



# BUILDING AMERICA

## THE MERIT SHOP SCORECARD

*A Review & Ranking of State Construction Environments*

### Alabama

#### Project Labor Agreements

Adopted ABC model government-neutrality bill.

#### Prevailing Wage

No.

#### Right to Work

Yes.

#### Public-Private Partnerships

No statute authorizing or prohibiting P3s on vertical projects; statute authorizes P3s on horizontal projects (toll roads, bridges, ferries, causeways). Unsolicited bids are not allowed.

#### Workforce Development Incentives

The Apprenticeship Tax Credit Act was passed during the 2016 legislative session and signed into law by Governor Bentley in July 2016. Participating companies will receive a \$1,000 income tax credit for each apprentice in training, up to five per year. Apprentices must be part of the U.S. Department of Labor's registered apprenticeship program. The legislation caps the cumulative tax credits allowed at \$3,000,000 for the 2017 and 2018, and \$5,000,000 for each tax year thereafter.

#### Career and Technical Education

93% of CTE high school graduates are placed in colleges or careers.

Alabama recognizes NCCER as an approved curriculum for CTE programs.

#### Job Growth Rate

2.6%.

#### Industry Overview

**OVERALL RANK** 16

Project Labor Agreements A

Prevailing Wage A

Right to Work A

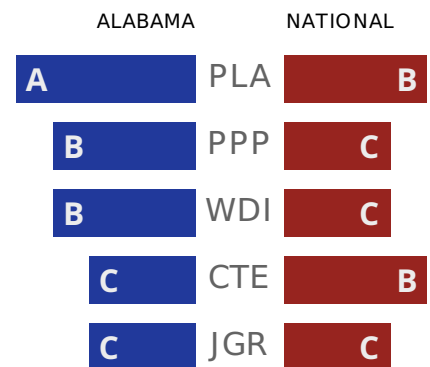
Public-Private Partnerships B

Workforce Development Incentives B

Career & Technical Education C

Job Growth Rate C

#### Compared to the National Average



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[ABC of Alabama](#)

Prompt Pay	<p><u>Private</u>: Payment to contractor must be made in 30 days from pay request unless contract states otherwise. Final payment from owner is due no later than 60 days after completion of contractor's work or substantial completion. Interest at 1% per month after 30 days.</p> <p><u>Public</u>: Payment to contractor must be made in 30 days from completion of work and presentation of proper invoice. Interest at 1% per month after 30 days.</p> <p><u>Subs</u>: Payment must be made to subs and from subs to lower tiers within 7 days, unless otherwise agreed.</p>
Immigration/E-Verify Mandate	<p>The Beason-Hammon Alabama Taxpayer &amp; Citizen Protection Act (Act 2011-535), signed by Governor Robert Bentley, requires all employers, public and private, within the State of Alabama verify the legal presence of their employees. E-Verify is also required to receive any government contract, grant, or incentives. Alabama businesses with 25 or fewer employees may elect to use the Alabama E-Verify Employer Agent Service.</p>
Percentage of State GDP From Nonresidential Construction	3.8%.
Incidence Rate	1.5.
Occupational Safety & Health Oversight (State vs. Federal)	Federal oversight.
Percentage of Union Membership in Private Construction	7.0%.
Marijuana Legalization Status	Fully illegal.

## Business Facts

Minimum Wage	7.25
Percentage of Pensions Funded	67%
Effective Real-Estate Tax Rate	0.43%
Corporate Income Tax Rate(s)	6.5%
State and Local Public Construction Expenditures (in millions)	\$2,797.

