

CARPENTER

2024 ECONOMICS

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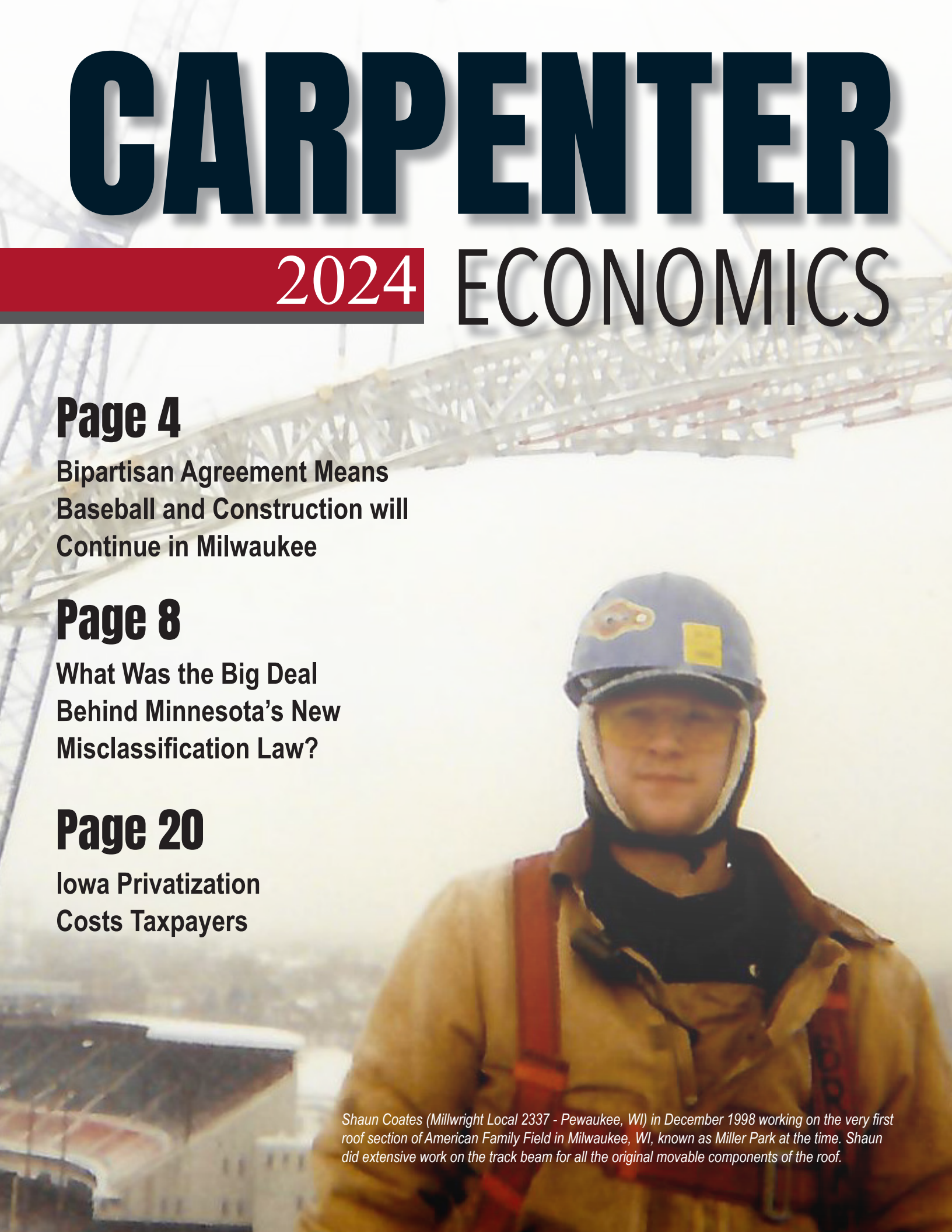
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Shaun Coates (Millwright Local 2337 - Pewaukee, WI) in December 1998 working on the very first roof section of American Family Field in Milwaukee, WI, known as Miller Park at the time. Shaun did extensive work on the track beam for all the original movable components of the roof.



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Why Politics Matter



As I was thinking about this political season and everything that is at stake during the November 5th General Election, I quickly found myself pondering how politics already influences our lives. Politics impacts everything. It influences the vehicles we drive, the personal protective equipment required on our job sites, what we eat, how much we pay, the roads we drive on, the houses we live in and the jobs we hold. Honestly, it would be much tougher to find something that politics does not influence. In fact, government impacts so many of our daily choices, nobody should be willing to sit this election out.

Despite the influence politics has on our lives, too many people choose not to participate. While all media attention revolves around voter turnout, which state had the highest turnout and whether it was a record turnout, the truth is that only about 58 percent of eligible voters actually vote. We know that a much higher percentage of Carpenters vote. So, when you go to the polls this fall, make sure you are armed with the information that is most important to you before making your selection. On the regional council website, there will be lists of endorsed candidates for each state that you can access 30 days prior to the election: <https://northcountrycarpenter.org/political-action>. There will also be sample ballots of endorsed candidates available for each of our states.

Our endorsed candidates around the regional council have demonstrated their support of carpenter economics. In most cases, they have toured a training center, completed a questionnaire, met with political staff and demonstrated their support for our key issues. We may not all agree on every issue, but we have many things in common with these candidates.

Members recognize the importance of having candidates in office who understand construction. We all want to work on safe sites. We do not want work hours lost to contractors who engage in wage theft, tax fraud or worker misclassification. We want to have a prevailing wage that allows us to earn a good middle-class living, have great benefits, and be able to support our families. Members expect their counterparts to have excellent training through certified apprenticeship programs. Finally, we want the right to join a union that collectively bargains and not a state where right-to-work puts obstacles in the way to joining a union and has lower wages than non-right-to-work states. We expect these elements to be the floor where politicians stand on carpenter economics when they gain our support.

I encourage you to stay informed about what is happening around you politically. Many people are turning to social media for election material, and nearly half of all social media users have been politically active on social media in the past year. However, it is up to each one of us to decide where we choose to obtain our candidate information. One thing I do know for certain is if carpenter economics is important in your life, you will want to turn to our political departments for information on who has been a strong supporter of the issues that affect you the most.

In Solidarity,

Patrick M. Nilsen

Patrick M. Nilsen
Executive Secretary-Treasurer
North Central States Regional Council of Carpenters

Wisconsin Governor Tony Evers signs bipartisan bill providing \$700 million to fund Brewer stadium renovations.



Bipartisan Agreement Means Baseball and Construction Will Continue in Milwaukee



A key priority was achieved when Wisconsin Governor Tony Evers signed a bipartisan bill providing \$700 million to fund Brewer stadium renovations in exchange for the Brewers committing to keep playing baseball at American Family Field in Milwaukee until 2050.

