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The Impact of Responsible Bidder Ordinances on Union Contractors in Illinois and Indiana

*Evidence from a Natural Experiment of
New Ordinances and a Local Case Study*



Andrew Wilson, MHRLR

Policy Analyst

Illinois Economic Policy Institute
Midwest Economic Policy Institute

Frank Manzo IV, MPP

Executive Director

Illinois Economic Policy Institute
Midwest Economic Policy Institute

Executive Summary

A responsible bidder ordinance (RBO) is a local construction market policy that ensures public expenditures reflect area standards of quality and craftsmanship. By ensuring that contractors meet objective criteria and verifiable standards, RBOs guarantee that public construction projects are not awarded to unscrupulous contractors who cut corners or have poor track records. As a result, RBOs provide a qualifications-based approach that works within the low-bid system to ensure quality by using professional, competent contractors who complete projects safely, on time, and on budget.

Research shows that RBOs stabilize public construction costs and deliver value for taxpayers.

- A study of more than 300 school construction projects in Ohio found that RBOs have “no discernible statistical impact on construction bid costs.”
- A study of more than 1,300 bids on public projects in two Kansas counties found that school construction costs were \$67 cheaper per square foot when local RBOs were in effect.
- A study of more than 1,200 public projects in Illinois and Indiana found that projects covered by RBOs are no more costly than those that are not covered by RBOs.

Across Illinois and Indiana, RBOs tend to have common characteristics. Nearly all RBOs require:

- Evidence of participation in approved registered apprenticeship training programs (92 percent).
- Proof of certificates of insurance, such as workers’ comp and liability insurance (90 percent).
- Accountability and transparency through certified payroll records (95 percent) and by allowing bid submissions to be obtained through Freedom of Information Act (FOIA) requests (96 percent).

Since 2019, 11 local government jurisdictions in Illinois and Indiana enacted RBOs *and* awarded projects both before and after passage.

- 5 jurisdictions passed new RBOs in Illinois: DuPage County, the DuPage County Forest Preserve District, the City of Moline, the City of Waukegan, and the Village of Forest Park.
- 6 jurisdictions passed new RBOs in Indiana: the City of LaPorte, the City of Rensselaer, the Town of Kouts, the Kankakee Valley School Corporation, the Knox Community School Corporation, and the South Bend Community School Corporation.
- An analysis of 145 public projects finds that the market share of union contractors increased by 9.3 percent, or \$5.2 million, in just these 11 jurisdictions alone due to the passage of new RBOs.

Additionally, municipal projects awarded in the four Quad Cities from January 2018 through June 2021 provide a local case study on the impacts of RBOs within an integrated economic region.

- The Quad Cities include Rock Island and Moline in Illinois and Davenport and Bettendorf in Iowa.
- An analysis of 248 city-owned projects finds that the market share of union contractors is 13.1 percent higher on projects covered by RBOs in the Quad Cities area.
- The case study reveals that the effect of RBOs may be larger when paired with other high-road construction policies, such as a state prevailing wage law.

The data conclusively shows that union contractors are more likely than nonunion contractors to be responsible businesses that are good stewards of taxpayer dollars. That’s why responsible bidder ordinances increase the market share of union contractors by between 9 percent and 13 percent. Responsible bidder ordinances deliver accountability and transparency for taxpayers, promote apprenticeship programs that produce skilled craftworkers for local businesses, and increase work for contractors who pay family-supporting wages and benefits.

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About the Authors

Andrew Wilson, M.H.R.L.R. is a Policy Analyst at the Illinois Economic Policy Institute. He earned a Master’s in Sociology from George Mason University and a Master’s in Human Resources and Labor Relations at Michigan State University. He can be contacted via email at awilson@illinoisepi.org.

Frank Manzo IV, M.P.P. is the Executive Director at the Illinois Economic Policy Institute. He earned a Master of Public Policy from the University of Chicago Harris School of Public Policy and a Bachelor of Arts in Economics and Political Science from the University of Illinois at Urbana-Champaign. He can be contacted at fmanzo@illinoisepi.org.

Introduction

Responsible bidder ordinances (RBOs) are policy tools that establish objective criteria and verifiable standards for contractors bidding on public construction projects. They are designed to promote local standards of quality and craftsmanship. A responsible bidder ordinance acknowledges value as well as costs when it comes to projects. An RBO protects taxpayers by setting minimum standards, guaranteeing that public projects are not awarded to contractors who cut corners or have poor track records.

