

COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND
2003 Legislative Session

Bill No. CB-92-2003

Chapter No. _____

Proposed and Presented by Council Member Hendershot

Introduced by _____

Co-Sponsors _____

Date of Introduction _____

BILL

1 AN ACT concerning

2 Financial Assistance to Economic Development Activities

3 For the purpose of declaring the County's policy to reduce the risks to the County's investment
 4 and other proprietary interests in certain economic development activities.

5 BY adding:

6 SUBTITLE 10. FINANCE AND TAXATION.

7 Sections 10-290, 10-291, 10-292, 10-293,

8 10-294, 10-295, and 10-296 ,

9 The Prince George's County Code

10 (1999 Edition, 2002 Supplement).

11 SECTION 1. BE IT ENACTED by the County Council of Prince George's County,
 12 Maryland, that the Council makes the following findings and declaration of policy:

13 Findings and Declaration of Policy:

14 1. In fulfilling its obligations to promote economic development within the geographic
 15 boundaries of the County, the County may participate in a variety of economic development
 16 activities in partnership with other public agencies and authorities and private entities as a
 17 property owner, lender, or guarantor which places public assets and money at risk that depends
 18 upon the success of the activity.

19 2. As an economic development activity participant, the County is obligated to efficiently
 20 manage the County's financial interests in the activity to maximize the economic benefits and to
 21 minimize the risks.

1 3. One of the key manageable financial risks associated with the construction of facilities
2 for an economic development activity project is the risk of labor-management discord during the
3 construction of facilities. Such discord distracts the attention of project management away from
4 the primary goals of the project, distracts the attention of construction contractors and
5 construction workers that, in turn, reduces efficiency, generates delays, and increases costs, and
6 generates negative publicity about the County, its development partners and the economic
7 development project among certain segments of the population intended to use the project
8 facilities after completion.

9 4. After the completion of the construction phase of an economic development project,
10 one of the key risks to the income stream to be generated by the project is the risk of labor-
11 management discord during the operation of the project. Such discord distracts project
12 management from its core business functions to profitably manage the facility, distracts
13 individual employees from their primary duties to meet the needs of project consumers,
14 contributes to a stressful working environment, and generates negative publicity about the
15 County, its development partners, and the economic development project among certain
16 segments of the population intended to use the project facilities.

17 5. The possibility of labor-management discord during the organization and recognition
18 stages of the collective bargaining process is perceived negatively by a significant segment of the
19 population intended to be attracted to an economic development activity facility that potentially
20 results in reduced use of the facilities by individuals and organizations to the eventual economic
21 harm to the County's economic interests derived from participating in the project.

22 6. The County, through the enactment of this Act, declares its intent to reduce the risk to
23 the County's proprietary economic interests associated with participating in certain economic
24 development activities, by requiring that its public and private partners in such activities seek
25 agreements with appropriate labor organization that are designed to reduce the risk of labor-
26 management discord by agreeing to forebear from adverse economic action against the partners'
27 operations in furtherance of the success of the economic development activity project.

28 SECTION 2. BE IT ENACTED by the County Council of Prince George's County,
29 Maryland, that Sections 10-290, 10-291, 10-292, 10-293, 10-294, 10-295, and 10-296 of the
30 Prince George's County Code be and the same are hereby added:
31

1 **SUBTITLE 10. FINANCE AND TAXATION.**

2 **DIVISION 16. ECONOMIC DEVELOPMENT FINANCIAL ASSISTANCE.**

3 **Sec. 10-290. Definitions.**

4 (a) **Employer** means any person that employs more than twenty-five people

5 (1) in the construction of a facility that is constructed in whole or in part with
6 financial assistance provided by the County; or

7 (2) at a facility that has received financial assistance provided by the County.

8 (b) **Financial assistance provided by the County means:**

9 (1) The provision of money, in-kind services, or real or personal property in an
10 aggregate amount of Five Million Dollars or greater;

11 (2) The pledge of anticipated tax revenues or other revenues, including rents pledged
12 for the repayment of debt service, to which the County is otherwise entitled to receive in an
13 aggregate amount of Five Million Dollars or greater;

14 (3) The guarantee of the repayment of loans or bonds issued by another entity in an
15 aggregate amount of Five Million Dollars or greater;

16 (4) The issuance of general obligation bonds, revenue bonds, or special taxing district
17 bonds in an aggregate amount of Five Million Dollars or greater, the repayment of which is from
18 revenue, including incremental tax revenue, generated by the project;

19 (5) The creation of a special taxing district pursuant to the Special Taxing District
20 Act, Article 9-1301, Article 24, Annotated Code of Maryland, to fund any portion of a project,
21 the cost of which is equal to Five Million Dollars or greater; or

22 (6) The guarantee of bonds issued by the Prince George's County Revenue Authority
23 pursuant to Section 21A of the Code in an aggregate amount of Five Million Dollars or greater.

24 (c) **Labor organization** means an organization in which employees participate and which
25 exists for the purpose of representing employees with employers concerning wages, rates of pay,
26 hours of employment, conditions of work, grievances or labor disputes.