The timing of the agreement was driven by the Brewers' original lease coming to an end and the need to improve the stadium to stay competitive with other ballparks across the country. *(The stadium is owned and managed by the state of Wisconsin and is leased to the Milwaukee Brewers.)*

The 'stadium deal' became a top priority for the North Central States Regional Council of Carpenters (NCSRCC), because it is so rare that a bill that will produce hundreds of millions of dollars of union construction work has a chance to become law in Wisconsin's polarized political environment.

A Bipartisan Deal Comes Together

There were many obstacles to get this bill done. With the state legisla-

ture controlled by Republicans and a Democrat in the Governor's office, a bipartisan agreement was necessary. However, there has been very little areas of bipartisan agreement in recent years at the Capitol.

Additionally, debates over public dollars funding professional sports teams have become points of tension around the country. In this case, the Brewers deliver a significant economic impact to the region. Union carpenters and millwrights are frequently in the stadium

working on things like remodeling and maintaining the retractable roof. *(An original bogie wheel from the roof is on display at the Pewaukee Training Center.)*

After aggressive lobbying by NCSRCC, the final agreement signed by the Governor included funding sources from the state, Milwaukee County, the City of Milwaukee, a ticket surcharge on suites and a contribution from Brewers ownership.

Shaun Coates (Millwright Local 2337 - Pewaukee, WI) working on setting the anchor bolts for the sole plates that holds the track for the roof to ride on. He did extensive work on the track beam for all the original movable components of the roof.

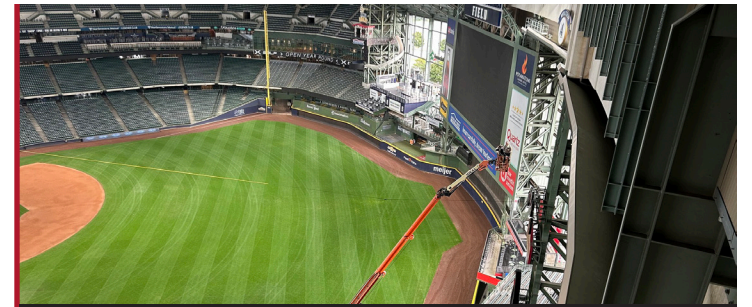


A Tradition of Carpenters and Millwrights Working at the Stadium Continues

Union carpenters have a long history of working at the stadium. Miller Park, which it was known as at the time, opened in 2001 and was built using union labor. The cost of construction then was \$392 million. Throughout the high-profile political battle, several members reached out to political staff to share their stories working on the original stadium.

Since Miller Park's opening, the stadium has undergone upgrades to keep up with changing trends while always using union labor. Many other baseball stadiums that opened at the same time (Texas, Arizona) are now looking at complete tear downs, whereas American Family Field only needs to be renovated. This is a testament to the design and quality of craftsmanship.

The legislation requires a lease to be signed first before full-scale construction can begin. The lease is currently being negotiated. From there, the Brewers will keep playing and carpenters will keep the ballpark in top shape until 2050 and hopefully beyond.



Curtis Graham (Millwright Local 2337 – Pewaukee, WI) works at American Family Field in Milwaukee, WI doing maintenance for their retractable roof, the only one of its kind in North America.



CARPENTER ECONOMICS



The North Central States Regional Council of Carpenters' political support is directed in ways that support prevailing wage, member work hours, and market share. From supporting pro-carpenter candidates to working on passing carpenter-focused legislation, your livelihoods are at the forefront of every political action.

To stay updated on what is happening politically in your state, visit the state pages via the QR codes below.

IOWA



MINNESOTA



NEBRASKA



N. DAKOTA



S. DAKOTA



WISCONSIN



Carpenter Champions on the Ballot in Wisconsin

For the first time in 14 years, legislative races will occur in Wisconsin under fair maps. This will bring real competition to campaigns that did not exist in recent years. It also means with evenly balanced districts, candidates can no longer dismiss the concerns of their voters. Below are a few candidates running who will make carpenter economics their top priority at the capitol next session.

Melissa Ratcliff

District: Senate District 16
Hometown: Cottage Grove, WI

Melissa Ratcliff currently serves in the state assembly. Under the new map, she ran for a promotion in a new senate district against another member of the state assembly. The key difference was that she voted for the Brewers Stadium, and her opponent voted against it which became a key issue in the race. With the help of the Carpenters, she won the primary and will be unopposed in November.



Dora Drake

District: Senate District 4
Hometown: Milwaukee, WI

Dora Drake currently serves in the state assembly and was successful in running for a promotion to Senate. She has been a steadfast supporter of the Carpenters at the capitol and has volunteered her own time to knock on doors for a member carpenter running for local office. After a competitive primary, she is also unopposed in November.



Ben DeSmidt

District: Assembly District 65
Hometown: Kenosha, WI

State Rep. Tod Ohnstad was a longtime Carpenters champion and no stranger to Local 161 meetings. When Ohnstad announced his retirement, he passed the torch to his preferred replacement, Ben DeSmidt. It is clear DeSmidt will continue Ohnstad's tradition of being a top advocate of Carpenter Economics and blue-collar issues. DeSmidt is favored in November.



Ben Pratt, Regional Coordinator of Northern Minnesota and North Dakota for the Carpenters Training Institute, gives conference attendees a tour of the Fargo Training Center.

North Dakota Holds Successful Political Conference



Jon Mahan, NCSRC Assistant Organizing Director, speaks with conference attendees.

In July, the second annual political conference was held in North Dakota following their June primary. Last year, we held the conference in Bismarck in conjunction with a day of lobbying at the capitol. The legislature in North Dakota only meets during the odd-numbered years. This year, in an effort to boost the North Central States' political presence, we moved the conference to the Fargo Training Center. We invited legislators, city leaders and even a few Minnesota counterparts from just across the border. There was a great presence from staff, members and elected officials who participated in a tour, reception, dinner and heard a first-hand update on the flood diversion project.

PSC Commissioner A Step Closer to Washington D.C.

In February, Julie Fedorchak, chairwoman of the North Dakota Public Service Commission (PSC), announced her bid for North Dakota's open U.S. House seat. The field was packed with candidates, including former state Representative Rick Becker, 2018 Miss America Cara Mund and several others. Despite withdrawing from the endorsement process while candidate Rick Becker was encouraging convention attendees to complete spoiled ballots and election interference from mass texts and emails stating she dropped out on election day, Fedorchak easily won the June 11 primary with 46 percent of the

vote. She should have no issue being successful in November. Fedorchak is a key advocate for sustainable electricity and reliability and affordability of power. She is credited with developing and obtaining legislative approval for a rail safety program in North Dakota. As chairwoman of the PSC, she oversaw over \$10 billion in investments. Under her tenure, labor was allowed a voice, public input was welcome, and safety was a priority. The North Central States Regional Council of Carpenters looks forward to working with Fedorchak in the future. She is a welcome voice to



Julie Fedorchak, Chair Woman of the North Dakota Public Service Commission

represent North Dakota in Washington D.C.