Responsible bidder ordinances, sometimes referred to as responsible contractor policies, provide a qualifications-based approach that works within the low-bid system to ensure quality by using professional, competent contractors who complete projects safely, on time, and on budget. RBOs may become particularly important as states and local government invest in public infrastructure with federal dollars from the Infrastructure Investment and Jobs Act of 2021 ([Biden White House, 2021](#)).

RBOs have become increasingly common across the United States. Many communities in states that have repealed prevailing wage laws—or do not have prevailing wage laws—have adopted RBOs to maintain local construction standards and minimize the negative consequences associated with a lack of standards on taxpayer-funded construction projects. For example, there are now more than 50 local RBOs in Indiana ([Ill FFC, 2021](#)). The southern cities of New Orleans, LA and St. Peterburg, FL have also passed RBOs since 2020 ([Stein, 2021](#); [Municode, 2021](#)). RBOs have been passed in counties, townships, cities, towns, and special districts.

Even in states with prevailing wage laws and other high-road construction standards, there are legal reasons to enact RBOs at the local-level. To be considered a “responsible bidder” in Illinois, for example, the Illinois Procurement Code requires bidders to submit satisfactory evidence of compliance with the Illinois Prevailing Wage Act and equal employment opportunity requirements, valid business registrations and certificates of insurance, and participation in apprenticeship training programs approved by and registered with the U.S. Department of Labor. However, the Illinois Procurement Code *only* applies to state government contracts. The Illinois Municipal Code and the Illinois Counties Code, which apply to local government contracts, do not have these provisions. RBOs have thus become a way to address this lack of standards on public projects funded by local units of government.

This Illinois Economic Policy Institute (ILEPI) report evaluates the effect of 11 new responsible bidder ordinances that have been passed in Illinois and Indiana since 2019 on union contractors. It also explores a case study of the impact of RBOs in the Quad Cities area along the border between Illinois and Iowa. The report concludes by recapping key findings.

Economic Research on Responsible Bidder Ordinances

The most authoritative research on RBOs comes from school districts in Ohio. A peer-reviewed, academic study investigated the bid costs of over 300 elementary schools from 1997 to 2008 and found that responsible contracting policies have “no discernible statistical impact on construction bid costs” after controlling for geographic location. There was no evidence that RBO provisions raise construction costs. The study concluded that adopting RBOs “may be an effective way to improve employment conditions

and living standards of construction workers without significantly raising costs for taxpayers” ([Waddoups & May, 2014](#)).

In April 2013, Kansas Governor Sam Brownback signed a bill into law that prohibited cities and counties from requiring contractors to pay locally prevailing wages “or offer an employee benefit other than those required by state or federal law,” which included apprenticeship training contributions ([HB 2069, 2013](#)). This state pre-emption law invalidated local construction policies in Sedgwick County and Wyandotte County. A 2016 report investigated more than 1,300 bids on school construction and non-residential projects in those counties between 2005 and 2016. While the author concluded that there was no statistical difference in the total cost of non-residential construction projects due to the repeal of the local construction policies, the data did reveal that school construction costs were \$67 cheaper per square foot during the years when the policies were in place ([Kelsay, 2016](#)).

The most recent research on RBOs reviewed more than 1,200 public projects in Illinois and Indiana ([Manzo, 2020](#)). The analysis found that RBOs encourage 8 percent more bid competition on taxpayer-funded projects and increase the market share of union contractors by between 9 percent and 12 percent—suggesting that nonunion contractors are less likely to contribute to apprenticeship training programs and less likely to comply with state, local, and federal laws. RBOs are also associated with more work for contractors who pay family-supporting wages, which helps attract and retain qualified workers. Because RBOs promote apprenticeship programs and produce skilled tradespeople, they have no statistical impact on total construction costs. Notably, when focusing on the nonunion segment of the construction industry, RBO-covered projects awarded to nonunion contractors were no more costly than nonunion projects that were not covered by RBOs ([Manzo, 2020](#)).

In addition to keeping construction costs stable, RBOs promote better labor market outcomes. A 2018 case study of county-level RBOs in Indiana found that all the countywide RBOs in Indiana required both contractors and subcontractors bidding on public projects to participate in U.S. Department of Labor-approved apprenticeship training programs. As a result, worker turnover in the heavy and civil engineering construction sector—which includes the construction of roads, bridges, bike lanes, utility lines, and public parks—was 2 percent lower in the counties with RBOs. Construction workers also earned 8 percent more in the counties with RBOs. Because they incentivize apprenticeship training, RBOs are associated with stable employment and middle-class careers for skilled construction workers ([Manzo & Manzo, 2018](#)).

