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VIRGINIA BUSINESSES SUPPORT FAIR AND OPEN COMPETITION
CHAMBER SUPPORTS FAIR AND OPEN COMPETITION ACT IN GOVERNMENT CONTRACTING

Richmond, VA – On behalf of the Virginia Chamber of Commerce, we applaud Delegate Barbara Comstock (Fairfax) and Delegate Tim Hugo (Fairfax) for introducing and cosponsoring the Fair and Open Competition Act in Government Contracting (HB 33). This bill ensures a level playing field by preventing state agencies from requiring unwanted union agreements, including project labor agreements (PLA), onto taxpayer-funded construction.

“The spirit of Virginia’s Right to Work law is violated whenever mandated union agreements, such as project labor agreements, are imposed on Virginia businesses,” said Barry DuVal, President and CEO of the Virginia Chamber of Commerce. “Unfortunately, these agreements typically discourage competition and exclude qualified Virginia businesses and their local construction workforce from working on taxpayer-funded construction projects.”

Project labor agreements typically force contractors to: recognize unions as the representatives of their employees on a specific construction project; hire most or all of their craft employees from union hiring halls; follow archaic and inefficient union work rules; use only apprentices enrolled in union apprenticeship programs; and pay into underfunded union pension and benefit plans that their nonunion craft employees will never benefit from unless they join a union and become vested in these plans.

“HB 33 protects the interests of Virginia’s skilled workforce and qualified businesses because 96 percent of Virginia’s construction workforce chooses not to belong to a union,” said DuVal. “It ensures Virginia businesses can compete on a level playing field against union contractors, who often hire mostly out-of-state union labor dispatched to jobsites from union hiring halls.

“Research indicates public construction projects subject to PLAs are 12 to 18 percent more expensive. HB 33 will reduce costs, increase competition and create jobs for qualified Virginia businesses and local craft workers,” said DuVal. “Everyone wins when Virginia’s construction projects are procured free from discrimination and are based on the free enterprise system.”

Eleven other states have enacted similar measures, resulting in reduced costs, increased job creation and a level playing field that encourages competition from both nonunion and union contractors. The Virginia Chamber of Commerce urges passage of HB 33 so public works projects, like Phase 2 of the Dulles Metro Rail Silver Line, can create more jobs for Virginians and reduce taxpayer costs by ensuring maximum competition from all qualified bidders.

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