



FOR IMMEDIATE RELEASE
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42% Increase in Taxpayer Funded Work Awarded to Out-of-State Contractors

(MADISON, Wis.) – Wisconsin Independent Businesses (WIB) is today releasing startling data on municipal public works projects. The data shows a disturbing trend of increased taxpayer funded work being awarded to out-of-state contractors. In 2015, out-of-state contractors were awarded only \$72,600,000 in municipal work. That number grew to \$146,000,000 in 2018. While the total value of municipal public works projects was up from 2015 to 2018, there was a **42% increase** in the share of these municipal public works projects being awarded to out-of-state contractors.

“WIB members, Wisconsin-based contractors, and the local workforces they employ, who are key to the success of our State’s economic strength, are deeply troubled by this trend,” said John Gard, President of WIB. “Not only has there been a sharp uptick in contractors from neighboring states taking Wisconsin work, but contractors from states as far away as Louisiana, Georgia, Texas, North Carolina and Kentucky are working on our local projects. We know that many of these out-of-state contractors are bringing their own workforce with them, rather than employing local hardworking Wisconsinites. Wisconsin contractors and construction workers are being hurt.”

When projects are awarded to out-of-state contractors, the positive local economic impact of the taxpayer-funded project is lost. This is because the out-of-state company and their transient workforce take the Wisconsin dollars paid for the project and spend the money in their home states, not Wisconsin.

Studies show that for every dollar of construction value that is completed by an out-of-state contractor, \$2.26 in economic value is lost in Wisconsin. In 2018, Wisconsin lost over \$329,000,000 in economic activity by having out-of-state contractors perform these local taxpayer-funded projects.

“Wisconsin taxpayer-funded projects should benefit Wisconsin, not Kentucky or Louisiana. We need stronger measures in place to keep Wisconsin projects with Wisconsin employers,” said Gard.

See the attached charts showing all municipal work in 2015 and 2018 and only out-of-state contractor awards for municipal work in 2015 and 2018. The data sources used to compile the projects include Daily Reporter Job Trac, Quest CDN, Lead Manager, Builders Exchange, DemandStar and municipal websites.

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Wisconsin Independent Businesses (WIB) – Formed in 1977, WIB is Wisconsin’s largest small business advocacy organization by providing small, independent businesses with an effective voice in state government. Visit www.wibiz.org for more information.