RBOs ensure that reputable contractors with proven track records complete jobs efficiently. Contractors with workplace law violations are more than five times as likely to have a low performance rating as contractors with a clean record of workplace law compliance ([Adler, 2003](#)). By weeding out cut-rate contractors, RBOs ensure that public bodies get the quality they pay for and encourage successful projects that are on time and on budget. In fact, case studies from across the country have found that RBOs promote higher quality and more reliable services, increased competition among responsible contractors, and reduced back-end reconstruction and litigation costs ([Sonn & Gebreselassie, 2010](#)). Additionally, evidence suggests that 98 percent of construction owners using qualifications-based procurement models—like those in RBOs—report being satisfied with project quality ([Kashiwagi et al., 2005](#)).

Characteristics of RBOs in Illinois and Indiana

The vast majority of RBOs that have been enacted throughout Illinois and Indiana have seven consistent provisions based on objective criteria and verifiable standards (Figure 1). Nearly all RBOs in Illinois and Indiana establish prequalification programs (98 percent), require contractors to submit certified payroll records (95 percent), and allow contractor bid submissions to be obtained by the public through Freedom of Information Act (FOIA) requests or their equivalent (96 percent). Almost all RBOs explicitly state that the provisions apply to the prime bidder (97 percent), and about one-third of RBOs extend these expectations to all subcontractors hired by the prime bidder (30 percent).

Nearly all RBOs in Illinois and Indiana also ensure that contractors winning local government projects invest in training the next generation of skilled construction workers (Figure 1). More than nine out of every ten RBOs (92 percent) require “evidence of participation in apprenticeship and training programs, applicable to the work to be performed on the project, which are approved by and registered with the United States Department of Labor’s Office of Apprenticeship.” Nine out of every ten RBOs ensure that contractors provide proof of certificates of insurance through U.S. Department of Treasury-approved companies (90 percent) and another eight-in-ten ask contractors to provide proof that their workers are covered by health insurance plans and will earn retirement benefits (77 percent).

In addition to these seven common characteristics which ensure accountability and transparency while promoting skilled workers, RBOs also sometimes include provisions to promote community safety (Figure 1). For example, 24 percent of RBOs in Illinois and Indiana require a written plan for employee drug testing and another 18 percent guarantee that contractors are certified by the Occupational Safety and Health Administration (OSHA). Furthermore, 12 percent of RBOs in Illinois and Indiana require contractors to submit a statement of commitment to proper classification of workers, helping to weed out criminal contractors who engage in misclassification and wage theft. These criteria decrease the chances that local taxpayer dollars will be used by contractors who cut corners at the worksite while increasing the likelihood that the workers who build taxpayer-funded infrastructure projects are safe, reliable, and paid a wage commensurate with their craftsmanship and experience.

FIGURE 1: COMMON CHARACTERISTICS OF THE 163 RBOs THAT HAVE BEEN ENACTED IN ILLINOIS AND INDIANA

Ten Common Criteria of Local RBOs Enacted in Illinois and Indiana		Share of RBOs with Criteria
1	RBO establishes prequalification program	98%
2	Requirements apply to prime bidder • <i>Requirements also apply to all subcontractors</i>	97% • 30%
3	Contractor submissions subject to FOIA requests	96%
4	Certified payroll required	95%
5	Proof of participation in USDOL-approved registered apprenticeship programs	92%
6	Proof of insurance (e.g., workers comp, liability)	90%
7	Proof that workers will receive health and retirement benefits	77%
8	Proof of drug prevention program	24%
9	Proof of OSHA certification	18%
10	Statement of commitment to proper worker classification	12%

Source: Authors’ analysis of responsible bidder ordinances as compiled by Indiana, Illinois, Iowa Foundation for Fair Contracting (III FFC, 2021). N = 163 RBOs passed in Illinois and Indiana, including 109 in Illinois and 54 in Indiana. For additional characteristics, see Table A in the Appendix.

The Impact of 11 New RBOs on Market Share Outcomes

The data utilized in this research was collected by the Indiana, Illinois, Iowa Foundation for Fair Contracting, a nonprofit labor-management organization (III FFC, 2021). The III FFC collects project data for 14 northern Indiana counties and 25 northern Illinois counties using bid software programs such as ConstructConnect and Dodge Data & Analytics as well as through public bid lettings and public documents. All projects in their proprietary reports include the date of the bid letting, the county of the project, the awarding agency, bid information, the union (or signatory) status of each bidder, and whether the project was covered by a local responsible bidder ordinance (RBO).

