



March 18, 2026

Hon. Arthur Corvese
c/o HouseLabor@rilegislature.gov
Chairman
House Committee on Labor
State House
Providence, RI 02903

Re: Support for H-7972; An Act Relating to Labor and Labor Relations—Project Labor Agreements

Dear Chairman Corvese,

BuildRI is a domestic non-profit trade association comprised of four (4) contractor associations (the Labor Relations Division of the RI Chapter of the Associated General Contractors, the New England Mechanical Contractors' Ass'n, the RI Mason Contractors' Ass'n, and the RI and Southeast MA Chapter of the National Electrical Contractors' Ass'n), and seventeen (17) Local Trade Unions that make up the Rhode Island Building and Construction Trades Council representing an approximately 10,000 local tradesmen and women. On behalf of our organization, I write in SUPPORT of the above referred to legislation for the reasons that follow.

I. What are Project Labor Agreements

Construction is the only industry under the National Labor Relations Act (NLRA) that allows employers to affirmatively decide to unionize. The primary, if not only reason for any private business to do this is because it is in their best business interests. In this industry that interest is immediate access to skilled labor at a predictable cost. The more confidence a contractor has in its costs, the sharper its bid price will be, and therefore the greater the benefit to the client and/or the taxpayer. A project labor agreement (PLA) is a specific type of collective bargaining agreement for all trades and contractors that supersede existing CBA obligations that are primarily utilized on large¹, complex construction projects. The terms and provisions of these agreements ensure immediate access to skilled labor for all trades, uniform work covenants for all crafts, labor/management working committees to address potential project challenges before they occur, predictable wage costs, and no work stoppage covenants.

Nationally, PLAs are regularly utilized on approximately *\$50 billion dollars' worth of projects every year* primarily in the private sector. Currently, the federal government, especially the Department of Defense, is issuing solicitations worth approximately \$1.5 billion per month in construction projects with PLA requirements. The Department of Energy and the Tennessee Valley Authority, which have used PLAs for tens of billions of dollars of projects over several decades, recently revised their standard or program PLAs from five to ten-year terms due to the consistent positive results they have achieved with these agreements.

¹ The federal government had previously defined a "large" construction project as any project more than \$25 million in construction.

Recently the Trump administration issued a directive to remind “agencies that the Biden-era executive order mandating [construction] pre-hire collective bargaining agreements on federal projects above \$35 million in value remains in effect.” *See, Trump Encourages Federal Agencies to Use Union Pacts*, Bloomberg Daily Labor Report, June 12, 2025. And their GSA recently said that:

PLAs have multiple benefits, including predictable labor costs, a steady supply of labor, coordination among multiple employers, and certainty about the terms and conditions of employment. PLAs provide structure and stability, avoid labor-related disruptions by using dispute-resolution processes to resolve worksite disputes, and prohibit work stoppages. PLAs secure the commitment of all stakeholders on a construction site to efficient completion without unnecessary interruptions. These benefits help ensure the efficient and timely completion of construction contracts, particularly where, as here, projects are large, complex and of extended duration. The public has an interest in achieving these benefits on large-scale construction projects.

Locally, PLAs have been utilized on more than \$11 billion projects in the Rhode Island marketplace over the past twenty-five (25) years. Utilization of these agreements also extends to every sector of our economy except single/multi-family housing. In fact, two prominent members of the higher education sector (Brown University and Providence College) have separately entered into memorandums of understandings with the RIBCTC to construct any of their projects over \$25 million under an all-union PLA. Currently, PLAs are being utilized on thirty-two (32) large local projects worth over \$3 billion in budgeted construction value in total in Rhode Island.

II. The Unnecessary and Burdensome Standard that the RI Courts Impose on PLAs

In 2002, the Rhode Island Supreme Court imposed an unnecessary and burdensome standard for allowing PLAs on Rhode Island public works projects. The RI Supreme Court held that before any public entity includes a PLA in a bid specification in a public contract it must first establish that “(1) the size and complexity of the project are such that a PLA supports the goals and objectives of the state purchases act; and (2) the record demonstrates that the awarding authority has conducted an objective reasoned study using reviewable criteria in determining that the adoption of a PLA helps to achieve the goals of the state purchases act.” *Associated Builders & Contractors of RI, et al. v. Depart. of Administration*, 787 A.2d 1179, 1189 (R.I. 2002). Rhode Island is one (1) of only two (2) states nationally that has this higher standard.

III. 59 Out of 59 “objective reasoned stud[ies] using reviewable criteria” Concluded that Requiring a PLA would help “achieve the goals of the state purchases act”

Since this standard was adopted, numerous state agencies and public subdivisions have conducted fifty-nine (59) independent “objective reasoned stud[ies]” for construction projects worth approximately \$4.9 billion, and all fifty-nine (59) concluded that a PLA on the projects the studies were conducted for “achieve the goals of the state purchases act”. Seventeen (17) of these analyses were done by or through the Rhode Island State Department of Administration. The project list is attached hereto.

