

POLITICAL ADVOCACY

Happy New Year!

The stakes have never been higher, the policies we face have never been crazier, and the entire fate of your ability to work is on the line. We will only be successful with your advocacy and action.

Here are the 5 things you need to know to combat policies limiting fair and open competition.

1) Act Now Against President Biden's Project Labor Agreement Mandate.

ABC issued a strong statement opposing a December 18th final rule implementing President Joe Biden's Executive Order 14063, which requires federal construction contracts of \$35 million or more to be subjected to controversial project labor agreements.

Urge your federal lawmakers to fight the Biden administration's pro-PLA schemes and ask them to cosponsor the Fair and Open Competition Act.

Download the [ABC Action App](#) or [submit your letter here](#).

2) Fresno Fight: Unions Are Going After Private Development.

The City of Fresno has a chance to either set a precedent of putting Project Labor Agreements (PLA's) on every project—even private—or we can fight back for open competition in construction. PLA's limit or deny you the use of your own workers on projects and force you to use union labor instead of your own.

Scannell Properties is trying to build a warehouse and make a \$100M investment in Fresno, but the building trades are using "Greenmail or CEQA abuse" to try to stop the project without a PLA or Trade Specific Agreement attached. "Greenmail" or "CEQA" abuse is environmental permit interference, which forces project owners and awarding bodies to agree to union-only work for construction in California. This is not about environmental objections. It is about the unions using desperate tactics to take control of the project by pushing discrimination in the form of union-only PLAs.

Scannell's Warehouse project flew through the Planning Commission with a unanimous vote of approval. Now it is time for the city to hear the CEQA abuse—which was used solely to extort developers into using union-only labor.

Scannell is not backing down this time. They understand the PLA's would almost double the cost of their project—and that isn't in the cards for them. If you have personal connections with Councilmember Maxwell, Perea or Esparza, please contact them.

Let me know if you can join this fight against CEQA abuse.

I will keep you in the loop as to when this will be on the agenda in January and would appreciate any support.

This reprehensible conduct by union officials, who want to be regarded as responsible and credible community leaders, needs to be exposed. Their extortion tactic destroys the legitimacy of environmental protection laws.

Recommendations for Fresno City Council:

- Approve this project.
- Approve a resolution condemning the use of environmental lawsuits to win union project labor agreements.
- Encourage private developers to resist "greenmail", because surrendering to the unions only encourages the unions to expand the practice.

3) San Jose Unfair Construction Ordinance

On December 12, 2023, the City Council directed Staff to consider revisions to a proposed ordinance amending Title 24 of the San José Municipal Code to further regulate development in the City by requiring building officials to withhold a certificate of occupancy from private owners when any contractor, subcontractor or supplier are subject to an unpaid final wage theft judgment.

The Associated Builders and Contractors of Northern California has been actively participating in the Workshops regarding the proposed Ordinance and strongly OPPOSE the City's adoption of the proposed Responsible Construction Ordinance. We believe this Ordinance is an attempt by the Unionized Building Trades to force Project Labor Agreements onto Private Work to avoid perceived compliance risks of wage theft. Wage Theft complaints sufficient to warrant such an Ordinance DO NOT exist. Therefore, adding these risks to a project is not warranted and will have unwanted consequences to the City of San Jose.

4) Act Now - Share Real World Impacts of PLA's.

We need your participation to highlight the real-world impacts SB 150 would have on the construction industry, especially for our members who are engaged in public works projects. This bill mandates project labor agreements on state projects over \$35 million and introduces new procurement standards. Your input will influence recommendations due to the Governor and Legislature by March 30, 2024.

WE NEED YOU to share a message that the implementation of this legislation could have massive impacts to the State of California, if not done right.

- PLA's have real world impacts that lead to increased costs on the State. PLA's add to the complexity of a construction project and this complexity keeps firms from bidding.
- If you want to expand bidders, the PLA's need to be thought out more thoroughly. Projects in rural areas with a smaller construction workforce need to be excluded. Otherwise, contractors from outside the area are likely to come in to build the project with limited benefit to the local community.
- All Apprentices in a State Registered Apprenticeship program should be allowed to work on projects. A PLA that shuts out unilateral apprentices hurts the workforce development of the entire construction industry. We need all the graduated apprentices we can get in the workforce to help California comply with skilled and trained workforce mandates.
- Lastly, consider taxpayer protection provisions:
 1. Request a minimum of 3 bids per craft on a project with a PLA. Without 3 bids you cannot be certain the Taxpayers are getting a competitive bid. Re-bid the project without a PLA
 2. Should a bid exceed an engineer's estimate by 10%, re-bid the craft without a PLA.

Sign up for the next SB 150 Construction Workshop:

Workshop 5 – Review of Feedback and Next Steps (In-Person & Virtual)

Date: January 25, 2024

Time: 1:00 p.m.-3:00 p.m. (PT)

Address (for in-person): Sacramento, California

[RSVP Link](#)

You can also share written feedback to haitham@achangllc.com by 5pm on January 19, 2024.

5) Statewide Advocacy Through ABC of California

ABC California
Legislative Webinar
Tuesday, January 16, 2024
11:00 a.m. - 12:00 p.m.

Join ABC California for a legislative webinar where we will discuss the first year of the 2023-24 legislative session, local politics, PLAs, and our strategies moving into the second year of session.

This is an opportunity for ABC California members to hear from the ABC California chapters and our statewide association legislative team.

Please REGISTER HERE for the webinar and receive your ZOOM link

[Register HERE for ABC California Legislative Webinar today, January 16, 2024](#)

Save the Date: ABC CA Day at the Capitol – Tuesday, March 19, 2024

Our ABC CA Day at the Capitol will be held in person this year in Sacramento.

We would like to maximize as many members as possible to attend, especially if you are based or do business in the Greater Sacramento Area. We have about 2 months to coordinate—more in the coming months.

PLA Ticker as of January 2024

1. San Joaquin County – CWA looks likely to be brought up to Board of Supervisors.
2. Yolo County – Board of Supervisors will bring up PLA in March.
3. City of Mountain View – Discussed last year, but did not act—will come back.
4. Watsonville – City staff discussing whether to propose making changes to citywide PLA.
5. Sacramento County Airport Expansion – We are working with airport staff to ensure fair language is introduced in CWA.

Ask Matthew and Susan

Have questions or concerns about anything listed above, or have a new issue you would like to bring to our attention?

Email: matthew@abcnocal.org | susan@abcnocal.org

Your Government Affairs team is working every day to fight for you and your business.

Thank you for your time...until next month.

Sincerely,

Matthew Estipona, Director of Government Affairs and Community Engagement

Susan Siegert, Government Affairs Program Administrator