This study includes project bid data from January 2018 through June 2021. The 42 months represent the period of analysis. Since 2019, there have been 16 RBOs passed in Illinois and Indiana. One city—the City of Kewanee, IL—had a different RBO in effect starting in 2007. Four others, including two in Indiana and two in Illinois, did not have a project built either before or after passage of the RBO during the period of analysis. These four jurisdictions include a school district, library district, village, and forest preserve. It is not possible to ascertain the effect of adopting an RBO in these four jurisdictions because there is not a clear before-and-after picture. This leaves 11 jurisdictions with project bid data both before their RBOs were passed and after their RBOs went into effect—five in Illinois and six in Indiana. The full dataset includes 145 public projects involving the operating engineers craft, including 94 prior to passage of the local RBOs and 51 after passage.

Figure 2 presents summary statistics for all the projects awarded by these 11 local government jurisdictions in Illinois and Indiana between the beginning of January 2018 and the end of June 2021. On the projects that were awarded prior to passage of the local RBOs, union contractors won 76.6 percent of the projects and the union market share was 87.1 percent. By contrast, after RBOs were enacted and applied on projects funded by these same jurisdictions, union contractors were awarded 90.2 percent of the projects and the union market share totaled 97.9 percent. Accordingly, the union win rate was 13.6 percent higher and the union market share was 10.8 percent higher on the post-RBO projects than on the pre-RBO projects. This reveals that local businesses employing union construction workers are more significantly likely to be responsible contractors with proven track records of success than nonunion firms in the region. Bid competition was essentially unchanged, with about three and half contractors submitting bids on public projects regardless of whether or not they were covered by RBOs.

FIGURE 2: CHANGE IN UNION WIN SHARE AND UNION MARKET SHARE IN 11 ILLINOIS AND INDIANA JURISDICTIONS THAT HAVE PASSED RBOs SINCE 2019, WITH BEFORE-AND-AFTER DATA FROM JAN. 2018 THROUGH JUNE 2021

Column	11 Jurisdictions with Data Before-and-After	Math	Before RBOs	After RBOs	RBO Difference
A	Number of Projects		94	51	
B	Number of Bids		342	174	
C	Bids Per Project	$B \div A$	3.6	3.4	-0.2
D	Value of All Projects		\$66,749,035.72	\$56,246,096.58	
E	Projects Awarded to Unions		72	46	
F	Union Win Share	$E \div A$	76.6%	90.2%	+13.6%
G	Value of Projects Awarded to Unions		\$58,154,683.02	\$55,087,053.28	
H	Union Market Share	$G \div D$	87.1%	97.9%	+10.8%

Source: Authors' analysis of project bid data from the Indiana, Illinois, Iowa Foundation for Fair Contracting (III FFC, 2021). For more, see Table B, Table C, and Table D in the Appendix.

However, it is important to note that the market share of union contractors in the 14 northern Indiana counties and 25 northern Illinois counties also increased during the period of analysis. Figure 3 investigates the entire region *except for* the 11 jurisdictions that passed new RBOs and had before-and-after data. This provides a “control group” of public projects to compare with the “treatment group” of local projects that experienced the RBO policy change. In 2018, before these 11 RBOs were passed, union contractors were awarded 96.9 percent of the entire market. In the years that have followed, union contractors won 98.4 percent of the market share.

FIGURE 3: OVERALL CHANGE IN UNION MARKET SHARE IN 25 NORTHERN ILLINOIS COUNTIES AND 14 NORTHERN INDIANA COUNTIES, EXCLUDING THE 11 JURISDICTIONS THAT PASSED RBOs, DATA FROM JAN. 2018 THROUGH JUNE 2021

Illinois and Indiana Market (Excluding 11 Areas that Passed RBOs)	Total Value	Union Value	Nonunion Value	Union Market Share
Pre-RBO (Jan. 2018-Dec. 2018)	\$4,771,472,168	\$4,622,849,093	\$146,841,457	96.9%
Post-RBO (Jan. 2019-June 2021)	\$15,171,633,497	\$14,931,653,208	\$220,619,613	98.4%
Difference				+1.5%

Source: Authors’ analysis of project bid data from the Indiana, Illinois, Iowa Foundation for Fair Contracting (III FFC, 2021).

