



# CONSTRUCTION BUSINESS GROUP

*Building Wisconsin Together*



*Skilled Construction Trades and Respected Contractors  
Building Wisconsin Together®*

Welcome to the first issue of Construction Business Group's Industry Updates. This monthly e-newsletter will help us communicate the important initiatives that we have underway and relevant updates on issues that impact Wisconsin's construction industry.

## Message from Executive Director Robb Kahl



Great things are happening at Construction Business Group in 2016 and we are excited to launch this monthly email to keep you current on our efforts and key issues impacting Wisconsin's construction industry.

# Building Wisconsin Together®

After the dust settled from the political challenges we faced in 2015, CBG embarked on a workforce development and public image campaign under the name Building Wisconsin Together®. There are numerous efforts currently underway that we will share through this newsletter.

[www.buildingwisconsinstogether.com](http://www.buildingwisconsinstogether.com)



## Meeting the Demand for Future Workforce: Operating Engineer Pre-Apprenticeship Program

Wisconsin must focus on increasing education and job opportunities for the next generation. Concerned with the growing demand for construction trade professionals and the lack of Career & Technical Education (CTE) in high schools, the Wisconsin Operating Engineers committed to make a difference in Wisconsin as a partner in Destinations Career Academy of Wisconsin (DCA), a tuition-free online public charter high school that is focused on CTE. [Read More about the Operating Engineer's Pre-Apprenticeship Program for High School Students](#)

## Terry McGowan to be Named Innovator of the Year

Terry McGowan, Wisconsin Operating Engineers President/Business Manager, will be honored as the Innovator of the Year for his demonstrated leadership in education and

workforce development. The award will be presented by the Daily Reporter on October 19th in Milwaukee as part of the Annual Newsmakers of the Year Award program, recognizing outstanding individuals in Wisconsin's building industry.

[Read more](#)

## Industry News and Updates

### From the News Stand

#### Highways Take a Hit in WisDOT Budget Request

The Wisconsin Department of Transportation (WisDOT) introduced a budget request for the upcoming biennium that significantly reduces funding for the state highway improvement program in favor of increased aid for local roads. The request, which seeks no increased taxes or fees to address infrastructure needs identified by multiple study committees, was not a surprise since Gov. Walker ordered WisDOT on June 27 to craft this proposal.

**SE WI Freeway Mega-projects:** Funding is cut 71% from \$414.6 million in the current budget to \$122 million in WisDOT's proposal. Of the requested funding, \$91 million would be used to finish the Zoo Interchange core project and \$31 million for engineering/real estate on the I-94 East-West project, which the request seeks to enumerate in the budget. The north leg of the Zoo project would be delayed until 2022 and no funding is provided for the I-94 North South project, which WisDOT reports has \$569.9 million in work remaining.

**State Highway Rehabilitation (SHR):** Receives a \$5.2 million (0.3%) increase over the biennium from \$1.702 billion to \$1.707 billion, however, \$309 million in Transportation Revenue Bonds (TRB) would be issued for Rehabilitation projects. This program funds highway and bridge resurfacing, reconditioning and reconstruction efforts in all 72 counties of the state, and the Governor's Transportation Finance & Policy Commission recommended an annual funding level of \$1.003 billion to maintain current conditions over the next 10 years.

**Major Highway Program:** Funding reduced 18% from \$685.9 million in the current budget to \$562.8 million. WisDOT said it would place a priority on completing 2 Major projects currently underway -- the USH 10/STH 441 project in the Fox Valley (2020 completion) and I-39/90 Madison to Beloit (2021). Facing delays would be the STH 15 project from STH 76 to New London (1 year), USH 18/151 Verona Road (2 years) and STH 23 Plymouth to Fond du Lac (3 years). WisDOT reports that the cost to complete all current Major projects is \$2.158 billion so a funding reduction of this magnitude, if continued in future budgets, would seriously impact the state's ability to enumerate new Majors in order to address safety and congestion problems. WisDOT's proposed Majors funding of \$281 million annually is nearly \$200 million short of the commission's recommended level to maintain congestion at existing levels for the next decade.

#### Assembly Hearings Planned on WisDOT Budget

Republican leaders in the state Assembly announced that the Transportation Committee will hold informational hearings on the Wisconsin Department of Transportation's (WisDOT) budget request for the 2017-19 biennium.