What Was the Big Deal Behind Minnesota's Misclassification Law?



For far too long, many employers have found ways to require someone to work as an independent contractor as opposed to an employee. This arrangement allows employers to avoid the obligatory costs associated with having their own employees, such as overtime pay and minimum wage requirements. Employers are also required to withhold Social Security and income taxes from employee paychecks, pay workers compensation insurance, the employer portions of social security, etc.

The worker's compensation insurance specifically entitles employees to unemployment and worker's compensation benefits. In addition, employers must provide a work environment that is safe and adheres to the safety requirements under the Occupational Safety and Health Administration. Employers who utilized an unethical independent contractor model of business avoided all of these obligations. Unfortunately, the current laws did not provide much of a deterrent against this misclassification fraud. Enforce-

ment was so minimal, that it was more of an incentive to misclassify workers rather than take on the heavy burden of making them employees.

You will likely draw the obvious conclusion that businesses misclassifying employees are taking advantage of them in some manner whether they are avoiding the payment of overtime, denying workers unemployment benefits, or not providing workers compensation for an injured worker. However, this practice also produces other harm. Businesses that misclassify workers are undercutting honest employers that follow the rules by keeping their labor costs below where they legally should be established. Furthermore, misclassification results in tax underpayment, leaving it to taxpaying citizens like us to fund the difference. Frankly, if you find a job site where workers are being misclassified, you will likely find them being exploited in other ways if you take the time to investigate.

This year, the Minnesota Attorney General's Task Force on Misclassification was created and included the

North Central States Regional Council of Carpenters (NCS-RCC) General Counsel Burt Johnson. While this committee met, the Office of the Legislative Auditor released their findings documenting misclassification as a growing problem. As the task force listened to testimony over multiple committee meetings, it became apparent that things needed to be changed. The table was set for the Minnesota legislature to make sweeping changes to the law surrounding employee misclassification.

When the 2024 Legislative Session adjourned, it did so in disarray in both legislative bodies with yelling, screaming, refusals to follow rules, lack of decorum, and days of filibustering bills. Despite the most chaotic ending to a legislative session in Minnesota history, legislation significantly reforming our misclassification laws was passed.

What does all this mean? For the construction industry, where misclassification continues to be a growing problem, a new 14 criteria test was placed in statute. Construction workers must meet all 14 tests to be considered an independent contractor. Previously, Minnesota had a nine criteria test. The new test is the most extensive test in the country. In the future, it will be very clear when making a determination whether a worker is an employee or an independent contractor.

Beginning on July 1, 2024, the consequences for contractors who misclassify their workers becomes too costly to ignore. All workers now have a private right of action, or the ability to pursue legal relief for non-payment and for being misclassified. The new statute makes it easier to be successful with a claim, as the burden for an employee to prove the employer "willfully" misclassified them has been eliminated.



Minnesota Attorney General, Keith Ellison, hosts a press conference in support of the Misclassification Bill.



Employers are also subjected to damages regarding overtime, minimum wages, and benefits as well as penalties of/ or up to \$10,000 per misclassified employee. Only time will reveal the full impact of this statute change. However, at \$10,000 per misclassified employee, dishonest employers should see the significant deterrent with a fine that is now too large to be just part of the "cost of doing business".

Many of you may still be questioning if claims will be investigated in a timely manner. One of the frequent responses we have heard from the Department of Labor and Industry regarding the timeliness of an investigation is their inability to share protected data. Fortunately, that situation has also been changed. The legislature created the "Intergovernmental Misclassification Enforcement and Education Partnership". This allows the Department of Labor and Industry, along with four other state agencies, Commerce, Economic Development and the Attorney General's Office, to better coordinate their work. These five agencies are tasked with investigating misclassification claims, where there has otherwise been little enforcement. By encouraging better coordination, eliminating requirements that employers must have been "willfully" misclassifying employees, and creating a private cause of action, it is clear the legislature and state agencies are now focused on enforcement.

Finally, as the Intergovernmental Misclassification Enforcement and Education Partnership starts to meet, misclassified workers will have a place to report possible violations of the law. As noted above, these five agencies will work together to improve data-sharing and coordination amongst themselves.

The financial burden of unethical contractors misclassifying workers should not be on the backs of honest contractors or hard-working taxpayers. With more focus and hard work, we should make a substantial dent in the misclassification business model and make Minnesota a better place to work and live.



Minnesota Governor, now Vice-President Nominee, Tim Walz poses with Carpenter Union members.

Governor and Vice-President Nominee Tim Walz's Carpenter Economics Record

So much excitement has been generated by the selection of Governor Tim Walz by Vice President Kamala Harris to be her running mate in her bid to be President of the United States. The United Brotherhood of Carpenters have endorsed the Harris/Walz ticket. While much of Harris' accomplishments have been made public, you may wonder what is behind all the labor excitement with Governor Walz.

Born in West Point, Nebraska, Walz has been a teacher, a school superintendent, a football coach, an avid outdoorsman and a member of the National Guard for 24 years. He was elected to Congress in Minnesota's 1st Congressional District in 2006 and served six terms before becoming Governor in 2018. He helped on his family's farm in Nebraska, and like so many carpenters, he is viewed as a hard-working man who worked for everything he has achieved. Even while in Congress during the 2013 federal government shutdown, Walz donated his salary to hunger-relief rather than accepting a salary for work that was not completed on time.

Governor Walz had many opportunities to choose the side of carpenter economics. While not all members may agree with his stance on everything, his record on carpenter economics remains unmatched. On the next page are just some of the accomplishments during his tenure as governor.

Minnesota Governor, now Vice-President Nominee, Tim Walz prepares to address union members at the NCSRCC Minnesota Legislative Conference reception.



