

**73A.28 Public improvement contracts — prohibited terms and exemptions.**

1. A governmental entity awarding a contract for the construction, repair, remodeling, or demolition of a public improvement and any construction manager acting on its behalf shall not, in any bid specifications, project agreements, or other controlling documents do any of the following:

a. Require a bidder, offeror, contractor, or subcontractor to enter into or adhere to an agreement with one or more labor organizations in regard to the public improvement or a related public improvement project.

b. Prohibit a bidder, offeror, contractor, or subcontractor from entering into or adhering to an agreement with one or more labor organizations in regard to the public improvement or a related public improvement project.

c. Discriminate against a bidder, offeror, contractor, or subcontractor for becoming or remaining or refusing to become or remain a signatory to, or for adhering or refusing to adhere to, an agreement with one or more labor organizations in regard to the public improvement or a related public improvement project.

2. A governmental entity shall not award a grant, tax abatement, or tax credit that is conditioned upon a requirement that the awardee include a term described in [subsection 1](#) in a contract document for any construction, improvement, maintenance, or renovation to real property or fixtures that is the subject of the grant, tax abatement, or tax credit.

3. [This section](#) shall not be construed to do any of the following:

a. Prohibit a governmental entity from awarding a contract, grant, tax abatement, or tax credit to a private owner, bidder, contractor, or subcontractor who enters into or who is party to an agreement with a labor organization, if being or becoming a party or adhering to an agreement with a labor organization is not a condition for award of the contract, grant, tax abatement, or tax credit, and if the governmental entity does not discriminate against a private owner, bidder, contractor, or subcontractor in the awarding of that contract, grant, tax abatement, or tax credit based upon the private owner's, bidder's, contractor's, or subcontractor's status as being or becoming, or the willingness or refusal to become, a party to an agreement with a labor organization.

b. Prohibit a contractor or subcontractor from voluntarily entering into or complying with an agreement entered into with one or more labor organizations in regard to a contract with a governmental entity or funded in whole or in part from a grant, tax abatement, or tax credit from the governmental entity.

c. Prohibit employers or other parties from entering into agreements or engaging in any other activity protected by the federal National Labor Relations Act, 29 U.S.C. §151 et seq.

d. Interfere with labor relations of parties that are not regulated under the federal National Labor Relations Act, 29 U.S.C. §151 et seq.

**[2017 Acts, ch 65, §8 – 10](#)**

Section takes effect April 13, 2017, and applies to notices to bidders for public improvements, bids awarded for public improvements, and contracts for public improvements entered into on and after that date; 2017 Acts, ch 65, §9, 10