

Reference No.: CB-091-2023
Draft No.: 2
Committee: Government Operations and Fiscal Policy
Date: October 12, 2013
Action: FAV (A)

REPORT:

Committee Vote: Favorable with amendments 4-1 (In favor Council Members Burroughs, Oriadha, Fisher, and Ivey)

Oppose: Council Member Harrison

The Government Operations and Fiscal Policy Committee convened on October 12, 2023, to consider CB-91-2023. The bill revises thresholds for project labor agreements, making all County projects valued at over \$10 million to have a mandatory project labor agreement approved by the Project Labor Agreement Coordinating Committee for submission to the County Executive for their approval and change the composition of the Coordinating Committee. CB-91-2023 modifies the composition of the Coordinating Committee to have the Chairperson of the Government Operations and Fiscal Policy Committee Chairperson as the Chair of the Coordinating Committee.

Written comment was received in opposition to CB-91-2023 from ABC of Metro Washington. If approved by the County Council, this bill will increase the cost of County contribution projects at a time when revenue is scarce and will negatively impact the ability of local companies and workers to participate in county projects.

Public testimony was heard. Those speaking against it said there is a smaller pool of contracts for workers compared to union workers on MBEs and SBEs.

One speaker who addressed Chair Burroughs said that PLAs are discriminatory to local workers, so there needs to be top-quality trained individuals; not against unions but want to be included.

Those in support said that PLAs do not discriminate (Steamfitters local 602); PLAs level the playing field between unions and larger businesses/corporations and offer a workforce that is open for everyone.

There needs to be a compromise of PLAs at \$15 Million to \$20 Million, not Biden's \$35 Million.

The Administration representative indicated support if the committee approves the following amendments.

1. Change the \$10 million value threshold to \$35 million
2. Include exemptions
 - a. The project is of short duration and lacks operational complexity;
 - b. The project will involve only one craft or trade;
 - c. The project will involve specialized construction work that is available from only a limited number of contractors or subcontractors;
 - d. The agency's need for the project is of such an unusual and compelling urgency that a project labor agreement would be impracticable;

The exemptions in Biden's February 4, 2022, Executive Order should mirror in CB-91-2023. The reason is that it's easier to align the PLA with what the federal government is doing and what they've determined to be reasonable.

A Council Member asked about the cost of capital improvement projects reaching the \$35,000,000 million value or exceeded. He further stated that very few projects in the county portion of the budget exceed \$35,000,000. He also asked if this bill covers the Board of Education and Park & Planning. Road projects in phases may be covered under this legislation. It's important to include explicit language in the bill for clarification.

The bill sponsor indicated that this bill does not cover the Board of Education and Park & Planning. He suggested a more compromising threshold of \$15 to \$20 million, indicating that he would be amicable to further discussion before introducing the bill.

A Council Member stated that he had correspondence from 40 local minority businesses opposing the legislation. He indicated that there was a review of all the unions that are part of the DC and Maryland area building trades, and it found that of all of their affiliated union contractors, only 2% are Prince George's County minority businesses. The problem is that there are few union signatory minority companies in Prince George's County that you will essentially shut everybody else out.

The bill sponsor explained that this bill is not anti-minority and that legislation about minority businesses has always passed the committee and council. He further stated that PLA pulls people out of poverty and puts them in the middle class.

The Office of Law finds CB-91-2023 to be in proper legislative form.

The Policy Analysis and Fiscal Impact Statement states that there may be an increased expenditure on subject construction contracts and no revenue impact likely. The indirect effect is favorable.

The Government Operations and Fiscal Policy Committee voted favorably 4-1 on CB-91-2023 as amended.