

# THE TRUTH ABOUT PROJECT LABOR AGREEMENTS

## *Leading the fight against government-mandated PLAs*

### **Say “NO” to Government-Mandated Project Labor Agreements on North Dakota Construction Projects**

A project labor agreement (PLA) is a special interest scheme that discourages competition from nonunion contractors and their workers by requiring a construction project to be awarded only to contractors and subcontractors that agree to recognize unions as the representatives of their employees on that job; use the union hall to obtain workers; obey the union’s restrictive apprenticeship and work rules; and contribute to union pension plans and other funds in which their nonunion employees will never benefit unless they join a union.

If mandated on public construction projects in North Dakota, PLA requirements would make it nearly impossible for the more than 90 percent of North Dakota’s construction workforce that chooses not to join a labor union to compete for projects funded by their own tax dollars.

Government-mandated PLAs can occur in Right to Work states, though they are less common. Although Right to Work laws prevent workers from being forced to pay dues to a union as a condition of employment, workers in both Right to Work and non-Right to Work states are still required to work under nearly all of the terms and conditions negotiated by the union under a PLA. These provisions are enough to discourage competition from nonunion contractors and significantly increase construction costs for taxpayers.

In February 2009, President Barack Obama issued an executive order encouraging federal agencies to require PLAs on projects costing more than \$25 million. This order left open the door for potential PLA mandates on both federal projects costing less than \$25 million and federally assisted construction. By enacting a statute to guarantee government neutrality with regard to PLA mandates, state leaders can signal to the Obama administration that taxpayers in their state want the best construction at the best price, not special interest handouts, for their hard-earned public construction dollars.

**Learn more about government-mandated PLAs at [www.thetruthaboutplas.com/NorthDakota](http://www.thetruthaboutplas.com/NorthDakota).**

For more information, please contact:

**Chris Deitch**

Regional Director  
Minnesota/North Dakota Chapter  
Associated Builders and Contractors  
Phone: 701-238-8853  
cdeitch@ndabc.com

**Phil Raines**

Vice President of Public Affairs  
Minnesota/North Dakota Chapter  
Associated Builders and Contractors  
Phone: 952-941-8693  
praines@mnabc.com

**Andy Conlin**

Sr. Manager, State and Local Affairs  
Associated Builders and Contractors  
Phone: 703-812-2048  
Conlin@abc.org