

## Congress Makes Threats -- While the Michigan Legislature Passes Bill Banning Project Labor Agreements

8/9/2011 Steven A. Palazzolo

Sometimes the way government works in this country just amazes me. Ok, not sometimes. All the time.

So what has been going on in the last month or so that makes me say that once again? Well, for one thing, the National Labor Relations Board is flexing its muscles in ways it has not for a bunch of years. (For more detail, read [Rob Dubault's article in this newsletter about all of the things the NLRB is doing to non-union employers.](#)) And while all of this rulemaking and sign posting and complaint bringing is going on, what is Congress doing? Threatening to take away some of the Board's authority. But what has really ticked off Congress is that the Board has filed a complaint against Boeing because the company wants to build a plant in South Carolina (where jobs tend to be non-union) and not in its home state of Washington (where the Boeing jobs are union jobs).

On Thursday, July 21, 2011, on a straight party line vote, the House Committee on Education and the Workplace voted 23-16 to bring a Bill to the floor of the House. The Bill, H.R. 2587, is entitled the "Protecting Jobs From Government Interference Act." (I know, where do they come up with these titles?) Anyway, here's what the Bill says:

Provided further, That the Board shall have no power to order an employer (or seek an order against an employer) to restore or reinstate any work, product, production line, or equipment, to rescind any relocation, transfer, subcontracting, outsourcing, or other change regarding the location, entity, or employer who shall be engaged in production or other business operations, or to require any employer to make an initial or additional investment at a particular plant, facility, or location.

And when I say "what the Bill says," I'm not kidding! That is the whole Bill! Not surprisingly, there is some difference of opinion about what this little Bill would mean if it were to be signed into law.

According to *The Wall Street Journal*, Democrats say: "the bill would recklessly expose workers to discrimination by removing key NLRB remedies needed to punish bad employers." On the other hand, Republicans say the bill: "takes a critical step to provide employers with the certainty they need to put Americans back to work, right here at home." See <http://blogs.wsj.com/washwire/2011/07/21/house-committee-passes-bill-to-rein-in-nlrb/>.

**Who are you going to believe?**

And while all of this is going on in D.C., right down the road in Lansing our Legislature passed and the Governor signed a Bill that also limits union power to some degree by banning Project Labor Agreements in certain government construction contracts. For those of you who don't know, a Project Labor Agreement is an agreement by which a contractor must pay union wages, union dues and into union benefit plans for work done on a government project; according to many, this puts non-union contractors at a significant disadvantage in getting this government work. Senate Bill 165 bans requiring Project Labor Agreements on state, local government, school, college and university construction projects using tax dollars. According to the Bill's sponsor, Senator Moolenaar, a Republican from Midland, "This measure creates open and fair competition in participating in state construction contracts and will directly result in cost savings for taxpayers."