Vote Action: Joint Favorable Substitute

PH Date: 3/9/2023

File No.:

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SPONSORS OF BILL:

Labor and Public Employees Committee

REASONS FOR BILL:

This bill is intended to ensure that funds for broadband projects are only awarded to contractors who meet certain labor standards including the prevailing wage.

The substitute language removes provisions that would have required the DEEP commissioner to prioritize awarding grants to projects that meet certain upload or download speeds, and removed the preference for fiber internet.

RESPONSE FROM ADMINISTRATION/AGENCY:

No response was provided from the administration or relevant agencies.

NATURE AND SOURCES OF SUPPORT:

Nate Brown, Director, IOUE Local 478: Supports this bill because it will provide a level playing field for contractors bidding on broadband work in the state by making it harder for contractors who engage in dubious business practices to be awarded government grants for broadband construction.

Sean Daly, Business Manager, IBEW Local 90: Supports this bill because it would require that the funds expended to close the digital divide will be allocated to employers that have the highest quality of health care, wages, and working conditions. Comments that they suggest eliminating a section that would allow for the state to prefer fiber optic businesses over wireless businesses.

Daniel McInerney, Business Manager, IBEW Local 488: Supports this bill but believes it could be expanded to apply to other industries that do not have a prevailing wage law. Comments that they suggest eliminating a section that would allow the agency to specifically prioritize fiber optics businesses over wireless businesses.

Kimberly Glassman, Director, Foundation for Fair Contracting: Supports this bill because it would ensure that public dollars are being allocated to high quality sustainable networks, and that the prevailing wage is an important factor in ensuring that broadband providers uphold high standards in the construction of critical communication network infrastructure.

Ed Hawthorne, President, AFL-CIO: Supports this bill because it will ensure that the funds used to build Connecticut's broadband network is well spent and support good jobs in the industry that have high labor standards and provide good wages for workers.

David Weidlich Jr., President, CWA Local 1298: Supports this bill because it ensures that all public dollars allocated to broadband construction are supporting high quality networks, good working conditions, and good-paying jobs. Comments that it will also help ensure that high speed broadband is provided to those in the state who are not adequately covered by it.

NATURE AND SOURCES OF OPPOSITION:

Christopher Fryxell, President, ABC CT: Opposes this bill because it adds unclear criteria to an existing grant program. Comments that the additional costs and requirements placed on businesses in this field will lead to slower work times and increased broadband costs.

Betsy Gara, Executive Director, COST: Opposes this bill because it's reporting requirements and selection criteria may hinder the implementation of broadband in underserved areas, especially small towns. Comments that, in order to maximize the grant funding, agencies must be able to use discretion to determine the right standards for grant applicants who meet the guidelines.

Eric Gjede, VP of Public Policy, CBIA: Opposes this bill because it would implement burdensome mandates and reporting requirements that would slow down the construction of broadband infrastructure projects in the state. Comments that it will threaten Connecticut's existing advantage in the broadband construction industry.

Zachary McKeown, CCM: Opposes this bill because they believe that these new requirements would have a negative effect on the affordability and expansion of broadband. Comments that in their experience, subjecting municipal projects to prevailing wage can lead to a cost increase of 20%.

OTHER TESTIMONY:

Jerry Kirshman, CEO, Civitas Network: Has concerns that this bill creates a preference for fiber-based broadband systems versus wireless ones, and requests that this section of the bill be removed to ensure that all types of high-speed internet can be provided to residents. States that while he supports the bill, he opposes the preference fiber-based systems over wireless ones.

Reported by: Gabriel Marques, Assistant Clerk Date: 3/30/23