- 1 **Upper tier contractor liability bill** which holds developers and project owners liable for the contractors they hire.
- 2 **Misclassification bill including personal liability and successor liability** for repeat offenders, a tougher employment test, and stop work order power for the Commissioner of the Department of Labor and Industry.
- 3 Became the **first state to expand the state's prevailing wage** law to Low Income Housing Tax Credits (LIHTC), housing infrastructure bonds, and all other housing subsidies awarded by Minnesota Housing.
- 4 **Increased penalties for labor trafficking.**
- 5 **Increased authority (including criminal wage theft) and funding for the Minnesota Commerce Fraud Bureau** whose investigations have led to the criminal prosecutions of multiple dishonest construction contractors.
- 6 **Landmark bipartisan Wage Theft Prevention Act in 2019** which made wage theft a crime in Minnesota and allocated funding that more than doubled the number of wage theft investigators.
- 7 Helped **negotiate the passing of a record capital investment bonding bill and other bipartisan bonding bills** leading to billions of dollars of state infrastructure investment from light rail to bridges, to roads and building repairs.
- 8 **Sided with labor and carpenter economics in support of Enbridge's Line 3 oil pipeline.** Many carpenters worked on this project. He could have leveraged state resources to end this work entirely.
- 9 Governor Walz has also **repeatedly addressed our delegates and members throughout his tenure** when asked. His administration has been the most accessible in recent history.
- 10 **Increased funding for MnOSHA enforcement.** Under his governorship, the number of MnOSHA investigators in the field has doubled. They have become extremely responsive to carpenter-initiated complaints under his leadership.
- 11 Signed a **law in 2023 allowing the unionized construction industry to negotiate an alternative to Earned Sick and Safe Time** (paid sick leave) mandated by the state. This resulted in a negotiated agreement with partner contractors for a portable Worker Wellness Program that members can draw money from when they are off work due to their illness or family illness, or for other reasons permissible under the law.
- 12 Made Minnesota a state that **prohibits anti-union captive audience meetings.**



Bonding: Time for Politics to Prioritize Construction

In 2023, the Minnesota Legislature passed a \$2.58 billion bonding package of infrastructure projects. This was the biggest capital investment bill passed in Minnesota history. Prior to 2023, Minnesota went nearly three years without a bonding bill. However, in 2024, the legislature seemed to return to the unacceptable pattern of not passing a bonding bill.

The 2023 bonding bill was historic for many reasons. Minnesota had a \$17.5 billion budget surplus; a bonding bill had not been passed the previous two-year budget cycle and maintenance on our infrastructure was left to deteriorate. The 2023 bonding bill was a game changer. It included \$501 million dedicated to water infrastructure packages, \$402 million for transportation and \$317 million in upgrades to our college and university buildings.

Unfortunately, this year’s legislative session delivered organized chaos instead of funding the continued backlog of infrastructure investments. Early in session, Governor Walz proposed a \$982 million capital investment

plan further demonstrating our state’s backlog of needed bonding money for projects and highlighting the priority for bonding. Despite the majority’s priority for bonding this session, the House passed a \$71 million cash-only bonding bill in the final hours that the Senate could not vote on before the midnight deadline. With all of the shouting, screaming and interruptions that ended the legislative session, it is time for Minnesotans to wake up to why bonding is important to us all.

Minnesota has a debt capacity limit which allows room for bonding debt on an annual basis. You probably have heard rumblings about the cost of construction these days. In fact, the construction of the new state office building has been flanked with criticism regarding the cost of the project. All legislators need to be reminded how much the cost of maintenance on the state’s infrastructure grows when they fail to pass a bonding bill for years at a time. Simply put, it is a waste of taxpayer dollars every time a bonding project is delayed for political posturing. Furthermore, it is time to set aside

special project funding in bonding bills and make the state’s infrastructure needs a top priority.

Leaving a bonding bill sit until the end of the legislative session is irresponsible. Our infrastructure has needs, and our elected officials are responsible for that infrastructure. We have seen too many times where the bill is filled with political projects to help gain favor for elected officials. These bills should sit until the end of session and be negotiated with party leaders. Key infrastructure should have early deadlines and be passed as a separate bill with overwhelming support.

The North Central States Regional Council of Carpenters is prioritizing some of these changes to the way Minnesota handles bonding. It is what our members want and need to maintain a good middle-class way of life. It is cost efficient and what Minnesotans expect of our current and future elected leaders. If you have a chance to talk with your elected leaders, remind them how important bonding is to you.

Brooklyn Park and Bloomington Pass Prevailing Wage in Minnesota



May 13, 2024 was not your typical Brooklyn Park City Council meeting as the chamber was packed with union brothers and sisters. Anticipation hung in the air as months of their work came to fruition. Brooklyn Park City Council Member Nichole Klonowski, a Work Boots to Wingtips Graduate, made the motion for a prevailing wage ordinance, a vote ensued and prevailing wage became the standard for capital projects in Brooklyn Park.

“Unions have been an important part of my life,” said Klonowski. They are responsible for my family being able to move out of subsidized housing and into the middle-class when my father became a member of the Pile Drivers Local 1847 in St. Paul, MN. I was raised with the notion that a fair day’s work should result in fair pay, and right now that concept is under attack. The City of Brooklyn Park has seen what labor exploitation can look like and collectively we’ve said, ‘not in our city, not on our dime.’”

The Brooklyn Park ordinance requires workers to be paid prevailing wages on any capital project over \$50,000. This means that prevailing wage becomes the minimum wage when bidding con-

struction projects. Contractors paying substandard wages, and providing the lowest bid as a result, will not be automatically awarded a bid on the backs of low-paid workers. All contractors will now be on an equally competitive playing field when it comes to bidding on projects. The Brooklyn Park ordinance also allows city staff the ability to investigate dishonest contractors and places protections against retaliation for workers who file complaints.

One month after Brooklyn Park’s vote, the City of Bloomington followed suit with a prevailing wage ordinance of their own. The council spent several weeks discussing prevailing wage with other city entities, the port authority, and the community before passing their ordinance. It covers any construction, demolition or repair work utilizing over \$175,000 of city funds. The ordinance passed unanimously after vibrant discussion amongst city council members and the mayor. Bloomington Mayor Tim Busse stated, “With the amount of work underway in Bloomington, a local prevailing wage ordinance makes good sense. I’m proud that Bloomington has acted to protect workers, support good wages and benefits, and promote high quality

work on taxpayer funded projects.” He went on to state, “I’m also happy to provide a level playing field for responsible employers. Employers who do right by their workers shouldn’t lose out on government contracts to dodgy contractors who exploit their workers.”

It should be noted that the Bloomington ordinance took several years of the North Central States Regional Council of Carpenters’ political department working with the council members on the benefits of prevailing wage as a deterrent to construction worker wage theft. A coalition of labor allies also played an integral part in educating the council and community members. Councilmember Dwayne Lowman said, “Given our mission, the choice was clear. We have done a lot of work with ‘Bloomington. Tomorrow. Together.’ to have conversations with our community. Our mission is to cultivate a remarkable, enduring community where people want to be. It is very clear, not just in Bloomington but everywhere, these are the types of policies that create spaces where people want to live.”