The region has thus experienced a 1.5 percent increase in union market share in areas that did not otherwise change during this time (Figure 3). There are two implications of this finding. The first is that union contractors have become more competitive compared with their nonunion counterparts in the region since 2018. The second is that the market share of union contractors would have been expected to increase by an average of 1.5 percent in the 11 jurisdictions that passed RBOs even if they had not enacted the new ordinances. In other words, there is no reason to think that these 11 jurisdictions would deviate significantly from the rest of the regional construction market.

Figure 4 calculates how much RBOs increased the market share of union contractors above-and-beyond the general trend in the market. The net effect of RBOs on the union market share can be determined by subtracting the 1.5 percent overall gain in union market share across the region from the 10.8 percent gain in union market share on post-RBO projects relative to pre-RBO projects in the jurisdictions that passed the ordinances. Consequently, the 11 new responsible bidder ordinances in Illinois and Indiana since 2019 have boosted the market share of union contractors by an estimated 9.3 percent (Figure 4).

FIGURE 4: NET CHANGE IN UNION WIN SHARE AND UNION MARKET SHARE BASED ON THE DIFFERENCE-IN-DIFFERENCES IN THE 11 JURISDICTIONS THAT PASSED RBOs, WITH BEFORE-AND-AFTER DATA FROM JAN. 2018 THROUGH JUNE 2021

Net Impact of New RBOs in Illinois and Indiana	Pre-RBO Period	Post-RBO Period	RBO Difference
11 Jurisdictions with New RBOs	87.1%	97.9%	+10.8%
Illinois and Indiana (Excluding 11 Jurisdictions)	96.9%	98.4%	+1.5%
Difference	-9.8%	-0.5%	+9.3%

Source: Authors’ analysis of project bid data from the Indiana, Illinois, Iowa Foundation for Fair Contracting (III FFC, 2021).

This increase in the union market share mirrors the results of a 2020 study using similar data for northern Indiana and northern Illinois but excluding projects from the Chicago metropolitan area. That study compared projects that were covered by RBOs versus projects that were not and found that the RBOs increase union contractor win rates by between 9.2 percent and 11.9 percent, after accounting for the size of the project, location of the project, and other factors (Manzo, 2020). The current analysis builds upon that 2020 study by using the before-and-after “natural experiment” to directly assess the impact of enacting a responsible bidder ordinance.

Another way to interpret the data is that the passage of RBOs has lifted the union market share so that it is generally in line with the rest of the region (Figure 4). Before they enacted the policies, the 11 jurisdictions had a union market share below 90 percent. After passage, union contractors were awarded nearly 98 percent of the total project value. In the rest of the regional construction market, the union market share was also just over 98 percent.

The swing in market share due to the passage of responsible bidder ordinances has real-world effects on union contractors (Figure 5). In the 11 jurisdictions that enacted RBOs, a total of \$56.2 million in value was awarded on post-RBO projects. Applying the 9.3 percent net change since RBOs have passed results in an estimated \$5.2 million in value awarded to union contractors due to the passage of just these 11 RBOs. This also means that nonunion firms likely lost out on \$5.2 million worth of construction projects because they did not participate in registered apprenticeship programs, did not have proof of insurance, or were otherwise not responsible. RBOs increase union market share.

FIGURE 5: ESTIMATED CHANGE IN VALUE AWARDED TO UNION CONTRACTORS IN JUST THE 11 JURISDICTIONS THAT HAVE PASSED RBOs SINCE 2019, BASED ON POST-RBO DATA FROM JAN. 2018 THROUGH JUNE 2021

Column	Estimating the Dollar Impact of the 11 Jurisdictions Passing RBOs	Math	Value
A	Total Value of Projects Awarded Since RBOs Passed		\$56,246,096.58
B	RBO Impact on Union Market Share		+9.3%
C	Estimated Value of Projects to Union Contractors Due to RBOs	B x A	+\$5,230,886.98

Source: Authors’ analysis of project bid data from the Indiana, Illinois, Iowa Foundation for Fair Contracting (III FFC, 2021).

A Case Study: Municipal Projects Covered by RBOs in the Quad Cities

In addition to the before-and-after analysis of 11 jurisdictions that passed RBOs in Illinois and Indiana, the dataset includes information on municipal projects awarded by the four Quad Cities: Rock Island and Moline in Illinois and Davenport and Bettendorf in Iowa. The Quad Cities region offers a unique opportunity for a local case study on the impacts of RBOs since these four cities are geographically close and within the same integrated economic area. The City of Rock Island, IL has had an RBO in effect since November 21, 2016 and the City of Moline, IL recently implemented an RBO on January 19, 2021. By contrast, Iowa has a state pre-emption law prohibiting local governments from passing RBOs or similar policies.