27 (d) **Labor peace agreement** means an agreement, enforceable under Section 301(a) of the
28 Labor Management Relations Act of 1947, between an employer and a labor organization that
29 contains, at a minimum, a provision prohibiting the labor organization and its members from
30 engaging in any picketing, work stoppage, or other economic interference with an employer's
31 operations and activities associated with a project that has received financial assistance provided

1 by the County for the period that the financial assistance is provided, provided however, that an
 2 employer that performs its obligations under the agreement will be relieved of further obligation
 3 arising under the agreement if the labor organization engages in concerted adverse economic
 4 actions against the employer, including a boycott, a strike, or picketing.

5 (e) **Project labor agreement** means a pre-hire agreement authorized under Section 8(f) of
 6 the National Labor Relations Act entered into between a labor organization and an employer
 7 engaged in the construction of facilities that are funded in whole or in part with financial
 8 assistance provided by the County that is designed to establish uniform terms and conditions of
 9 employment and to systematize labor relations throughout the facility for the duration of the
 10 construction activities.

11 **Sec. 10-291. Labor peace agreement required.**

12 Prior to the provision of any financial assistance by the County or the disbursement of
 13 funds derived from any financial assistance provided by the County, the County Executive shall
 14 require that any employer on the project enter into a labor peace agreement with a labor
 15 organization that requests a labor peace agreement and which represents, or might reasonably
 16 represent, workers employed on the project.

17 **Sec. 10-292. Project labor agreement required.**

18 Prior to the provision of any financial assistance by the County or the disbursement of
 19 funds derived from any financial assistance by the County, the County Executive shall require
 20 that any employer on the project engaged in the construction of facilities enter into a project
 21 labor agreement with a labor organization that represents, or might reasonably represent, workers
 22 employed in construction activities on the project.

23 **Sec. 10-293. Labor peace agreement; mandatory County contract provisions.**

24 In every contract associated with financial assistance provided by the County in which the
 25 County is a party, the County Executive shall include a provision requiring an employer
 26 conducting business at the facilities constructed in whole or in part with financial assistance
 27 provided by the County to enter into a labor peace agreement with a labor organization that
 28 request a labor peace agreement.

29 **Sec. 10-294. Project labor agreement; mandatory County contract provisions.**

30 In every contract associated with financial assistance provided by the County in which the
 31 County is a party, the County Executive shall include a provision requiring an employer

1 performing construction activities on project facilities that are constructed in whole or in part
 2 with financial assistance provided by the County to enter into a project labor agreement with a
 3 labor organization that request a labor peace agreement.

4 **Sec. 10-295. Exceptions.**

5 The requirement to enter into a project labor agreement or a labor peace agreement shall not
 6 apply to:

7 (a) an employer who is a signatory to a valid and binding collective bargaining agreement
 8 with one or more labor organizations that covers the terms and conditions of employment for the
 9 employer's employees at the project that has received financial assistance provided by the
 10 County; or

11 (b) an employer who is a signatory to an agreement with one or more labor organizations
 12 regarding the employer's employees at the project that has received financial assistance provided
 13 by the County that provides at least the protections from the risks of labor-management conflict
 14 as provided in this Division.

15 **Sec. 10-296. Limitations.**

16 (a) Nothing in this Division requires an employer to recognize a particular labor
 17 organization.

18 (b) Nothing in this Division requires an employer to enter into a collective bargaining
 19 agreement that establishes the substantive terms and conditions of employment.

20 (c) Nothing in this Division is intended to, nor shall be interpreted to, enact or express any
 21 policy regarding labor-management relations reserved to the Congress or to regulate labor-
 22 management relations in any way.

23 (d) Nothing in this Division is intended to favor any particular outcome in the
 24 determination of employee preference regarding union representation.

25 (e) Nothing in this Division permits or requires the County or any employer to enter into
 26 any agreement in violation of the National Labor Relations Act, as amended.

27 SECTION 3. BE IT FURTHER ENACTED that it is the intent of the County Council, in
 28 enacting this Act, that this Act shall apply to any financial assistance by the County provided
 29 after the effective date of this Act, that was previously approved by the County Council,
 30 including but not limited to financial assistance to the National Harbor Development District, the

1 National Harbor Special Taxing District, and the National Harbor Convention Center Special
2 Taxing District approved pursuant to CB-80-2002, CB-81-2002, CR-62-2002, and CR-63-2002.

3 SECTION 4. BE IT FURTHER ENACTED that the provisions of this Act are hereby
4 declared to be severable; and, in the event that any section, subsection, paragraph, subparagraph,
5 sentence, clause, phrase, or word of this Act is declared invalid or unconstitutional by a court of
6 competent jurisdiction, such invalidity or unconstitutionality shall not affect the remaining
7 words, phrases, clauses, sentences, subparagraphs, paragraphs, subsections, or sections of this
8 Act, since the same would have been enacted without the incorporation in this Act of any such
9 invalid or unconstitutional word, phrase, clause, sentence, subparagraph, subsection, or section.

10 SECTION 5. BE IT FURTHER ENACTED that this Act shall take effect forty-five (45)
11 calendar days after it becomes law.

Adopted this _____ day of _____, 2003.

COUNTY COUNCIL OF PRINCE
GEORGE'S COUNTY, MARYLAND

BY: _____
Peter A. Shapiro
Chairman

ATTEST:

Redis C. Floyd
Clerk of the Council

APPROVED:

DATE: _____ BY: _____
Jack B. Johnson
County Executive

KEY:

Underscoring indicates language added to existing law.

[Brackets] indicate language deleted from existing law.

Asterisks *** indicate intervening existing Code provisions that remain unchanged.