



94TH GENERAL ASSEMBLY

State of Illinois

2005 and 2006

HB0915

Introduced 2/2/2005, by Rep. Jay C. Hoffman

SYNOPSIS AS INTRODUCED:

New Act

Creates the Illinois Project Labor Agreement Act. Provides that on a project-by-project basis, a State department, director, agency, authority, or instrumentality shall include a project labor agreement on a public works project when it has been determined that a project labor agreement advances the State's interests of cost, efficiency, quality, safety, timeliness, skilled labor force, and labor stability. Defines a "project labor agreement" as a form of pre-hire collective bargaining agreement covering terms and conditions of a specific project. Provides that when it has been determined that a project labor agreement is appropriate for a particular public works project, a State department, director, agency, authority, or instrumentality responsible for implementing the project shall either: (1) in good faith negotiate a project labor agreement with labor organizations engaged in the construction industry that represent experienced and skilled construction workers; or (2) condition the award of a project manager or general contractor upon a requirement that the manager or contractor negotiate in good faith a project labor agreement with labor organizations engaged in the construction industry and, if necessary, use the Department of Labor to reach a project labor agreement. Provides that in the event that the State department, agency, authority, board, or instrumentality and the labor organizations engaged in the construction industry cannot agree to the terms of the project labor agreement, the Governor shall appoint a designee to assist the parties in reaching an agreement. Provides that the State department, authority, or instrumentality may reserve the right to approve the negotiated project labor agreement. Establishes the requirements of a project labor agreement. Provides that any decision to use a project labor agreement in connection with a public works project by a State department, director, agency, authority, board, or instrumentality shall be supported by a written, publicly disclosed finding by such department, director, agency, authority, board, or instrumentality setting forth the justification for use of the project labor agreement. Provides that the provisions of the Act are severable. Effective immediately.

LRB094 03798 RLC 33809 b

FISCAL NOTE ACT
MAY APPLY

A BILL FOR

1 AN ACT concerning labor.

2 **Be it enacted by the People of the State of Illinois,**
3 **represented in the General Assembly:**

4 Section 1. Short title. This Act may be cited as the
5 Illinois Project Labor Agreement Act.

6 Section 5. Legislative findings and declaration. It is
7 hereby declared as a matter of legislative determination:

8 (1) In order to promote and protect the health, safety, and
9 welfare of the public the State of Illinois has a compelling
10 interest in awarding public works contracts so as to ensure the
11 highest standards of quality and efficiency at the lowest
12 responsible cost. The State of Illinois has a compelling
13 interest that a highly skilled workforce be employed on public
14 works projects to ensure lower costs over the lifetime of the
15 completed project for building, repairs, and maintenance.

16 (2) The use of a project labor agreement, which is a form
17 of pre-hire collective bargaining agreement covering all terms
18 and conditions of employment on a specific project, can ensure
19 the highest standards of quality and efficiency at the lowest
20 responsible cost on appropriate public works projects. The use
21 of project labor agreements provides the State of Illinois with
22 a guarantee that public works projects will be completed with
23 highly skilled workers; and provides for peaceful, orderly and
24 mutually binding procedures for resolving labor issues without
25 labor disruption, which has historically resulted in
26 significant lost-time on construction projects. Project labor
27 agreements allow public agencies to predict more accurately the
28 actual cost of the public works project and the use of project
29 labor agreements can be of specific benefit to complex
30 construction projects.

31 Section 10. Definitions. In this Act:

1 "Agency" means each agency, department, authority, board,
2 or commission of the executive branch of State government,
3 including each university, whether created by statute or by
4 executive order of the Governor.

5 "Authority" means a board, commission, or other entity
6 whether created by statute or by executive order of the
7 Governor of the executive branch of State government.

8 "Board" means a commission or other entity whether created
9 by statute or by executive order of the Governor of the
10 executive branch of State government.

11 "Director" means the head of a State agency or department.

12 "Instrumentality" means an entity whether created by
13 statute or by executive order of the Governor of the executive
14 branch of State government.

15 "Project labor agreement" means a form of pre-hire
16 collective bargaining agreement covering terms and conditions
17 of a specific project.

