September 11, 2025

FISCAL AND POLICY NOTE

TO: Colette R. Gresham, Esq.
Acting Council Administrator

Karen T. Zavakos
Associate Council Administrator

FROM: Lavinia Baxter
Senior Legislative Budget and Policy Analyst

RE: Policy Analysis and Fiscal Impact Statement
CB-052-2025 A Revised Project Labor Agreement

CB-052-2025 (*Proposed by*: Edward Burroughs III)

Assigned to the Transportation, Infrastructure, Energy and Environment (TIEE) Committee

AN ACT CONCERNING A REVISED PROJECT LABOR AGREEMENT– For the purpose of revising the pilot project labor agreement language targeting Prince George's County Department of Public Works and Transportation (DPW&T) Capital Improvement Program (CIP) 4.66.0002 Curb and Road and Rehabilitation 2 construction projects by authorizing the Department to grant project labor agreement requirement waivers under certain conditions.

Fiscal Summary

Direct Impact

Expenditures: No additional expenditures will be required.

Revenues: No anticipated revenue impact.

Indirect Impact

Mixed indirect impact.

Legislative Summary:

CB-052-2025[1], proposed and sponsored by Council member Edward Burroughs, was presented on May 27, 2025, and referred to the Transportation, Infrastructure, Energy and Environment (TIEE) Committee. This bill amends the code to add a waiver process for the Department of Public Works and Transportation for Project Labor Agreements (PLAs) that fall under CIP 4.66.0002 Curb and Road Rehabilitation 2 projects.

Background/Current Law:

Provisions of CB-004-2023

In February of 2023, CB-004-2023[2], the Pilot Project Labor Agreement was signed into law. This bill introduced a pilot project labor agreement program to the Department of Public Works and Transportation, and more specifically to the CIP Curb and Road Rehabilitation 2 construction program. This class of projects creates entry-level contract opportunities for small businesses.

CB-004-2023 added Subtitle 10A, Division 6 Subdivision 13[3], introducing *Pilot Project Labor Agreement on CIP 4.66*.0002. The bill used the *shall* clause for the following statements already outlined in Sec. 10A-158:

1. All Curb and Road Rehabilitation 2 projects shall require, as part of a solicitation that contractors and subcontractors become party to a project labor agreement.
2. A project labor agreement shall:
    a. Contain guarantees against strikes, lockouts, and similar job disruptions.
    b. Set forth effective, prompt, and mutually binding procedures for resolving labor disputes arising during the term of the project labor agreements.

Resource Personnel:

- Josh Hamlin, Legislative Officer

Discussion/Policy Analysis:

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[1] CB-052-2025
[2] CB-004-2023
[3] SUBDIVISION 13. - PROJECT LABOR AGREEMENTS. | Code of Ordinances | Prince George's County, MD | Municode Library

CB-052-2025 proposes revising language in Section 10A-158.00.03[4] Pilot Project Labor Agreement that would allow the Department of Public Works and Transportation to waive the requirement for contractors or subcontractors to negotiate or enter into a project labor agreement for the Curb and Road Rehabilitation 2 program under certain circumstances.

Recommended changes to the code include the following:

1. Adding a waiver provision if the Department conducts a competitive solicitation process for the project; and,
2. The Department determines, based on the response to the solicitation, that no qualified vendors are willing to participate under the project labor agreement.

This program was the largest funded program in the Department's CIP program. In the prior fiscal year, 2025, the program was funded at $20 million[5], down from an estimated $42 million in FY 2024[6]. Under this category of projects, the County oversees streets, curbs, and sidewalks, makes safety improvements, installs new sidewalks, constructs sidewalk ramps in accordance with the Americans with Disabilities Act (ADA), landscapes, improves traffic calming, makes revitalization improvements, and installs guardrails Countywide.

With the enactment of CB-04-2023, the Department *was* slated to enter a pilot phase of the program as a test case for a permanent program. To date, there are no published findings or discussions on how the program performed.

Answering these questions will help us understand the impacts of PLAs on the Department and this CIP project category.

1. How did the 2023 Pilot program work?
2. What was the Department's experience and the outcomes of the Pilot program under CB-04-2023? What were the outcomes of the program? Was the program considered a success?
3. What positive or negative impacts does the Department see in utilizing project labor agreements for this class of projects?
4. How easy or difficult is it to find companies, particularly local companies, to do this type of work? What is the number of companies available to do this kind of work?
5. What is the average number of companies that bid on projects in this classification?
6. What is the average number of companies that are awarded these types of contracts on an annual basis?

Fiscal Impact:

[4] DIVISION 6. - SPECIAL PROVISIONS. | Code of Ordinances | Prince George's County, MD | Municode Library
[5] FY 2025 Public Works and Transportation CIP Curb and Road Rehab 2
[6] FY 2024 Public Works and Transportation CIP Curb and Road Rehab 2

- *Direct Impact*

Enactment of CB-52-2025 will likely not have any direct fiscal impact on County expenditures. This bill creates no additional costs and will likely generate no additional revenues.

- *Indirect Impact*

Enactment of CB-052-2025 may have a mixed indirect impact. County businesses may realize increased indirect revenue associated with spending on Curb and Road Rehabilitation projects by local contractors doing business in the County. However, it is possible that some County-based small businesses may be placed at a competitive disadvantage on subject projects because of this legislation's requirement.

Effective Date:

CB-052-2025 shall be effective (45) calendar days after it becomes law.

If you require additional information or have questions about this fiscal impact statement, please email me.