JOHN C. BEAR, MEMBER 97* LEGISLATIVE DISTRICT

HARRISBURG OFFICE: ROOM 145B EAST WING PO BOX 202097 HARRISBURG, PA 17120-2097 PHONE: (717) 787-1776 FAX: (717) 705-2031

DISTRICT OFFICE: 1555 HIGHLANDS DRIVE, SUITE 110 LITITZ, PA 17543 PHONE: (717) 626-1776 FAX: (717) 626-4234

E-MAIL: JBEAR@PAHOUSEGOP.COM WWW.REPBEAR.COM



House of Representatives

Commonwealth of Pennsylvania Harrisburg **COMMITTEES**

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TO:

All House Members

FROM:

Rep. John C. Bear

DATE:

March 4, 2011

SUBJECT:

Proposed legislation to Prohibit Project Labor Agreements (Prior HB 2010)

In the near future I will be re-introducing legislation to prohibit the use of Project Labor Agreements (PLAs) on public projects.

A PLA is a comprehensive agreement signed by a builder and local craft unions under which a defined construction project is agreed to be completed by workers referred from those craft union hiring halls, in return for the union's guarantee of no strikes, a steady labor supply, and general labor peace. Such agreements state that the craft unions are to be recognized as the collective bargaining representative of workers on the project, and normally include detailed work rules that the workforce is to follow. In situations where a PLA involves a public project, when the public body issues its bid specifications for a project, it includes a stipulation that all bidding contractors abide by the PLA. PLAs also normally have a "core worker" clause that permits bidding contractors to use a core of their normal employees, typically 10% or less. It is important to note that the use of PLAs by public bodies is not specifically prohibited under state law.

It is my view that PLAs discriminate against nonunion contractors and that they discriminate against a vast majority of construction industry workers, 80% of which belong to nonunion shops. And with the Department of General Services entering into PLAs for the construction of new prisons, these agreements force nonunion contractors to work on a project with workers with whom they have had no previous relationship, and force them to discard their normal employees. Also, PLAs force nonunion contractors to abide by union work rules and subject their company to union "salting" tactics to unionize their entire workforce. In addition, I believe that PLAs drive up the cost of public projects because they drive away qualified non-union companies from bidding on such projects, thus lessening competition and raising project costs.

My legislation would create a freestanding act known as the "Open Contracting Act" and this act would prohibit the use of PLAs by public bodies. To co-sponsor this legislation, please contact Debra Brehm in my office at 717-787-1776 or via GroupWise at dbrehm@pahousegop.com.

Prior HB 2010 co-sponsors: SAYLOR, MILLER, BENNINGHOFF, BOYD, CAUSER, CREIGHTON, CUTLER, DENLINGER, EVERETT, FLECK, GINGRICH, HICKERNELL, MARSICO, MOUL, QUINN, RAPP, REICHLEY, ROCK, ROHRER, ROSS, SWANGER, TALLMAN, TRUE, WATSON, SCHRODER, METCALFE, HARPER and TURZAI