

20107061D

## HOUSE BILL NO. 358

## AMENDMENT IN THE NATURE OF A SUBSTITUTE

(Proposed by the House Committee on General Laws  
on January 30, 2020)

(Patrons Prior to Substitute—Delegates Lopez, Carroll Foy [HB 122], Kory [HB 1311], and Tran [HB 1202])

A BILL to amend and reenact § 2.2-4321.2 of the Code of Virginia, relating to contracts with government agencies for public works; agreements with labor organizations.

Be it enacted by the General Assembly of Virginia:

1. That § 2.2-4321.2 of the Code of Virginia is amended and reenacted as follows:

§ 2.2-4321.2. Public works contracts; project labor agreements authorized.

A. As used in this section:

"Project labor agreement" means a pre-hire collective bargaining agreement with one or more labor organizations that establishes the terms and conditions of employment for a specific public works project.

"Public body" means any authority, board, bureau, commission, district, or agency of the Commonwealth or of any political subdivision of the Commonwealth, including cities, towns, and counties, municipal councils, school divisions, and public institutions of higher education.

"Public works" means the operation, erection, construction, alteration, improvement, maintenance, or repair of any public facility or immovable property owned, used, or leased by a state agency.

"State agency" means any authority, board, department, instrumentality, institution, agency, or other unit of state government. "State agency" shall not include any county, city, or town.

B. Except as provided in subsection F or as required by federal law, each state agency Each public body, when engaged in procuring products or services or letting contracts for construction, manufacture, maintenance, or operation of public works paid for in whole or in part by state funds, or when overseeing or administering such procurement, construction, manufacture, maintenance, or operation, shall ensure that neither the state agency nor any construction manager acting on behalf of the state agency shall may, in its bid specifications, project agreements, or other controlling documents:

1. Require or prohibit bidders, offerors, contractors, or subcontractors to enter into or adhere to project labor agreements with one or more labor organizations, on the same or related public works projects; or and

2. Otherwise discriminate against Require bidders, offerors, contractors, subcontractors, or operators for becoming or refusing to become or remain signatories or otherwise to adhere to project labor agreements with one or more labor organizations, on the same or other related public works projects.

Nothing in this subsection shall prohibit contractors or subcontractors from voluntarily entering into agreements described in subdivision 1.

C. A state agency issuing grants, providing financial assistance, or entering into cooperative agreements for the construction, manufacture, maintenance, or operation of public works shall ensure that neither the bid specifications, project agreements, nor other controlling documents therefor awarded by recipients of grants or financial assistance or by parties to cooperative agreements, nor those of any construction manager acting on behalf of such recipients, shall:

1. Require or prohibit bidders, offerors, contractors, or subcontractors to enter into or adhere to agreements with one or more labor organizations, on the same or related projects; or

2. Otherwise discriminate against bidders, offerors, contractors, subcontractors, or operators for becoming or refusing to become or remain signatories or otherwise to adhere to agreements with one or more labor organizations, on the same or other related projects.

D. If an awarding authority, a recipient of grants or financial assistance, a party to a cooperative agreement, or a construction manager acting on behalf of any of them performs in a manner contrary to the provisions of subsection B or C, the state agency awarding the contract, grant, or assistance shall be entitled to injunctive relief to prevent any violation of this section.

E. Any interested party, which shall include a bidder, offeror, contractor, subcontractor, or operator, shall have standing to challenge any bid specification, project agreement, neutrality agreement, controlling document, grant, or cooperative agreement that violates the provisions of this section. Furthermore, such interested party shall be entitled to injunctive relief to prevent any violation of this section.

F. The provisions of this section shall not:

1. Apply to any public-private agreement for any construction or infrastructure project in which the private body, as a condition of its investment or partnership with the state agency, requires that the private body have the right to control its labor relations policy and perform all work associated with

60 such investment or partnership in compliance with all collective bargaining agreements to which the  
61 private party is a signatory and is thus legally bound with its own employees and the employees of its  
62 contractors and subcontractors in any manner permitted by the National Labor Relations Act, 29 U.S.C.  
63 § 151 et seq., or the Railway Labor Act, 45 U.S.C. § 151 et seq.;

64 2. Prohibit an employer or any other person covered by the National Labor Relations Act or the  
65 Railway Labor Act from entering into agreements or engaging in any other activity protected by law; or

66 3. Be interpreted to interfere with the labor relations of persons covered by the National Labor  
67 Relations Act or the Railway Labor Act.