

# SENATE COMMERCE COMMITTEE

## STATEMENT TO

### SENATE, No. 1255

# STATE OF NEW JERSEY

DATED: JUNE 23, 1997

The Senate Commerce Committee reports favorably Senate Bill No. 1255.

This bill authorizes public entities (the State, counties, municipalities and authorities, instrumentalities and agencies thereof) that undertake public works projects to enter into project labor agreements with one or more appropriate labor organizations. An appropriate labor organization is one which: represents, for purposes of collective bargaining, employees in one or more crafts or trades involved in the performance of public work contracts; has entered into one or more labor agreements with one or more employers in the building and construction industry; has represented employees employed in projects similar to the public works project; and has the present ability to refer, provide or represent sufficient numbers of qualified employees in the crafts or trades required by the contract to perform the contracted work.

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

1. Advance the interests of the public entity, including the interests in cost, efficiency, quality, timeliness and safety;
2. Contain guarantees against strikes, lock-outs, or other similar actions;
3. Set forth effective, immediate and mutually binding procedures for resolving jurisdictional and labor disputes arising before the completion of the work;
4. Be made binding on all contractors and subcontractors on the public works project through the inclusion of appropriate bid specifications in all relevant bid documents; and
5. Conform fully with all requirements of law regarding the implementation of set-aside goals for women and minority owned businesses.

A negotiated project labor agreement between the public entity with one or more appropriate labor organizations is binding on all contractors and subcontractors on the public works project and may include provisions that permit contractors and subcontractors working on the project to retain a percentage of their current workforce and provisions that the successful bidder need not be a party to a labor agreement with the appropriate labor organizations other than for the public works project covered by the project labor agreement.