Minnesota Leads the Way When It Comes to Prevailing Wage

Going into Minnesota's 2024 Legislative Session, many of the trade unions united to focus on expanding areas where prevailing wage could make a significant impact on the amount of fraud and worker exploitation that is present. One of those approaches was to require prevailing wage on all Low-Income Housing Tax Credits (LIHTC).

Not only is LIHTC the largest source of affordable housing financing in the United States today at nearly \$10 billion per year, but recent research by NorthStar Policy Action showed how rampant worker exploitation can be on these projects. In fact, since 2016, workers on 25 documented projects that received approximately \$31 million in LIHTC funding were being exploited by problem contractors. The concern over this issue was compounded when elected officials earmarked \$1 billion for affordable housing projects in 2023 to help resolve Minnesota's housing crisis caused by a shortage of affordable homes.

Today, LIHTC is the most important resource for creating affordable housing in the United States. Created by the Tax Reform Act of 1986, the LIHTC program provides the Minnesota Housing agency an annual budget to issue tax credits for the acquisition, rehabilitation, or new construction of rental housing targeted to lower-income households.

Minnesota Housing also provides other federal passthrough funding for different capital projects.

During the raucous ending to the Minnesota legislative session, the legislature passed the final omnibus bill inclusive of language that will require all projects receiving LIHTC to pay workers the prevailing wage for that area. This legislation also requires contractors and developers to document payroll for their job sites which deters many contractors paying workers off the books. Requiring workers to be paid the prevailing wage is one of the major ways we can deter worker exploitation that continues to be widespread on construction job sites.

Minnesota may not be the first state to attempt to require prevailing wage on LIHTC, but we are the first to achieve it. Other states, including New York and California, have tried to make this change but have been unsuccessful to date. Not only is Minnesota leading the way on prevailing wage on projects receiving LIHTC, but they also added prevailing wage to Minnesota Housing labor standards for additional loans and grants where they allocate federal money. Minnesota is now leading the way in protecting workers and taxpayers.

Bloomington, MN, Company Receives \$120 million in CHIPS Act Funding

In May, Polar Semiconductor in Bloomington, Minnesota, was awarded \$120 million to support the expansion and modernization of the company's manufacturing facility.

Based upon the \$120 million from the Chips and Science Act, Polar will build a \$525 million expansion at the Bloomington plant with an additional \$75 million in funding coming from the state of Minnesota and \$175 million from private equity investments. This funding will allow Polar to double its production of sensor and power chips within two years and introduce new opportunities at this site.

Polar and its construction partner Mortenson have both committed to a Project Labor Agreement, a pre-hire collective bargaining agreement that establishes the terms and conditions of employment for a specific construction project. It is anticipated that this project will create 160 new jobs including construction. This funding provides a significant work opportunity for our members. Additional requests for federal chips money from other Minnesota companies are still pending.

The CHIPS and Science Act is a federal statute enacted by the 117th United States Congress and signed into law by President Joe Biden on August 9, 2022. The act authorizes over \$50 billion in new funding to boost domestic research and manufacturing of semiconductors. The act includes \$39 billion in subsidies for chip manufacturing, 25 percent investment tax credits for costs of manufacturing equipment, and \$13 billion for semiconductor research



and workforce training. This funding stream will strengthen manufacturing, improve supply chains, invest in research and development, science and technology and our future workforce. Just the passage of this legislation has resulted in nearly \$50 billion in additional investments in American semiconductor manufacturing. Most notable, this increased the total business investment under this administration to nearly \$150 billion.

Polar may best be known for their manufacturing of chips for the au-

tomotive market. They also produce microchips for the consumer market, power chips used in servers and data centers, megawatt power systems and transistors found in microprocessors and memory devices. This company is also a member of the Minnesota CHIPS Coalition Workforce Partnership, a group of 35 employers, education and training providers, including the North Central States Regional Council of Carpenters that are partnering to improve workforce development programs to support immediate and future workforce needs.



Travis Thomsen, Local 930 - St. Augusta, MN, files to run for Cold Spring City Council

NCSRCC Members on the Ballot in 2024

Work Boots to Wingtips is in its fifth year, and North Central States Regional Council of Carpenter (NCSRCC) members are filing for office. The program recruits, educates and provides support to our own members running for office. Those interested should contact Kim Nelson, Deputy Political Director of Minnesota at knelson@ncsrcc.org or (651)341-0490.

The following members have been or will be on the ballot in 2024:

Minnesota

Kyle Bille, Robbinsdale City Council – Local 322
Rob Busch, Columbus City Council – Local 322
Kim Nelson, Plymouth City Council – Local 464
Marvin Taylor, Newport City Council – Local 322
Phillip Schroader, Ottawa Township Board - Local 464
Travis Thomsen, Cold Spring City Council -Local 930
Brian Raines, MN House District 34A – Local 464

Iowa

Dave Jacoby, House District 86, Local 1260

Wisconsin

Shannon Derby, Two Rivers City Council – Local 2089
Christian Allen, Village of Brooklyn Trustee – Local 314

Congratulations to our Wisconsin members elected in Spring of 2024.

Time it Right

Most people understand the expression “timing is everything.” This statement is particularly accurate when members step-up when policymakers resign or board appointments are being selected. The North Central States Regional Council of Carpenters actively works to position our members to take advantage of those moments and place them in key decision-making positions.

Congratulations to the following recent appointees:

- Jonathan “JD” Abraham, Wisconsin Governor’s Council of Workforce Investment
- Burt Johnson, Minnesota Advisory Task Force on Worker Misclassification
- Jon Mahan, South Dakota Workforce Development Council
- Luke Meier, State of MN Food Safety and Defense Task Force
- Kim Nelson, Plymouth City Council Ward 1, MN
- Tim Stender, Forest Lake Planning Commission, MN

School Construction Under Union Leadership

Jeff Peterson, (Local 322 – St. Paul, MN) a Forest Lake Area School Board member since 2016, has indicated that time constraints will keep him from running for another term. He is now facilitating classes at UBC in Las Vegas and has stepped up with other responsibilities for our union. Jeff’s term will end in December.

When asked what he was most proud of during his tenure, Jeff stated, “The construction. There is not a building or facility in the entire district that has not been remodeled. We did project labor agreements on all of it, and I had the opportunity to be the signer of PLAs for the district.

EST Pat Nilsen emphasizes, “Jeff understands how to represent his district while always prioritizing carpenter economics. Our members have directly benefited from Jeff’s work on the school board, and I look forward to seeing the results of his upcoming work with the UBC. I would like to thank Jeff for his eight years of public service and for advocating for area labor standards.” If you see Jeff around, please join us in thanking him for his service to Forest Lake and to the brotherhood.

