

Alaska State Legislature

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Member

House Finance Committee

Representative Mike Kelly

House District 7

Sponsor Statement – HB 185

“Government Neutrality in Contracting Act”

HB185 promotes and ensures open competition on state construction projects, while maintaining government neutrality towards construction contractors’ labor relations. The intent of HB185 is to reduce construction costs, expand job opportunities and prevent unfair discrimination based upon labor affiliation or non-affiliation. The bill supports awarding construction work based on the merit of bids or other proposals through open competition, without favoritism to any special interests. The bill forbids construction managers from requiring union-only Project Labor Agreements (PLAs) while at the same time provides that nothing in its terms prohibits any contractor or subcontractor from voluntarily entering into PLAs or other labor agreements.

The Alaska Government Neutrality in Contracting Act directs State Agencies that award or obligate funds for any construction, or that award grants, provide financial assistance, or enter into agreements for construction projects, must ensure that bid specifications, project agreements, or other controlling documents do not: (1) require or prohibit a bidder, offeror, contractor, or subcontractor from entering into agreements with a labor organization, with respect to that construction project or another related construction project; or (2) otherwise discriminate against such a party because it did or did not become a signatory to such agreements.

The bill exempts the Natural Gas Pipeline licensed under the Alaska Gasline Inducement Act and projects that use money from the Federal government that may require that a Labor organization agreement be used or not used.

I would appreciate your support for the “Government Neutrality in Contracting Act”.