At a recent public hearing, one of the experts hired for the analysis of the University of Rhode Island Fine Arts Center through the state department of administration concluded that it was:

[I]mportant for us to focus on how well PLAs have functioned in the past in Rhode Island. What has happened in other jurisdictions is...clearly different from the laws and relationships that existing in Rhode Island. And an examination of both public sector and private sector projects in Rhode Island which were governed by a PLA over the past 30 years, shows a very high favorability response to the PLA arrangement. The projects in question were completed safely and on time and on budget, and we have specific information to that effect.²

The Town of Middletown primarily focused on the potential adverse impact on competition. Their analysis reviewed the list of bidders on multiple prior projects, and concluded that:

[G]iven that the overwhelming majority of subcontractors will be union, a PLA may provide the benefit of labor stability mitigation of potential interruption to the work and predictable cost without significantly impacting the Project's final cost. In addition, [the construction manager] believes that a PLA will help union subcontractors obtain union labor in what is currently a very tight labor market. On balance, it appears that a decision of the Building Committee to utilize a PLA would be lawful and beneficial given the nature of the project, the timetable for completion and the likely limited impact on competition. *See*, Exhibit 12.

In the 2024 study analyzing the potential feasibility of a PLA on two North Providence Elementary Schools (worth an estimated \$35 million each), the objective study performed by Conley and Associates found that implementing PLAs on public sector projects, especially public schools, is the market expectation.

In Rhode Island, the consistent analysis of the value of Project Labor Agreements during the construction of these school sites has led to many municipalities, if not the very strong majority of municipalities, to choose to enter into a project labor agreement for these school projects. In effect, this level of ubiquity inherently creates a labor market expectation that these projects will rely on Union labor. This sort of expectation creates enhanced risk of labor disruptions if any similarly situated school project bucked the overall trend and decided against taking advantage of a project labor agreement. In sum, the Projects are extremely vulnerable to any disruptions in labor, and the current climate creates several openings for potential labor disruptions. These include strikes and labor disruptions, and lawful picketing and protests. Any such disruption would pose a real threat to the work schedule. Since financing for the Projects depends on the school district's ability to reach substantial completion within the schedule set by RIDE, avoiding any such disruptions is paramount. *Id.*

IV. National studies corroborate Local Studies Conclusions

² Comments made by Mr. Frank O'Brien, Director of the Quirk Institute of Industrial Relations at Providence College at a public hearing on whether or not to require a PLA on the URI Fine Arts building expansion. Mr. O'Brien was one of three industry experts hired by the university to determine whether or not to require a PLA on this project. Transcript excerpt from the hearing on June 16, 2023, that is attached hereto as Exhibit 11.

Separate and apart from local studies, there have been at least twenty-six (26) studies from universities, government agencies, and other organizations across the country showing PLAs produce cost savings and/or provide other important project delivery benefits. Moreover, while PLA opponents argue that these agreements result in fewer bidders or higher bid costs, a number of studies show that such claims are unfounded and that PLAs, in fact, have the exact opposite effect.

Research Showing Increased Competition: An analysis of 95 public projects for the Port of Seattle from 2016 to 2023, with a collective value of over \$950 million, showed that “bid competition averaged 4.3 bids on the 23 projects that were covered by PLAs and 3.7 bids on the 72 projects that were not.” Similarly, a report on Illinois’ state public works program that reviewed 317 projects found that the average winning bid for PLA projects was 4.7 percent below the engineer’s estimates.

Findings of Cost Savings and Lower Bid Results: A case study of seven projects for College of Marin in California found bids on PLA projects were 25 percent lower than engineer’s estimates, versus only 21 percent lower bids on non-union projects. Likewise, the Port of Seattle study showed that “PLA projects were more likely to be awarded below the engineer’s estimate (74 percent) than non-PLA projects (69 percent).” In addition, an analysis of the New York City School Construction Authority’s PLA Program resulted in quantifiable cost savings of \$221 million over five years.

V. The Benefits of H-7972

H-7972 overturns the 2002 Rhode Island Supreme Court case in its entirety, thereby allowing public agencies to eliminate the requirement of an outside study if it wants to include a PLA as a bid specification. This saves public agencies the unnecessary cost and time of doing these analyses. In addition, this legislation creates a presumption for a PLA on local large public works projects funded in part by the state. This is consistent with existing federal law as well as the conclusions of the fifty-nine (59) local independent studies completed by various state and local public agencies. These agencies include the state Judiciary, state department of administration, the Airport Corporation, and the municipalities of Central Falls, Cranston, East Providence, North Providence, Pawtucket, Providence, South Kingstown, and Warwick.

Thank you for your time and attention to this matter. If you have any questions, please do not hesitate to contact the undersigned.

Sincerely,



David Rampone
Chairman



Michael F. Sabitoni
Vice-Chairman



Gregory A. Mancini
Executive Director/
General Counsel