Figure 6 presents the data. The full dataset for the Quad Cities case study—which also uses 42 months of project bid data from January 2018 through June 2021—contains 248 projects on city-owned projects, including 51 projects that were covered by RBOs and 197 projects that were not covered by RBOs. All projects involve the operating engineers craft. In the Quad Cities, municipal projects with operating engineers that are covered by RBOs have a union win rate of 86.3 percent and union contractors represent 67.1 percent of the total market. City-funded projects that are not covered by RBOs have a union win rate of just 46.7 percent and union contractors have a market share of only 54.0 percent. The difference is a 13.1 percent increase in union market share on projects covered by RBOs in this local metropolitan area.

The projects covered by RBOs are all on the Illinois side of the border. Illinois has a state prevailing wage law, supports workers’ collective bargaining rights, and 97 percent of all construction apprentices are enrolled in joint labor-management programs that are cooperatively administered by labor unions and their signatory contractors (Manzo & Bruno, 2020). Iowa, on the other hand, has never had a state

prevailing wage law, has a so-called “right-to-work” law that weakens collective bargaining, and only 55 percent of its construction apprentices are registered in joint labor-management programs (Manzo & Gigstad, 2021). The Quad Cities case study consequently reveals that the effect of RBOs *may* be larger when paired with high-road labor standards in construction.

FIGURE 6: THE DIFFERENCE IN UNION WIN SHARE AND UNION MARKET SHARE FOR PROJECTS THAT ARE AND ARE NOT COVERED BY RBOs IN THE QUAD CITIES OF ILLINOIS AND IOWA, DATA FROM JAN. 2018 THROUGH JUNE 2021

Quad Cities Projects	Total Projects	Total Value	Union Wins	Union Win Share	Union Value	Union Market Share
Covered by RBOs	51	\$55,479,609.91	44	86.3%	\$37,234,073.43	67.1%
Not Covered by RBOs	197	\$85,403,882.83	92	46.7%	\$46,121,313.97	54.0%
RBO Difference				+39.6%		+13.1%

Source: Authors’ analysis of project bid data from the Indiana, Illinois, Iowa Foundation for Fair Contracting (III FFC, 2021).

Conclusion

Responsible bidder ordinances (RBOs) are policy tools that establish objective criteria and verifiable standards for contractors bidding on public construction projects funded by local taxpayers. These policies are designed to promote quality infrastructure built by professional contractors and skilled workers while stabilizing construction costs. This guarantees that public projects are awarded to responsible local businesses that make efficient use of taxpayer dollars.

This report finds that responsible bidder ordinances increase the market share of union contractors by millions of dollars every year in Illinois and Indiana. In 11 local government jurisdictions that have passed RBOs in Illinois and Indiana since 2019, the union market share increased by 9 percent following the ordinance’s implementation date. This corresponds to a gain of more than \$5 million in work for union contractors in just these 11 jurisdictions alone over this time. Additionally, a local case study of the Quad Cities located along the Mississippi River on the Illinois-Iowa border reveals that RBOs may boost the market share of union contractors by as much as 13 percent when other high-road construction labor policies are present, such as a prevailing wage law.

The data conclusively shows that union contractors are more likely than nonunion contractors to be responsible businesses that are good stewards of taxpayer dollars. By ensuring that local governments hire only professional, competent contractors, responsible bidder ordinances deliver accountability and transparency for taxpayers, promote apprenticeship programs that produce skilled craftworkers for local businesses, and increase work for contractors who pay family-supporting wages and benefits.

