



NEW YORK STATE ASSOCIATION OF ELECTRICAL CONTRACTORS, INC.

WICK'S WORKS!

The New York State Association of Electrical Contractors represents nearly 700 electrical contracting firms, who employ over 20,000 skilled electricians statewide.

For nearly 100 years, the WICK'S LAW has served the taxpayer, public owner, and working families of the small businesses that perform the mechanical trades on publicly financed construction in New York.

The basic premise of the WICK'S LAW is to ensure a fair, open and transparent bidding process for the electrical, plumbing, HVAC, and general contracting components of public construction. This is achieved by creating separate specifications for the mechanical trades, then awarding the contracts to the lowest responsible bidder at a public bid opening.

A repeal of WICKS, effectively replacing the current multiple contract system with a single prime contract, will have the following implications:

- The general contractor will now be the only beneficiary of a public bid opening. The sub-contractors, however, will be subjected to "bid shopping" that takes place outside the public eye. Any savings that are "squeezed" from the sub-contractors in this manner will accrue to the GC not the taxpayer.
- Bonding capacity will limit competition to the largest GC's. Currently, bonding is split among the multiple contracts. Limited competition is not in the taxpayer's interest.
- In the absence of a fair and open bidding process, reputable and financially stable sub-contractors may restrict or remove themselves from the public construction market.
- Under WICK'S, payments from the public owner directly to the sub-contractor reduce disputes and financial risks to completion of the project.
- GC mark-up on change orders will increase cost to public owner.

Separate comprehensive studies undertaken in 1995 by Dr. Brian E. Becker, University at Buffalo, and in 2007 by Dr. Eddy M. Rojas, University of Washington both concluded multiple prime bidding results in lower bid costs than single prime. *

In 2008, the Legislature addressed the administrative burden on relatively small projects by substantially increasing the WICK'S threshold amounts from \$50,000 to \$3 million in NYC, \$1.5 million in Westchester/ Long Island, and \$500,000 upstate.

We request your support to turn back any efforts to repeal or erode the protections presently afforded under the WICK'S LAW. **WICK'S WORKS**, and has consistently provided the taxpayer with quality construction, delivered on time and on budget by responsible NYS sub-contracting firms.

* Electronic copies available upon request

16 Wade Road
Latham, NY 12110
518.785.3676
800.724.1904
518.785.0912 FAX
www.nysaec.org