The Battle for One Electoral Vote in Nebraska’s Congressional District 2



Congressman Don Bacon speaks to apprentices at the Omaha Training Center.



Nebraska State Senator Tony Vargas with members at the 2024 Nebraska Legislative Conference.

Vice President Kamala Harris and former President Donald Trump presidential campaigns are in a fierce battle to win one electoral vote out of Douglas County which includes Omaha, a small portion of Sarpy County and all of Saunders County in Nebraska.

Congressman Don Bacon (R) currently represents District 2 and is endorsed by the United Brotherhood of Carpenters (UBC). Congressman Bacon was the only Davis Bacon Republican in our six-state council to vote for the Infrastructure Investment and Jobs Act. He played a huge role in crafting the legislation and getting it to President Biden’s desk. This election cycle, Congressman Bacon is being challenged, for the second time, by state Senator Tony Vargas. Senator Vargas has been a champion in our fight against cheating contractors who pay workers off-the-books and actively avoid paying workers’ compensation insurance. He also supports Davis Bacon and has worked to pass a bill requiring the Nebraska Department of Labor (NEDOL) to hire additional bilingual inspectors to increase compliance with the Nebraska Employee Classification Act. This bill targets contractors who misclassify craft employees as independent contractors. The bill also allows the NEDOL to use their cash funds to hire additional bilingual inspectors dedicated to inspecting construction sites and meat packing facilities.

In both national these races, the United Brotherhood of Carpenters (UBC) has endorsed Kamala Harris and Minnesota Governor Tim Walz (who is also from Nebraska) and Congressman Don Bacon. Tony Vargas has been a state senator who has fought for construction trades men

and women in Nebraska from his first day in office in 2016. This is what endorsements focused on carpenter economics looks like; good policy that puts members to work and keeps them safe while they are on the job. It is not about party, it is about policy.

This election, we must protect carpenter economics, including prevailing wage (Davis-Bacon), opposing Right-to-Work, ending tax fraud and dishonest contractors, protecting workers compensation, and protecting collective bargaining rights and affordable access to healthcare.

Voting for candidates that support your job security, hard-earned wages and benefits is essential. Vote for your wallet, your family, healthcare and union carpenters.



Congressman Don Bacon poses with NCSRCC staff.

Meeting attendees listen as Ryan Brunner, a senior policy adviser to Governor Kristi Noem, speaks to the Harrisburg City Council on Aug. 20, 2024. (Joshua Haiar/South Dakota Searchlight)



South Dakota Men's Prison Faces Pushback - Not In My Backyard

We have all heard the saying “not in my backyard” or NIMBY. There has been a lot of that recently, especially around development in rural communities in Iowa. Gone are the days where investing in projects around infrastructure, energy and even prisons, were seen as economic opportunity and jobs. That was the trade-off; building up a small local community to have strong economic viability.

Lincoln County South Dakota is where the state Department of Corrections is planning to build a new 1,500-bed men's prison to replace the one in Sioux Falls which dates back to 1881. The Department of Corrections and the state are being confronted with NIMBY push back. According to the online paper, *South Dakota Searchlight*, “South Dakota Lawmakers have already dedicated more than \$569 million to the project across the past two legislative sessions, including \$62 million in preparatory spending. The rest sits in an incarceration construction fund.”

However, last year a lawsuit was filed by landowners to stop the state from building the prison. The case was heard, however, the judge has not yet issued a decision. Landowners believe the state needs the county's approval to build the prison, which is not the case in many other states. At a hearing held on August 20, 2024, the Harrisburg City Council denied the sewer service agreement that would allow the state to connect its proposed men's prison to the city's wastewater treatment facility. “But a state official said the decision wouldn't prevent the state from moving forward,” reported the *South Dakota Searchlight*.

As carpenters, we respect landowners' rights. We value their voices, whether they support or oppose development of infrastructure, renewable energy projects or prisons. However, there is another way to see these issues and challenges.

It could be seen as an opportunity to bring skilled trades training to young people living in South Dakota who may be interested in construction or building emission free energy generation in their local town. Encouraging younger people to live, work and stay in their hometown or state could be an alternative way to view development.

A men's prison would create several local jobs, which leads to creating even more jobs. According to the Economic Policy Institute (EPI), 100 construction jobs creates 88 supplier jobs, which creates 138 indirect jobs for a total of 226 additional jobs created. Whether it is a prison, public infrastructure or private development, it could be the first time in a long time that some of these communities get a second chance to thrive and offer a better future for the younger adults who may want to establish their life right where they are.

Offering our support at public meetings on projects that could have an impact on our current members or our future members is one of the best ways to ensure the possibility of our signatory contractors winning the work. We encourage you to participate in your local development conversations and public meetings so we can continue to build future construction projects in large and small communities alike.

CARPENTER ECONOMICS PREVAILING WAGE VS RIGHT-TO-WORK

The regional council's political support is directed in ways that support **Prevailing Wage**, **Member Work Hours** and **Market Share**.

PREVAILING WAGE

- ✓ **Requires Employers** to pay workers prevailing wage hourly pay plus fringe benefits and pay overtime pay after 8 hours on the job site.
- ✓ **Required prevailing wage pay** is set by the DLI based on wage reports, location and type of work and includes commercial, highway heavy and residential.
- ✓ **Levels the playing field** for law-abiding contractors by deterring wage theft, misclassification, tax fraud and worker exploitation which are common tactics used to lower bids.
- ✓ **Promotes the use** of a TRAINED workforce, boosting safe productivity and reducing jobsite injuries and OSHA violations.
- ✓ **Incentivizes hiring apprentices** in a certified apprenticeship program, by requiring journey-level and apprentice wage scaled.

RIGHT-TO-WORK FOR LESS

Right-to-Work laws make it harder for working people to form unions and collectively bargain for better wages, benefits and working conditions.

3.1% States with **Right-to-Work** see **3.1% lower wages** for workers than in states with Prevailing Wage.

24% In Right-to-Work states, **24% of jobs are in low-wage occupations** compared to 14.5% in other states.

36% **Discrimination charges** through the Equal Employment Opportunity Commission (EEOC) **are 36% higher in Right-to-Work states**.

Right-to-Work encourages free riders to benefit from union services at no cost, which **increases the operating and maintenance costs** of the union.

When **businesses** are given a choice to **operate without unions**, they are more likely to **lower the safety standards** set in place for their employees.



