# HOUSE . . . . . . . . . . . . . No. 3012

## The Commonwealth of Massachusetts

PRESENTED BY:

### Marjorie C. Decker

To the Honorable Senate and House of Representatives of the Commonwealth of Massachusetts in General Court assembled:

The undersigned legislators and/or citizens respectfully petition for the adoption of the accompanying bill:

An Act authorizing project labor agreements.

#### PETITION OF:

NAME:	DISTRICT/ADDRESS:	DATE ADDED:
Marjorie C. Decker	25th Middlesex	1/20/2023
Steven Ultrino	33rd Middlesex	3/13/2023
James C. Arena-DeRosa	8th Middlesex	3/13/2023
Susannah M. Whipps	2nd Franklin	3/13/2023
David Henry Argosky LeBoeuf	17th Worcester	3/13/2023
Lindsay N. Sabadosa	1st Hampshire	3/13/2023
Peter Capano	11th Essex	3/13/2023
Brian W. Murray	10th Worcester	3/13/2023
Jack Patrick Lewis	7th Middlesex	3/13/2023
Christopher Hendricks	11th Bristol	3/13/2023
Michael D. Brady	Second Plymouth and Norfolk	3/13/2023
Ryan M. Hamilton	15th Essex	3/13/2023
Paul McMurtry	11th Norfolk	3/13/2023
Tackey Chan	2nd Norfolk	3/13/2023
Marc R. Pacheco	Third Bristol and Plymouth	3/13/2023
Rodney M. Elliott	16th Middlesex	3/13/2023
Thomas M. Stanley	9th Middlesex	3/13/2023
Jacob R. Oliveira	Hampden, Hampshire and Worcester	3/13/2023

Michelle M. DuBois	10th Plymouth	3/13/2023
Michael P. Kushmerek	3rd Worcester	3/13/2023
James B. Eldridge	Middlesex and Worcester	3/13/2023
Paul R. Feeney	Bristol and Norfolk	3/13/2023

## **HOUSE . . . . . . . . . . . . . . . . No. 3012**

By Representative Decker of Cambridge, a petition (accompanied by bill, House, No. 3012) of Marjorie C. Decker relative to infrastructure projects and public building construction contractors and subcontractors. State Administration and Regulatory Oversight.

### The Commonwealth of Alassachusetts

In the One Hundred and Ninety-Third General Court (2023-2024)

An Act authorizing project labor agreements.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:

SECTION 1. Preamble.

1

2

3

4

5

6

7

8

9

10

11

12

The public works and buildings of the Commonwealth and its political subdivisions require rapid and substantial investment to strengthen and secure Massachusetts's long term economic development. The construction of any major infrastructure project and/or public building is not without risk; any significant delay in starting and completing construction may result in substantially increased project costs and a disruption of critical public services.

Because construction is a highly skilled, labor-intensive industry, the craft labor supplied to a project can undermine or even cripple the construction process if supply is inadequate or workers lack required skills and training. For nearly a century, project labor agreements, have had a long, successful track record in both the public and private sectors for promoting successful project delivery, protecting capital investments and offsetting project risks by providing a unique access to a reliable supply of qualified craft labor. These advantages have

become paramount in recent years due to acute, persistent craft labor shortages, which are challenging construction programs across the country.

Project labor agreements are a project delivery tool and may only be used only in the construction industry. They are beneficial because they: (a) include legally enforceable provisions to prevent disputes that can delay projects; (b) establish uniform terms and conditions of employment, which foster project stability; and (c) permit the efficient integration of work schedules among multiple contractors, subcontractors and building trade unions. As a result, these agreements promote the interests of project owners, contracting firms and labor organizations, enhancing labor peace and ensuring project delivery.

The benefits project labor agreements provide have been cited in numerous decisions upholding their use on public projects, including those issued by United States Supreme Court and Massachusetts Supreme Judicial Court, and documented in research reports by government entities and universities. See, Bldg. & Constr. Trades Council of the Metro. Dist. v. Associated Builders & Contractors of Mass./R.l. Inc., 507 U.S. 218 (1993) ("Boston Harbor"); John T. Callahan & Sons, Inc., et al v. City of Malden, 430 Mass. 124 (SJC, 1999); Massachusetts Special Commission, Report on the Use of Project Labor Agreements in Road, Bridge and Rail Projects: Analysis and Key Findings (2014), Fred Kotler, Cornell Univ. Sch. Of Indus. & Lab. Rels., Project Labor Agreements In New York State: In the Public Interest and Of Proven Value (2011).