18 "Public works project" means a project defined under
19 Section 2 of the Prevailing Wage Act.

20 "State" means the State of Illinois.

21 "State department" means each agency, department,
22 authority, board, or commission of the executive branch of
23 State government, including each university, whether created
24 by statute or by executive order of the Governor.

25 Section 15. Public works projects. On a project-by-project
26 basis, a State department, director, agency, authority, or
27 instrumentality shall include a project labor agreement on a
28 public works project when it has been determined that a project
29 labor agreement advances the State's interests of cost,
30 efficiency, quality, safety, timeliness, skilled labor force,
31 and labor stability.

32 Section 20. Negotiation of project labor agreement.

33 (a) When it has been determined that a project labor
34 agreement is appropriate for a particular public works project,

1 a State department, director, agency, authority, or
2 instrumentality responsible for implementing the project shall
3 either:

4 (1) in good faith negotiate a project labor agreement
5 with labor organizations engaged in the construction
6 industry that represent experienced and skilled
7 construction workers; or

8 (2) condition the award of a project manager or general
9 contractor upon a requirement that the manager or
10 contractor negotiate in good faith a project labor
11 agreement with labor organizations engaged in the
12 construction industry and, if necessary, use the
13 Department of Labor to reach a project labor agreement.

14 (b) In the event that the State department, agency,
15 authority, board, or instrumentality and the labor
16 organizations engaged in the construction industry ("the
17 parties") cannot agree to the terms of the project labor
18 agreement, the Governor shall appoint a designee to assist the
19 parties in reaching an agreement.

20 (c) The State department, authority, or instrumentality
21 may reserve the right to approve the negotiated project labor
22 agreement.

23 Section 25. Contents of project labor agreement. A project
24 labor agreement must:

25 (1) set forth effective, immediate, and mutually
26 binding procedures for resolving jurisdictional disputes,
27 labor disputes, and grievances arising before the
28 completion of work;

29 (2) contain guarantees against strikes, lockouts, or
30 other similar actions;

31 (3) standardize the terms and conditions of employment
32 of labor on the public works project;

33 (4) permit flexibility in work scheduling and shift
34 hours and times;

35 (5) ensure a reliable source of skilled and experienced

1 labor;

2 (6) permit contractors and subcontractors to retain a
3 percentage of their current workforce in addition to labor
4 referred through the signatory labor organizations;

5 (7) permit the selection of the lowest qualified
6 responsible bidder, without regard to union or non-union
7 status at other construction sites;

8 (8) be made binding on all contractors and
9 subcontractors on the public works project through the
10 inclusion of appropriate bid specifications in all
11 relevant bid documents; and

12 (9) require all contractors and subcontractors on the
13 public works project to sign the applicable master
14 collective bargaining agreements with the labor
15 organizations having jurisdiction over the type of work
16 performed.

17 Section 30. Justification for project labor agreement. Any
18 decision to use a project labor agreement in connection with a
19 public works project by a State department, director, agency,
20 authority, board, or instrumentality shall be supported by a
21 written, publicly disclosed finding by such department,
22 director, agency, authority, board, or instrumentality setting
23 forth the justification for use of the project labor agreement.

24 Section 35. Implementation. All State departments,
25 agencies, authorities, boards, and instrumentalities are
26 hereby ordered to ensure that all public works projects are
27 implemented in a manner consistent with the terms of this Act
28 and are in full compliance with all statutes, rules, and
29 Executive Orders. In complying with this Act, all State
30 agencies, authorities, and instrumentalities are encouraged to
31 implement project labor agreements when consistent with the
32 goals set forth in this Act.

33 Section 40. Severability. Nothing in this Act shall be

1 construed to contravene any State or federal law or to
2 jeopardize the State's entitlement to federal funding. If any
3 provision of this Act or its application to any person or
4 circumstance is held invalid by any court of competent
5 jurisdiction, this invalidity does not affect any other
6 provision or application of this Act that can be given effect
7 without the invalid provision or application. To achieve this
8 purpose, the provisions of this Act are declared to be
9 severable. The provisions of this Act are severable under
10 Section 1.31 of the Statute on Statutes.

11 Section 99. Effective date. This Act takes effect upon
12 becoming law.