

BILL ANALYSIS

H.B. 996
By: Parker
Economic & Small Business Development
Committee Report (Unamended)

BACKGROUND AND PURPOSE

Interested parties have observed that project labor agreements are increasingly being used across the nation as a means of forcing governmental entities to award contracts to unionized companies. These parties contend that when allocating state resources for approved state-funded projects, there should not be preferences for unionized labor or non-unionized labor. A company that can perform the work for the best value, regardless of the company's group affiliation, should be awarded public work contracts. The parties contend that having a preference on that matter could place the state in the undesirable position of picking winners and losers in decisions not based upon the most efficient cost or the most competent labor. H.B. 996 seeks to address these concerns.

CRIMINAL JUSTICE IMPACT

It is the committee's opinion that this bill does not expressly create a criminal offense, increase the punishment for an existing criminal offense or category of offenses, or change the eligibility of a person for community supervision, parole, or mandatory supervision.

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not expressly grant any additional rulemaking authority to a state officer, department, agency, or institution.

ANALYSIS

H.B. 996 amends the Education Code to prohibit an institution of higher education awarding a public work contract funded with state money, including the issuance of state-guaranteed debt, from prohibiting, requiring, discouraging, or encouraging a person bidding on the public work contract from entering into or adhering to an agreement with a collective bargaining organization relating to the project. The bill also prohibits the institution from discriminating against such a person based on the person's involvement in the agreement.

H.B. 996 amends the Government Code to prohibit a governmental entity awarding a public work contract funded with state money, including the issuance of state-guaranteed debt, from prohibiting, requiring, discouraging, or encouraging a person bidding on the public work contract from entering into or adhering to an agreement with a collective bargaining organization relating to the project. The bill also prohibits the governmental entity from discriminating against such a person based on the person's involvement in the agreement.

H.B. 996 prohibits its provisions from being construed to prohibit activity protected by the federal National Labor Relations Act or to permit conduct prohibited under that act.

EFFECTIVE DATE

On passage, or, if the bill does not receive the necessary vote, September 1, 2015.