Due to their effectiveness as a project delivery tool, project labor agreements have been used for decades by the federal government, many states, including Massachusetts, Rhode Island, Connecticut and New York, and major private corporations in various economic sectors.

- Reliance on these agreements is expected to further expand due to a 2021 Presidential Executive
  Order requiring these agreements on federal public works projects, as well as related policies
  promoting their use for publicly assisted construction programs. Given the necessity of rapidly
  improving Massachusetts's public works and buildings to its development, and the proven
  benefits of the project labor agreement model and consistency with the goals of G.L. c. 149,
  149A, and 30, the legislature herein amends the General Laws:
  - SECTION 2. Chapter 30 of the General Laws is hereby amended by adding the following section:-

41

42

43

44

45

46

47

48

49

50

51

54

55

Section 39U. (a) Notwithstanding the provisions of this section or any other general or special state law or local law to the contrary, a public agency planning a contract for construction may require a project labor agreement and be incorporated into the contract specifications in accordance with the requirements of this section.

A public agency may require a project labor agreement for any public works or building project when such public agency has determined, on a project-by-project basis and acting within its discretion, that it is in the public's interest to require such an agreement. In making such a determination, the agency may consider the effects a project labor agreement may have on:

- (i) the efficiency, cost and direct and indirect economic benefits to the public agency;
- 52 (ii) the availability of a sufficient supply of skilled, qualified workers to complete the 53 project;
  - (iii) the timing, prevention of delays or disruptions to the construction process;
  - (iv) the safety and quality of the public construction project;

- (v) the ability of public agencies to ensure that all contractors and subcontractors are responsible, eligible construction firms under Section 44A(1) of chapter 149;
  - (vi) the ability of public agencies to facilitate cooperation between contractors, subcontractors and labor organization in construction planning and execution;

- (vii) the expansion of apprenticeship programs and workforce development in the construction industry to ensure sufficient skilled and qualified staffing for future public projects and the creation of employment opportunities in local communities;
  - (viii) the advancement of minority and women-owned contracting businesses; and
- (ix) the promotion of employment and training opportunities for women, minority workers, and veterans.
- (b) Nothing in this section shall prevent a public agency from utilizing a determination for a project labor agreement for multiple buildings or public works under an integrated construction program.
- (c) A public agency that determines a project labor agreement will be used on a project shall require the lead construction firm for the project, and all subcontractors, regardless of tier, to negotiate or become a party to a project labor agreement with one or more appropriate labor organizations.
- (d) Any project labor agreement required by a public agency pursuant to this section shall include provisions that:

(i) require all contractors and subcontractors, regardless of tier, to be bound to the project labor agreement for a specific project through the inclusion of appropriate specifications in all relevant solicitation provisions and contract documents and by requiring execution of the project labor agreement prior as a contractual requirement;

- (ii) allow all contractors and subcontractors on the project to compete for contracts and subcontracts without regard to whether they are parties to collective bargaining agreements prior to bid selection;
- (iii) establish uniform, mutually agreeable terms and conditions of employment for the construction workforce, including uniform work rules and schedules for the project;
- (iv) set forth effective, prompt, binding procedures for resolving labor disputes arising during the term of the project labor agreement;
  - (v) contain guarantees against strikes, lockouts, and similar job disruptions;
- (vi) incorporate goals for the percentage of apprentice hours to be employed on the project;
- (vii) incorporate goals for the percentage of work to be performed by minorities, women and veterans in accordance with applicable Massachusetts law and local ordinances, whichever is higher;
- (viii) authorize the parties to the project labor agreement to develop other mechanisms for labor-management cooperation on matters of mutual interest and concern, including scheduling, quality of work and safety, and permit the public agency to participate in such mechanisms if it elects to do so; and