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Appendix

TABLE A: SUMMARY OF CHARACTERISTICS OF THE 163 RBOs THAT HAVE BEEN ENACTED IN ILLINOIS AND INDIANA, AS OF DECEMBER 2021

Provisions or Criteria in Responsible Bidder Ordinances in Indiana and Illinois	Share with Provisions
Includes preamble for economic rationale	96%
Includes definition of public works construction	38%
Certified payroll required	95%
Requirements apply to prime bidder	97%
Requirements apply to all subcontractors	30%
RBO triggered by a project threshold	62%
RBO establishes its own prequalification program	98%
RBO requires bidder and / or subs to hold prequalification from a state agency or third party	12%
Contractor submissions subject to FOIA	96%
RBO contains bid credits or preference for local bidders	13%
RBO contains racial or gender diversity participation goals	7%
Provide proof of business registration / license to do business in the state	21%
Provide proof of insurance (workers comp, liability)	90%
Disclose past tax liens or delinquencies	19%
Disclose past violations of local / state / federal laws	13%
Provide past performance info / list of projects of similar size and scope / key resumes	33%
Bidder must disclose all subcontractors	21%
Provide proof of drug prevention program	24%
Provide statement of commitment to PW / DB compliance	91%
Provide statement of commitment to proper worker classification	12%
Provide proof of any professional or trade licenses required by law or ordinance	13%
Provide proof of contractor participation in applicable USDOL registered apprenticeship programs	92%
Provide proof that workers will receive health and retirement benefits	77%
Provide proof of OSHA certification	18%

Source: Authors' analysis of responsible bidder ordinances as compiled by Indiana, Illinois, Iowa Foundation for Fair Contracting ([IIFFC, 2021](#)). N = 163 RBOs passed in Illinois and Indiana, including 109 in Illinois and 54 in Indiana.

THE IMPACT OF RESPONSIBLE BIDDER ORDINANCES ON UNION CONTRACTORS IN ILLINOIS AND INDIANA

TABLE B: FULL DATA ON THE LOCATION AND DATE OF PASSAGE OF RBOs, WITH INFORMATION ON THE NUMBER OF PROJECTS AWARDED, THE TOTAL VALUE OF PROJECTS AWARDED, AND THE UNION WIN SHARE AND UNION MARKET SHARE IN THE PERIODS BEFORE PASSAGE OF RBOs, DATA FROM JAN. 2018 THROUGH JUNE 2021

Area and Date of RBO Enactment			Pre-RBO Period					
Jurisdiction	State	RBO Date	Projects	Total Value	Union Wins	Union Win Share	Union Value	Union Market Share
DuPage County	IL	3/12/19	7	\$7,631,077.40	6	85.71%	\$7,612,977.40	99.76%
DuPage County Forest Preserve District	IL	2/2/21	23	\$12,617,212.45	17	73.91%	\$11,840,323.05	93.84%
City of Moline	IL	1/19/21	38	\$19,509,376.87	26	68.42%	\$13,432,395.57	68.85%
City of Waukegan	IL	1/22/19	3	\$8,052,758.00	3	100.00%	\$8,052,758.00	100.00%
Village of Forest Park	IL	1/15/19	2	\$1,317,672.00	2	100.00%	\$1,317,672.00	100.00%
Town of Kouts	IN	3/18/19	4	\$635,226.00	2	50.00%	\$545,676.00	85.90%
Kankakee Valley School Corporation	IN	8/13/19	3	\$4,283,519.00	3	100.00%	\$4,283,519.00	100.00%
City of Rensselaer	IN	1/27/20	1	\$1,136,103.00	1	100.00%	\$1,136,103.00	100.00%
City of LaPorte	IN	2/3/20	4	\$5,362,189.00	3	75.00%	\$3,729,357.00	69.55%
Knox Community School Corporation	IN	2/17/20	2	\$3,538,264.00	2	100.00%	\$3,538,264.00	100.00%
South Bend Community School Corporation	IN	6/1/20	7	\$2,665,638.00	7	100.00%	\$2,665,638.00	100.00%
TOTALS	IL & IN		94	\$66,749,035.72	72	76.60%	\$58,154,683.02	87.12%
<i>No Pre-RBO Data</i>								
Gary Community School Corporation	IN	9/21/20						
LaPorte County Library	IN	5/1/19						
Village of Pecatonica	IL	11/17/20						
Rock Island County Forest Preserve Dis.	IL	1/15/19						

Source: Authors' analysis of project bid data from the Indiana, Illinois, Iowa Foundation for Fair Contracting (III FFC, 2021). The City of Kewanee, IL passed a new RBO during the period of analysis but had a different RBO in effect prior to 2019 that was passed in 2007. As a result, the City of Kewanee, IL is not included in the before-and-after analysis.

