

**MODEL STATE LEGISLATION REGULATING THE USE OF PROJECT
LABOR AGREEMENTS ON PUBLIC CONSTRUCTION PROJECTS**

BILL NO. _____

IN THE LEGISLATURE OF THE STATE OF _____

_____ **LEGISLATURE -** _____ **SESSION**

A BILL FOR AN ACT ENTITLED

**"An Act regulating the use of pre-hire project labor agreements for public
construction projects by the state and political subdivisions of the state."**

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF _____ **:**

[Current procurement statutes may need to be amended or repealed to incorporate this bill. If so, the specific sections of the statutes to be repealed or amended should be listed here, and the effect that this bill has on them should be specified (repeals or amends current language and/or adds new sections).]

Section 1. Project labor agreements. (a) The state or any political subdivision of the state may enter into a pre-hire project labor agreement for a public construction project with a labor organization, or require a contractor or subcontractor on a public construction project to enter into a pre-hire agreement with a labor organization, only if the state or political subdivision has entered written findings, supported by clear and convincing evidence, that:

(1) the proposed project labor agreement will result in greater employment opportunities for state residents on the project, whether or not the residents are members of a labor organization, than would result if there were no project labor agreement;

(2) the proposed project labor agreement will result in significant identifiable cost savings that would not otherwise be available to the state or political subdivision;

(3) the proposed project labor agreement will ensure greater safety for persons employed on the project than would result if there were no project labor agreement;

(4) but for the existence of a project labor agreement, the project would be subjected to

significant labor unrest that will substantially increase the cost of the project and significantly delay its completion;

(5) the size and complexity of the project is significantly greater than public projects ordinarily constructed by the state or political subdivision and the cost of the project exceeds one hundred million dollars; and

(6) the proposed project labor agreement is consistent with the principles underlying applicable competitive bidding statutes.

(b) The terms of a project labor agreement on a public construction project may not require:

(1) a contractor or subcontractor to use a job referral system operated by a labor organization in connection with the hiring of employees for the public construction project;

(2) a contractor or subcontractor to recognize a labor organization as the exclusive bargaining representative for employees on the public construction project;

(3) a person employed on the public construction project to become a member in good standing of a labor organization or to pay periodic fees or dues to a labor organization as a condition of employment;

(4) a contractor or subcontractor to make contributions on behalf of an employee to a benefit fund designated by a labor organization;

(5) a contractor or subcontractor to comply with regulations, agreements, practices or policies of a labor organization that regulate the number or proportion of apprentices or helpers employed on a public construction project;

(6) a contractor or subcontractor to comply with jurisdictional rules, policies or practices of a labor organization in connection with the work on a public construction project; or

(7) a contractor or subcontractor to become a party to a project labor agreement without granting the contractor or subcontractor the opportunity to fully and effectively participate in the negotiation of the terms of the agreement.

(c) In this section;

(1) "contractor" and "subcontractor" include the state or a political subdivision of the state if the state or political subdivision is acting as a contractor or subcontractor on a public construction project;

(2) "state" means:

(A) any department, institution, board, council, commission, division, bureau, authority, public corporation, or other administrative unit of the executive branch, including the University of _____;

(B) any authority, department, institution, board, committee, commission, division, council, bureau, or administrative unit of the legislative branch, including the leadership of each house;

(C) any administrative unit, authority, department, institution, board, division, committee, council, commission, or bureau of the judicial branch;

(D) any county, city, municipality, district, authority or other political subdivision of the state;

(E) any public or private entity or agent which is managing or operating a facility or project funded in whole or in part by the state; and

(F) any public or private entity or agent which is managing or operating a facility or project owned or controlled by the state on behalf of the state.

(3) "public construction project" means any contract or project, competitively bid or negotiated, for the construction, alteration, rehabilitation or repair, including painting or decorating, which is funded in whole or in part with funds provided by the state.