97 mutually agreeable to parties and otherwise consistent with Federal and Massachusetts law. 98 SECTION 3. Section 1 of chapter 149 of the General Laws, as appearing in the 2020 99 Official Edition, is hereby amended by inserting after the word "standards.", in line 9, the 100 following words:-101 "Awarding authority", the commonwealth, or any political subdivision, department, 102 agency, board, commission, authority, or other instrumentality thereof, or any county, city, town, 103 or district. To the extent not otherwise prohibited, this definition includes public authorities, 104 subject to said chapter 150A by chapter 760 of the acts of 1962. 105 SECTION 4. Said section 1 of said chapter 149, as so appearing, is hereby further 106 amended by inserting after the word "standards.", in line 20, the following words:-107 "Construction", the construction, reconstruction, installation, demolition, maintenance or 108 repair of public works or a building project. 109 SECTION 5. Said section 1 of said chapter 149, as so appearing, is hereby further 110 amended by inserting after the word "steel.", in line 77, the following words:-111 "Labor organization", a labor organization as defined in 29 U.S.C. 152(5) of the National 112 Labor Relations Act of which building and construction employees are members. 113 "Lead construction firm" means the entity that executes a construction contract with the

(ix) establish other terms and conditions required for the project labor agreement and

96

114

115

manager, design builder or other entity.

public agency, whether a general contractor, contractor principal, trade contractor, construction

116	SECTION 6. Said section 1 of said chapter 149, as so appearing, is hereby further
117	amended by inserting after the word "employment.", in line 92, the following words:-
118	"Project labor agreement" means a pre-hire collective bargaining agreement with one or
119	more labor organizations that establishes the terms and conditions of employment for a specific
120	construction project and is an agreement described in 29 U.S.C. 158(f) of the National Labor
121	Relations Act.
122	SECTION 7. Chapter 149 of the General Laws is hereby amended by adding the
123	following section:-
124	Section 44N. (a) Notwithstanding the provisions of this section or any other general or
125	special state law or local law to the contrary, a public agency planning a contract for construction
126	may require a project labor agreement and be incorporated into the contract specifications in
127	accordance with the requirements of this section.
128	A public agency may require a project labor agreement for any public works or building
129	project when such public agency has determined, on a project-by-project basis and acting within
130	its discretion, that it is in the public's interest to require such an agreement. In making such a
131	determination, the agency may consider the effects a project labor agreement may have on:
132	(i) the efficiency, cost and direct and indirect economic benefits to the public agency;
133	(ii) the availability of a sufficient supply of skilled, qualified workers to complete the
134	project;
135	(iii) the timing, prevention of delays or disruptions to the construction process;
136	(iv) the safety and quality of the public construction project;

- 137 (v) the ability of public agencies to ensure that all contractors and subcontractors are
  138 responsible, eligible construction firms under Section 44A(1) of this chapter;
  139 (vi) the ability of public agencies to facilitate cooperation between contractors,
  140 subcontractors and labor organization in construction planning and execution;
  141 (vii) the expansion of apprenticeship programs and workforce development in the
  - construction industry to ensure sufficient skilled and qualified staffing for future public projects and the creation of employment opportunities in local communities;

- (viii) the advancement of minority and women-owned contracting businesses; and
- (ix) the promotion of employment and training opportunities for women, minority workers, and veterans.
- (b) Nothing in this section shall prevent a public agency from utilizing a determination for a project labor agreement for multiple buildings or public works under an integrated construction program.
- (c) A public agency that determines a project labor agreement will be used on a project shall require the lead construction firm for the project, and all subcontractors, regardless of tier, to negotiate or become a party to a project labor agreement with one or more appropriate labor organizations.
- (d) Any project labor agreement required by a public agency pursuant to this section shall include provisions that:

(i) require all contractors and subcontractors, regardless of tier, to be bound to the project labor agreement for a specific project through the inclusion of appropriate specifications in all relevant solicitation provisions and contract documents and by requiring execution of the project labor agreement prior as a contractual requirement;