Their letter to Gov. Walker about the hearings doesn't provide dates, but they are expected to occur after the Nov. 8 election. The intent is to gain more insight into the impacts of the budget proposal which would significantly cut the highway program to increase road aids to local government.

GOP leaders hope to use the findings of the ongoing highway program audit, Transportation Fund solvency study and input gained from the hearings to develop their own proposal next year as part of the state budget process.

"It's time to stop kicking the can down the road," they said about the transportation funding crisis.

## Upcoming Events

### Turnout for Transportation - September 29th

In this unprecedented event, county, city, town and village officials from all 72 counties in Wisconsin will gather to have their voices heard in a simultaneous meeting to bring attention to transportation.

The meeting will focus on critical projects in your region and the need for the state to find a sustainable solution.

- **Turn out to be counted.**
- **Projects across the state are at risk of being eliminated! Share how transportation is important to your business and community.**
- **Network with your neighbors from nearby cities, towns and villages.**

Join the dialogue.

Thursday, September 29, 2016 at 7:00 PM

71 locations (including one joint meeting)

[Find your local meeting](#)

Additional resources are available at [turnoutfortransportation.com](http://turnoutfortransportation.com).

## Labor Updates

### Operating Engineers' Lawsuit Proceeds to Appellate Court

**Madison** - A federal judge on Monday threw out a lawsuit challenging a 2015 law that banned labor contracts requiring workers to pay union fees.

The [ruling](#) by U.S. District Judge J.P. Stadtmueller is the latest setback for unions, which have challenged the state's "right-to-work" law in state and federal courts.

Two locals of the International Union of Operating Engineers argued the law violated the National Labor Relations Act and unconstitutionally took something of value from the unions without compensation.

Stadtmueller disagreed, citing a 7th U.S. Circuit Court of Appeals' decision that upheld Indiana's "right-to-work" law.

Terry McGowan, president of one of the union locals, [said](#) the unions would appeal, putting the issue back before the 7th Circuit.

Separately, a Dane County judge [struck down](#) the law as unconstitutional in April, but the state appeals court [put that ruling on hold](#) in May as it considers the case. The state appeals court is expected to issue a final decision in that case in the coming months.

## Legislative Alerts

### Public Comment Period Open on UI Reform

Wisconsin's Unemployment Insurance Advisory Council (UIAC) is now taking public comments on suggested reforms to Wisconsin's Unemployment Insurance (UI) program.

By law, the UIAC is required to: advise the Department of Workforce Development in its administration of the state's UI law; report its views on pending legislation affecting the UI program to legislative committees; and submit its recommended changes to Wisconsin's UI law to the Wisconsin State Legislature every two years.

We encourage members to share their concerns, ideas and suggestions for UI reform with the UIAC. In particular, we urge seasonal employers to comment on the impact that the new work search waiver requirements are having on their business. The public comment period ends on November 18.

Comments may be submitted by email to [UILawChange@dwd.wisconsin.gov](mailto:UILawChange@dwd.wisconsin.gov) or via the U.S. Postal Service to:

Unemployment Insurance Advisory Council  
Attn: Janell Knutson, Chair  
P.O Box 8942  
Madison, WI 53708

The UIAC will also take public comments at a statewide public hearing on November 17, 2016 from 3:00 p.m. to 6:00 p.m. The hearing will be administered in Madison and broadcast live through web video at the following locations throughout the state.

Eau Claire: UW-Eau Claire, Old Library  
105 Garfield Avenue, Room 2110

Green Bay: UW-Green Bay, Instructional Services Building  
2420 Nicolet Drive, Room 1034

La Crosse: Western Technical College, Health Science Center  
1300 Badger Street, Room 2002

Madison: UW-Extension, Pyle Center  
702 Langdon Street, Room 227

Milwaukee: UW-Milwaukee, Lubar Hall  
3202 North Maryland Avenue, Room S250

Superior: WITC-Superior Campus, Conference Center B  
600 North 21st Street, Room C-108

Wausau: Northcentral Technical College, Center for Business and Industry  
1000 West Campus Drive, Room 127

Place article copy here. Be sure to make the articles short and concise as people tend not to read much more than a couple of paragraphs. Place article copy here.

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