THE IMPACT OF RESPONSIBLE BIDDER ORDINANCES ON UNION CONTRACTORS IN ILLINOIS AND INDIANA

TABLE C: FULL DATA ON THE LOCATION AND DATE OF PASSAGE OF RBOs, WITH INFORMATION ON THE NUMBER OF PROJECTS AWARDED, THE TOTAL VALUE OF PROJECTS AWARDED, AND THE UNION WIN SHARE AND UNION MARKET SHARE IN THE PERIODS AFTER PASSAGE OF RBOs, DATA FROM JAN. 2018 THROUGH JUNE 2021

Area and Date of RBO Enactment			Post-RBO Period					
Jurisdiction	State	RBO Date	Projects	Total Value	Union Wins	Union Win Share	Union Value	Union Market Share
DuPage County	IL	3/12/19	11	\$19,212,607.93	11	100.00%	\$19,212,607.93	100.00%
DuPage County Forest Preserve District	IL	2/2/21	2	\$216,550.00	2	100.00%	\$216,550.00	100.00%
City of Moline	IL	1/19/21	8	\$2,941,858.30	6	75.00%	\$2,133,251.00	72.51%
City of Waukegan	IL	1/22/19	10	\$16,016,946.35	9	90.00%	\$15,936,946.35	99.50%
Village of Forest Park	IL	1/15/19	9	\$10,644,722.00	9	100.00%	\$10,644,722.00	100.00%
Town of Kouts	IN	3/18/19	4	\$1,448,119.00	3	75.00%	\$1,351,369.00	93.32%
Kankakee Valley School Corporation	IN	8/13/19	1	\$1,998,000.00	1	100.00%	\$1,998,000.00	100.00%
City of Rensselaer	IN	1/27/20	2	\$989,212.00	1	50.00%	\$815,526.00	82.44%
City of LaPorte	IN	2/3/20	1	\$396,095.00	1	100.00%	\$396,095.00	100.00%
Knox Community School Corporation	IN	2/17/20	2	\$1,900,000.00	2	100.00%	\$1,900,000.00	100.00%
South Bend Community School Corporation	IN	6/1/20	1	\$481,986.00	1	100.00%	\$481,986.00	100.00%
TOTALS	IL & IN		51	\$56,246,096.58	46	90.20%	\$55,087,053.28	97.94%
<i>No Pre-RBO Data</i>								
Gary Community School Corporation	IN	9/21/20						
LaPorte County Library	IN	5/1/19						
Village of Pecatonica	IL	11/17/20						
Rock Island County Forest Preserve Dis.	IL	1/15/19						

Source: Authors' analysis of project bid data from the Indiana, Illinois, Iowa Foundation for Fair Contracting (III FFC, 2021). The City of Kewanee, IL passed a new RBO during the period of analysis but had a different RBO in effect prior to 2019 that was passed in 2007. As a result, the City of Kewanee, IL is not included in the before-and-after analysis.

THE IMPACT OF RESPONSIBLE BIDDER ORDINANCES ON UNION CONTRACTORS IN ILLINOIS AND INDIANA

TABLE D: FULL DATA ON THE LOCATION AND DATE OF PASSAGE OF RBOs AND THE CHANGE IN THE UNION WIN SHARE AND UNION MARKET SHARE BEFORE-AND-AFTER PASSAGE OF THE RBOs, DATA FROM JAN. 2018 THROUGH JUNE 2021

Area and Date of RBO Enactment			RBO Difference	
Jurisdiction	State	RBO Date	Union Win Share	Union Market Share
DuPage County	IL	3/12/19	+14.29%	+0.24%
DuPage County Forest Preserve District	IL	2/2/21	+26.09%	+6.16%
City of Moline	IL	1/19/21	+6.58%	+3.66%
City of Waukegan	IL	1/22/19	-10.00%	-0.50%
Village of Forest Park	IL	1/15/19	+0.00%	+0.00%
Town of Kouts	IN	3/18/19	+25.00%	+7.42%
Kankakee Valley School Corporation	IN	8/13/19	+0.00%	+0.00%
City of Rensselaer	IN	1/27/20	-50.00%	-17.56%
City of LaPorte	IN	2/3/20	+25.00%	+30.45%
Knox Community School Corporation	IN	2/17/20	+0.00%	+0.00%
South Bend Community School Corporation	IN	6/1/20	+0.00%	+0.00%
TOTALS	IL & IN		+13.60%	+10.81%
<i>No Pre-RBO Data</i>				
Gary Community School Corporation	IN	9/21/20		
LaPorte County Library	IN	5/1/19		
Village of Pecatonica	IL	11/17/20		
Rock Island County Forest Preserve Dis.	IL	1/15/19		

Source: Authors' analysis of project bid data from the Indiana, Illinois, Iowa Foundation for Fair Contracting (III FFC, 2021). The City of Kewanee, IL passed a new RBO during the period of analysis but had a different RBO in effect prior to 2019 that was passed in 2007. As a result, the City of Kewanee, IL is not included in the before-and-after analysis.