

ASSEMBLY, No. 1655

STATE OF NEW JERSEY

INTRODUCED MARCH 4, 1996

By Assemblyman DORIA, Assemblywoman Friscia and
Assemblyman DALTON

1 AN ACT requiring public works contracts to include project
2 agreements with trade unions.

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4 **BE IT ENACTED** *by the Senate and General Assembly of the State*
5 *of New Jersey:*

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7 1. The Legislature finds and declares:

8 a. The United States Supreme Court held in Building & Constr.
9 Trades Council v. Associated Builders & Contractors of Mass./R.I.
10 Inc., 507 U.S. 218 (1993) that state and local governments are, when
11 acting as market participants, permitted under the National Labor
12 Relations Act (29 U.S.C. § 151 et seq.) to enforce project agreements
13 with trade unions;

14 b. The Supreme Court commented in that case that the use of
15 project agreements "exemplifies" the purposes of the National Labor
16 Relations Act;

17 c. New Jersey has a compelling interest in carrying out public
18 works projects at the lowest reasonable cost and the highest degree of
19 quality;

20 d. New Jersey must ensure that labor disputes are resolved without
21 the disruptions of strikes, lock-outs, or slowdowns;

22 e. Project agreements provide legally enforceable guarantees that
23 projects will be carried out in an orderly and timely manner, without
24 strikes, lock-outs, or slowdowns;

25 f. Project agreements also provide for peaceful, orderly, and
26 mutually binding procedures for resolving labor issues;

27 g. The State also has a compelling interest in guaranteeing that
28 public works projects meet the highest standards of safety and quality;

29 h. A highly skilled workforce ensures lower costs over the lifetime
30 of the completed project for repairs and maintenance;

31 i. Project agreements provide the State with a guarantee that public
32 works projects are completed with highly skilled workers;

33 j. Project agreements allow public agencies to more accurately
34 predict the actual cost of projects;

35 k. Project agreements facilitate the efficient integration of work
36 schedules among different trades on project sites;

- 1 l. Project agreements also promote harmonious and productive
2 work environments;
- 3 m. New Jersey can best accomplish these goals by encouraging
4 agreements between public works contractors and subcontractors and
5 the appropriate building and construction trade unions concerning
6 important issues of employment, including work hours, starting times,
7 overtime rates, and procedures for resolving disputes; and
- 8 n. Project agreements, therefore, advance the interests of
9 efficiency, quality, and timeliness.
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- 11 2. Every State department, authority, or instrumentality authorized
12 to implement a public works project shall ensure that each public
13 works project, whenever possible, is implemented subject to a project
14 agreement with the applicable building and construction trade union
15 in whose jurisdiction the work is to be performed.
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- 17 3. In accordance with this act, every State department, authority,
18 or instrumentality responsible for implementing a public works project
19 shall either:
- 20 a. Negotiate in good faith a project agreement directly with the
21 applicable building and construction trade union or council in whose
22 jurisdiction the project is to be performed; or
- 23 b. Condition the award of a contract upon an agreement by the
24 project manager or general contractor to negotiate in good faith a
25 project agreement with the applicable building and construction trade
26 union or council in whose jurisdiction the project is to be performed.
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- 28 4. Each project agreement reached pursuant to the provisions of
29 this act shall:
- 30 a. Advance the interests of the State of New Jersey including the
31 interests in cost, efficiency, quality, timeliness, and safety;
- 32 b. Contain guarantees against strikes, lock-outs, or other similar
33 actions;
- 34 c. Set forth effective, immediate, and mutually binding procedures
35 for resolving jurisdictional and labor disputes arising before the
36 completion of the work; and
- 37 d. Be made binding on all contractors and subcontractors on the
38 public works project through the inclusion of appropriate bid
39 specifications in all relevant bid documents.
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- 41 5. In addition, any project agreement made pursuant to this act
42 shall fully conform to all statutes, regulations and executive orders,
43 including Executive Order No. 84 of 1993, regarding the
44 implementation of set-aside goals for women and minority owned
45 businesses. The obligation to comply with Executive Order No. 84 of
46 1993 shall be expressly provided in the project agreement.

1 6. This act shall take effect immediately.

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STATEMENT

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6 This bill requires each State department, authority and
7 instrumentality to ensure that each of its public works projects,
8 whenever possible, be implemented subject to a project agreement
9 with the applicable building and construction trade union in whose
10 jurisdiction the work is to be performed. The public entity responsible
11 for implementing a public works project is required either to negotiate
12 a project agreement directly with the applicable building and
13 construction trade union or council or to condition the award of the
14 contract upon an agreement by the project manager or general
15 contractor to negotiate a project agreement with that trade union or
16 council.

17 Each project agreement entered into pursuant to the bill is required
18 to:

19 1. Advance the interests of the State of New Jersey, including the
20 interests in cost, efficiency, quality, timeliness, and safety;

21 2. Contain guarantees against strikes, lock-outs, or other similar
22 actions;

23 3. Set forth effective, immediate and mutually binding procedures
24 for resolving jurisdictional and labor disputes arising before the
25 completion of the work;

26 4. Be made binding on all contractors and subcontractors on the
27 public works project through the inclusion of appropriate bid
28 specifications in all relevant bid documents; and

29 5. Conform fully with all requirements of law regarding the
30 implementation of set-aside goals for women and minority owned
31 businesses.

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36 Requires project agreements with trade unions in public works
37 contracts.