

# ALASKA AFL-CIO

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**VINCE BELTRAMI**  
Executive President



**BRUCE LUDWIG**  
Secretary / Treasurer

Dear Senator Kelly, Co Chair Senate Finance Committee:

Per our conversation on the Project Labor Agreement issue in SB 138 intent language, I am providing you with the following information.

A PLA is the only legal way to guarantee local hire. The referral of applicants by each individual union hall must comply with the published rules governing its referral system and/or the appropriate craft apprenticeship program. These referral rules establish referral priorities based on training, minimum qualifications, experience in the industry and area residence in accordance with Title 29, Chapter 7, Subchapter II, of the National Labor Relations Act (NLRA). The NLRA is unique in that it makes union referral under a bonafide collective bargaining agreement (including a PLA) the only legally enforceable method for establishing a resident hire preference.

Under a PLA, contractors make exact bids. Costs are established for labor. Those costs include wages and benefits including health insurance, and workers' compensation.

A typical PLA includes no-strike, no lock-out agreements. And for additional headache relief, a PLA includes procedures for settling - quickly - any problems or disputes that might develop during the project.

A project under a PLA can be bid on by union and non-union contractors. PLAs never restrict bidding solely to union contractors. A PLA is available to any contractor willing to accept the terms of the agreement.

The project contractor would be required to work under the terms of the PLA on that project only. The agreement would not affect any other work or employees the contractor has outside the project.

A non-union contractor is allowed to bring their employees with them to the project. No their employees do not have to join the union but would be required to pay an agency fee if they choose not to join.

An agency fee payer is entitled to all the union protections and negotiated benefits under the PLA.

The non-union employee working under the PLA would be eligible for medical benefits provided under the agreement after reaching and maintaining the minimum hours bank.

In the PLA negotiations the pension funds are open to discussion and agreement on a plan that covers the needs of the parties.

**SCANNED**  
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