Iowa Privatization Costs Taxpayers



Iowa Government services are being privatized and costing taxpayers more money. Iowa Governor Kim Reynolds has funded private schools to the tune of \$1 billion over the next 10 years, while consistently underfunding the state's public schools. In 2023, she hired Odessey, a New York based company to manage Iowa's private scholarship program with public funds. The private school scholarship fund will cost taxpayers an additional \$345 million a year.

When asked by the press how much the Contract for Odessey was, the Governor's office did not respond. Odessey is one of four private companies that applied to administer the program. The Legislative Services Agency (LSA) estimated that public schools will lose \$2.1 million a year due to the money being diverted to private schools. Much of the private school taxpayer dollars are providing school scholarships for students already enrolled and paying for private school.

Wherever you stand on this issue, the

state should not be paying an out of state for-profit company to administer the scholarship program. State employees can administer the scholarship program with taxpayer dollars for less cost.

Additionally, Governor Reynolds and the Republican Legislature have privatized vetting services for the Federal Supplemental Nutrition Assistance Program (SNAP). Vetting applicants is something state employees were already doing for less cost at \$2.2 million a year. Using a private company is \$7 million a year, including an additional 10 percent contingency fee for savings. This means making money by kicking Iowans off the program.



The work of vetting applicants was being done by state employees and is now being done by a private corporation.

After privatizing Medicaid, and contracting with Iowa Total Care, a subsidiary of Centene, there were several working men and women in Iowa removed from the Medicaid rolls, losing their health insurance coverage despite many of them work in low-paying jobs that do not offer healthcare for employees.

During this year's Legislative Session, the Republicans and Governor Reynolds passed legislation to dismantle the Area Education Agency (AEA) in order to turn the services that the agency

provides over to a private corporation. AEAs was established in 1975 and works with children in public education that have learning challenges from across the state. They provide assistance with speech, reading, dual language and physical capabilities, and also provide training for educators and school districts.

The Governor's original bill prohibited the AEAs from providing consultation and support for math or literacy. However, she did amend the language after seeing the reaction to the bill. Since April 2024, the Agency has lost 320 public educator positions and counting. Iowans are still waiting to see what private company is awarded the contract.

The privatization of Iowa government services shifts Iowa taxpayer dollars to pay private corporations to do the same work and provide the same services for Iowa citizens that state employees were doing at a lower cost. Below is news coverage of this privatization that Iowans are left to pay.

AEAs cutting workers in wake of legislation



AEAs Cutting Workers in Wake of Republican Legislation
Iowa Starting Line



INVESTIGATIONS

EXCLUSIVE: Iowa's new private Medicaid manager has paid millions of dollars in penalties in a dozen states

Jason Clayworth The Des Moines Register
Published 6:30 a.m. CT July 1, 2018 | Updated 12:05 p.m. CT July 3, 2018



Iowa's New Private Medicaid Manager has Paid Millions of Dollars in Penalties in a Dozen States
Des Moines Register



New York company will administer Iowa school scholarship program

BY: ROBIN OPSAHL - FEBRUARY 28, 2023 9:03 PM



New York Company Will Administer Iowa School Scholarship Program
Iowa Capital Dispatch

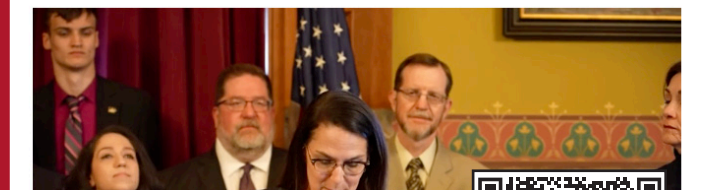


POLITICS

Iowa Governor Kim Reynolds signs law eliminating dozens of state boards and commissions

Stephen Gruber-Miller
Des Moines Register

Published 3:18 p.m. CT May 17, 2024 | Updated 3:18 p.m. CT May 17, 2024



Iowa Governor Kim Reynolds Signs Law Eliminating Dozens of State Boards and Commissions
Des Moines Register



Congressional Scorecard

A cornerstone of Carpenter Economics is that we lobby our issues to Democrats and Republicans. Whether that is roads, bridges, transit, aviation, ports or other transportation work, whether Congress is weighing in on energy, housing, or industrial development, or other sectors of the economy, Carpenters Economics means fighting for jobs for you and your family.

Davis-Bacon

Davis-Bacon prevailing wage votes occur in committee and on the floor of the U.S. House and Senate. We ask every candidate running for office to support our wages and benefits by supporting the Davis-Bacon Act.

Inflation Reduction Act

The Inflation Reduction Act delivers affordable, clean energy that is the most significant legislation to tackle the climate crisis and strengthen American energy security. It will lower energy costs for households and businesses, create manufacturing jobs, and deliver a clean, secure, and healthy future for our children and grandchildren.

ACCESS Act (H.R. 7887)

On a motion to suspend the rules and pass H.R.7887 as amended, the motion failed on a 178-234 vote. Only 35 Republicans voted against the amendment. This bill would prohibit federal agencies from requiring minimum experience or educational requirements for proposed contractor personnel except in specified circumstances. This is a direct attack on our apprenticeship program. We all know that the best way to meet agency requirements is through the current process which considers the needs and benefits of apprenticeship programs.

Infrastructure

The infrastructure bill was put together by a bipartisan panel of House and Senate members. These dollars will build out our highways, bridges, transit, airports, ports, and clean water projects and create jobs for members.

CHIPS and Science ACT

The Creating Helpful Incentives to Produce Semiconductors and Science Act provides nearly \$280 billion in new funding to boost research and manufacturing of semiconductors in the United States. This spending is designed to create middle-class jobs, spur manufacturing and accelerate industry.

Rep. Bryan Steil	WI	✓	✗	✗	✗	✓
Rep. Mark Pocan	WI	✓	✓	✓	✓	✓
Rep. Derrick Van Orden	WI	✓				✗
Rep. Gwen Moore	WI	✓	✓	✓	✓	✓
Rep. Scott Fitzgerald	WI	✗	✗	✗	✗	✗
Rep. Glenn Grothman	WI	✗	✗	✗	✗	✗
Rep. Thomas Tiffany	WI	✗	✗	✗	✗	✗

Rep. Brad Finstad	MN	✓				✓
Rep. Angie Craig	MN	✓	✓	✓	✓	✓
Rep. Dean Phillips	MN	✓	✓	✓	✓	✓
Rep. Betty McCollum	MN	✓	✓	✓	✓	✓
Rep. Ilhan Omar	MN	✓	✗	✓	✓	✓
Rep. Tom Emmer	MN	✓	✗	✗	✗	✗
Rep. Michelle Fischbach	MN	✗	✗	✗	✗	✓

