



800 Westchester Avenue  
Suite S-310  
Rye Brook, NY 10573  
p: 914.948.2110  
f: 914.948.0122

**Testimony Provided to the New York State Legislature, on Economic Development  
Delivered & submitted by John Ravitz, Executive Vice President/COO, Business Council of  
Westchester**

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Senator Kruger, Assemblywoman Weinstein and members of the State Legislature, thank you for the opportunity to participate in today's hearing.

My name is John Ravitz and I am the Executive Vice President/COO of The Business Council of Westchester (BCW), the county's only business membership organization focusing on economic development and advocacy issues. The BCW has 1,000 members, including multinational corporations, hospitals, universities, biotech pioneers, not-for profits, professional service firms and businesses of all sizes.

Each year the BCW presents a Legislative Agenda. Our goal is to ensure that elected officials who represent all levels of government hear from the Westchester business community on issues that will have an impact on their respective sectors. For the last two years, one of the BCW's top legislative priorities has been to oppose the implementation of prevailing wage. During last year's session we sent memos of opposition to the Governor and the Legislature regarding the Bronson/Ramos Bill (A.1261/S.1947).

With the emergence of the prevailing wage bill last year, Westchester's most prominent developers joined with the BCW to form *The Westchester Coalition to Save Smart Development* to strongly oppose legislation to require the payment of prevailing wages on private construction projects receiving any form of state funding support. Requiring prevailing wages to non-public work activities, has impacts that reach far well beyond economic development and construction projects. Affordable housing, brownfield remediation, healthcare, higher education and non-for-profit investments and a host of other important areas of development and construction, could fall under the "public work" umbrella simply because they received any type of state assistance or even a tax credit.

Westchester's urban centers are at the beginning of a major renaissance. New residential projects are transforming Yonkers, New Rochelle, Mount Vernon, White Plains and Peekskill bringing new residents, new jobs and new opportunities. Imposition of prevailing wage legislation would radically increase the cost of private construction projects and poses a very real threat of bringing this phenomenal new project work to a crashing halt.

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The prevailing wage is not “minimum wage.” Rather, it is the term used for wage rates applied to government “public work” projects such as highway, bridge and tunnel construction. Applying this to private construction projects would add a minimum of 30% to overall project costs. For example, a laborer would be paid \$100 per hour and employee benefits would be covered 100% by the developer.

We cannot afford to make New York any less competitive. The prevailing wage legislation that the BCW has opposed in the past would be catastrophic to job creation and economic development in Westchester County. It would amount to another unfunded mandate that would drive up project costs, in turn making New York even more costly and less competitive, and would drive businesses to other states. We also must be concerned that one of the unintended consequences that might occur by passing prevailing wage legislation is that MWBEs who have worked hard to establish their businesses would be now shut out of the processes.

The developers who are members of the BCW’s coalition all have established good working relationships with the county’s local union representatives. There has never been a situation where they have prevented local unions for participating in bidding for projects that they are working on. We have reached out to the unions and union contractors are invited to bid on all jobs. In most if not all major projects, there are both union and non-union workers. That strong line of communication will continue. We stand ready and willing to meet and work cooperatively with the construction unions.

Westchester County and other regions of New York State need to continue to promote economic development projects which create new jobs, new revenues as well as help the already existing business community in those areas. Passing a prevailing wage law will send a negative message. On behalf of the BCW and our Smart Growth Coalition, I strongly urge you to reject this proposed legislation that will hurt our cities and kill union and non-union jobs alike.