
NEW YORK
STATE
SENATE
ALBANY, NEW YORK 12247



Governor David Paterson
State Capitol
Executive Chamber
Albany, NY 12224

March 18, 2009

Dear Governor Paterson,

We are writing to express our disappointment with your failure to insist that AMD use a project labor agreement to build the computer chip plant at Luther Forest in Saratoga County. As you know, AMD received \$1.2 billion in state incentives including a cash grant of more than \$600 million, along with \$27.8 million in tax incentives from the Saratoga Industrial Development Agency to build the chip plant. Throughout the process of awarding this money, representations were made on several occasions by various state elected officials to members of the Greater Capital Region Building Trades that a project labor agreement would be used once construction on the project was ready to start. The fact that there was no written documentation of these promises, in our opinion, is an excuse now being used to justify the failure to require a PLA for the project.

The substantial amount of taxpayer money that has been awarded to AMD by the state was provided with the expectation that the project would create local construction jobs. The continuing rise in the state's unemployment rate is hurting construction workers throughout New York. The state has lost 20,400 construction jobs in the last year. There is an abundance of skilled trade workers in the greater capital region and elsewhere in the state who are ready, eager and in need of work. A project labor agreement would ensure that all of the construction opportunities from the project will be offered to local workers and pay prevailing wage rates. The lack of a PLA, however, will allow these jobs, which are funded by New York taxpayers, to go to out of state workers and pay wages below the prevailing rate. Employing local workers also helps to address the economic crisis our state is facing. Every dollar earned returns approximately one and a half times that amount to the economy through purchases from local businesses, which helps to keep them afloat and generates additional tax revenues.

Equally as important, a project labor agreement would create labor harmony to ensure that this enormous undertaking proceeds smoothly. The frustration and bad faith experienced by the local building trades on this project has left them, understandably, with a sense of injustice. Our state is fortunate to have thousands of building trade workers who are able to provide a skilled workforce to companies seeking to build in New York. It is important that projects built with state funds continue to support our skilled trades who can produce high quality long-lasting projects for companies and their employees.

As elected representatives of the people of New York, we have a fiduciary duty to maximize the return on investment of public funds for economic development. It is disturbing to us that a company receiving more than a billion dollars in state tax incentives, including a substantial cash grant, is treating this public money as its own without regard for the concerns of legislators, our skilled workforce and other members of the public who live in New York.

Governor, we urge you to do the right thing and insist that a project labor agreement be used for the construction of the chip plant at Luther Forest.

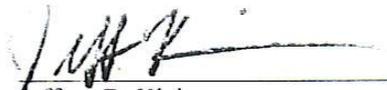
Sincerely,



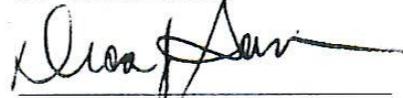
Neil D. Breslin
46th Senate District



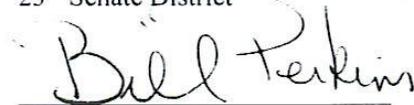
George Onorato
Chair, Senate Labor Committee
12th Senate District



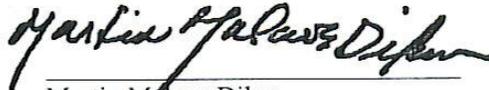
Jeffrey D. Klein
34th Senate District



Diane J. Savino
23rd Senate District



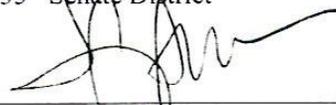
Bill Perkins
30th Senate District



Martin Malave Dilan
17th Senate District



Andrea Stewart-Cousins
35th Senate District



Joseph P. Addabbo, Jr.
15th Senate District