Rep. Pete Stauber	MN	✓	✗	✗	✗	✓
Rep. Ashley Hinson	IA	✗	✗	✗	✗	✗
Rep. Mariannette Miller-Meeks	IA	✗	✗	✗	✗	✗
Rep. Zach Nunn	IA	✓				✗
Rep. Randy Feenstra	IA	✓	✗	✗	✗	✗
Rep. Mike Flood	NE	✗			✗	✗
Rep. Don Bacon	NE	✓	✓	✗	✗	✗
Rep. Adrian Smith	NE	✗	✗	✗	✗	✗
Rep. Dusty Johnson	SD	✗	✗	✗	✗	✗
Rep. Kelly Armstrong	ND	✗	✗	✗	✗	✓

Sen. Tammy Baldwin	WI	✓	✓	✓	✓	
Sen. Ron Johnson	WI	✗	✗	✗	✗	
Sen. Amy Klobuchar	MN	✓	✓	✓	✓	
Sen. Tina Smith	MN	✓	✓	✓	✓	
Sen. Chuck Grassley	IA	✗	✓	✗	✗	
Sen. Joni Ernst	IA	✗	✗	✗	✗	
Sen. Deb Fischer	NE	✓	✓	✗	✗	
Sen. Pete Ricketts	NE					
Sen. John Thune	SD	✗	✗	✗	✗	
Rep. Mike Rounds	SD	✗	✗	✗	✗	
Sen. Mike Rounds	ND	✗	✓	✗	✗	
Sen. John Hoeven	ND	✗	✓	✗	✗	
Sen. Kevin Cramer	ND	✗	✓	✗	✗	

Carpenters in Public Service

County and school boards, city councils and other public offices regularly make decisions that directly impact our members. Whether it is deciding which contractors will be hired or determining city budgets and priorities, it is important for carpenters to participate in local politics to ensure union values and voices are heard. Listed below is a current list of members serving their communities in a public position.

 **Christian Allen, Local 314 - Madison, WI**
Village of Brooklyn Trustee

 **Ryan Austin, Local 310 - Rothschild, WI**
Wisconsin Rapids Common Council

 **Matt Bieser, Local 231 - Pewaukee, WI**
Delavan City Council Member

 **Mark Bruner, Local 314 - Madison, WI**
Brooklyn Village President

 **Rob Busch, Local 322 - Saint Paul, MN**
Columbus City Council Member

 **Dennis Cashman, Local 1146 - Green Bay, WI**
Town of Rockland Chair

 **Dennis Clegg, Local 1056 - Kaukauna, WI**
Outagamie County Supervisor

 **Ernie Colt, Local 948 - Sioux City, IA**
Sioux City United Way Board

 **James Cox, Local 427 - Papillion, NE**
Mayor of Modale, IA

 **Shannon Derby, Local 2089 - Madison, WI**
Two Rivers City Council Member

 **Gene Dornink, Local 1382 - Rochester, MN**
Minnesota State Senate, District 27
(former member)

 **Derek Duehr, Local 678 - Dubuque, IA**
Stonehill Benevolent Foundation Board
Greater Dubuque Development Corp
NICC Carpentry Advisory Board

 **Bob Doubek, Local 308 - Cedar Rapids, IA**
Linn County, IA Planning Zoning Commission

 **Pat Gill, Local 948 - Sioux City, IA**
Woodbury County Auditor

 **Richard Glomski, Local 731 - Sheboygan, WI**
Town of Schleswig Chairman

 **Jesse Gregerson, Local 427 - Papillion, NE**
Downtown Omaha INC Board Member
Sarpy County, NE - Grow Sarpy Board

 **Kevin Hennessey, Local 1143 - La Crosse, WI**
West Salem Village Board

 **Mike Higgins, Local 314 - Madison, WI**
Watertown Unified School Board

 **Sam Heimlich, Local 322 - Saint Paul, MN**
Governor's Workforce Development Board

 **Gary Huc, Local 1146 - Green Bay, WI**
Crivitz School Board

 **Burt Johnson, Local 322 - Saint Paul, MN**
Workers Compensation Advisory Council
MN AG's Taskforce on Misclassification

 **Dave Jacoby, Local 1260 - Iowa City, IA**
Legislator, House District 74 Johnson County

 **Jayson Karas, Local 930 - Saint Augusta, MN**
Milaca Township Board

 **Tom Klika, Local 1146 - Green Bay, WI**
Town of Glenmore Supervisor

 **William Krueger, Local 1146 - Green Bay, WI**
Town of New Denmark Chair

 **Rick Lautenschlager, Local 1056 - Kaukauna, WI**
Outagamie County Supervisor

 **Scott Luostari, Local 361 - Hermantown, MN**
Douglas County Supervisor

 **Jon Mahan, Local 587 - Sioux Falls, SD**
South Dakota Workforce Development Council

 **Luke Meier, Local 548 - Saint Paul, MN**
State of Minnesota Food Safety and
Defense Task Force

 **Diego Morales, Local 68 - Saint Paul, MN**
Metropolitan Council

 **Kim Nelson, Local 464 - Mankato, MN**
Plymouth City Council Ward 1

 **Michael Nelson, Local 322 - Saint Paul, MN**
Minnesota State House, House district 40A

 **Royce Peterson, Local 1260 - Iowa City, IA**
Hawkeye on Safety Committee Member
Hawkeye Area Labor Council Trustee
Coralville Citizens Police Review Board

 **Steve Nienhaus, Local 1260 - Iowa City, IA**
Muscatine Planning Zoning Commission

 **Jeff Peterson, Local 322 - Saint Paul, MN**
Forest Lake Area Schools Board President

 **Rhea Pierce, Local 2060 - Altoona, IA**
Northeast Workforce Development Board

 **Ruben Piepenburg, Local 1056 - Kaukauna, WI**
Brillion Common Council

 **Bob Scott, Local 948 - Sioux City, IA**
Sioux City Mayor

 **Matt Scott, Local 427 - Papillion, NE**
Sarpy County Economic Development
Committee
Greater Lincoln Workforce Development
Committee

 **Carson Starkey, Local 2055 - Saint Paul, MN**
Labor Standards Advisory Commission
Human Rights Equal Economic Opportunity
Commission

 **Tim Stender, Local 68 - Saint Paul, MN**
Forest Lake Planning Commission

 **Marvis Taylor, Local 322 - Saint Paul, MN**
Newport City Council

 **Tom Warosh, Local 731 - Sheboygan, WI**
Cleveland Village Trustee

 **John Wiener, Local 310 - Rothschild, WI**
Ashland County Supervisor

 **Justin Weninger, Local 231 - Pewaukee, WI**
Kewaskum Village Board

 **Zachariah Zebell, Local 1143 - La Crosse, WI**
Monroe County Board