- (ii) allow all contractors and subcontractors on the project to compete for contracts and subcontracts without regard to whether they are parties to collective bargaining agreements prior to bid selection;
- (iii) establish uniform, mutually agreeable terms and conditions of employment for the construction workforce, including uniform work rules and schedules for the project;
- (iv) set forth effective, prompt, binding procedures for resolving labor disputes arising during the term of the project labor agreement;
  - (v) contain guarantees against strikes, lockouts, and similar job disruptions;
- (vi) incorporate goals for the percentage of apprentice hours to be employed on the project;
- (vii) incorporate goals for the percentage of work to be performed by minorities, women and veterans in accordance with applicable Massachusetts law and local ordinances, whichever is higher;
- (viii) authorize the parties to the project labor agreement to develop other mechanisms for labor-management cooperation on matters of mutual interest and concern, including scheduling, quality of work and safety, and permit the public agency to participate in such mechanisms if it elects to do so; and

177	(ix) establish other terms and conditions required for the project labor agreement and
178	mutually agreeable to parties and otherwise consistent with Federal and Massachusetts law.
179	SECTION 8. Chapter 149A of the General Laws is hereby amended by adding the
180	following section:-
181	Section 22. (a) Notwithstanding the provisions of this section or any other general or
182	special state law or local law to the contrary, a public agency planning a contract for construction
183	may require a project labor agreement be incorporated into the contract specifications in
184	accordance with the requirements of this section.
185	A public agency may require a project labor agreement for any public works or building
186	project when such public agency has determined, on a project-by-project basis and acting within
187	its discretion, that it is in the public's interest to require such an agreement. In making such a
188	determination, the agency may consider the effects a project labor agreement may have on:
189	(i) the efficiency, cost and direct and indirect economic benefits to the public agency;
190	(ii) the availability of a sufficient supply of skilled, qualified workers to complete the
191	project;
192	(iii) the timing, prevention of delays or disruptions to the construction process;

(v) the ability of public agencies to ensure that a sufficient compliment contractors and sub-contractors meet the prequalification standards and requirements of section 8 of this chapter;

(iv) the safety and quality of the public construction project;

193

194

(vi) the ability of public agencies to facilitate cooperation between contractors, subcontractors and labor organization in construction planning and execution;

- (vii) the expansion of apprenticeship programs and workforce development in the construction industry to ensure sufficient skilled and qualified staffing for future public projects and the creation of employment opportunities in local communities;
- (viii) the advancement of minority and women-owned contracting businesses; and the promotion of employment and training opportunities for women, minority workers, and veterans.
- (b) Nothing in this section shall prevent a public agency from utilizing a determination for a project labor agreement for multiple buildings or public works under an integrated construction program.
- (c) A public agency that determines a project labor agreement will be used on a project shall require the lead construction firm for the project, and all subcontractors, regardless of tier, to negotiate or become a party to a project labor agreement with one or more appropriate labor organizations.
- (d) Any project labor agreement required by a public agency pursuant to this section shall include provisions that:
- (i) require all contractors and subcontractors, regardless of tier, to be bound to the project labor agreement for a specific project through the inclusion of appropriate specifications in all relevant solicitation provisions and contract documents and by requiring execution of the project labor agreement prior as a contractual requirement;

217	(ii) allow all contractors and subcontractors on the project to compete for contracts and
218	subcontracts without regard to whether they are parties to collective bargaining agreements prior
219	to bid selection;
220	(iii) establish uniform, mutually agreeable terms and conditions of employment for the
221	construction workforce, including uniform work rules and schedules for the project;
222	(iv) set forth effective, prompt, binding procedures for resolving labor disputes arising
223	during the term of the project labor agreement;
224	(v) contain guarantees against strikes, lockouts, and similar job disruptions;
225	(vi) incorporate goals for the percentage of apprentice hours to be employed on the
226	project;
227	(vii) incorporate goals for the percentage of work to be performed by minorities, women
228	and veterans in accordance with applicable Massachusetts law and local ordinances, whichever is
229	higher;
230	(viii) authorize the parties to the project labor agreement to develop other mechanisms for
231	labor-management cooperation on matters of mutual interest and concern, including scheduling,
232	quality of work and safety, and permit the public agency to participate in such mechanisms if it
233	elects to do so; and
234	(ix) establish other terms and conditions required for the project labor agreement and
235	mutually agreeable to parties and otherwise consistent with Federal and Massachusetts law.
236	SECTION 9. Nothing in this act shall limit publicly assisted projects from using project
237	labor agreements.

- SECTION 10. The provisions of this act are severable. If any provision is determined to
- be invalid, the remainder of this act shall remain in full force and effect.