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SENATE FILE **2014**
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 GREINER, GASKILL, and SEXTON

Passed Senate, Date _____ Passed House, Date _____
 Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
 Approved _____

A BILL FOR

1 An Act prohibiting public contracting entities from entering into
 2 certain labor agreements for public works projects, and
 3 providing an effective date.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

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SF 2014
 BUSINESS & LABOR

1 Section 1. Section 12.72, subsection 1, Code Supplement
2 2001, is amended to read as follows:

3 1. A vision Iowa fund is created and established as a
4 separate and distinct fund in the state treasury. The moneys
5 in the fund are appropriated to the vision Iowa board for
6 purposes of the vision Iowa program established in section
7 15F.302. Moneys in the fund shall not be subject to
8 appropriation for any other purpose by the general assembly,
9 but shall be used only for the purposes of the vision Iowa
10 fund. The treasurer of state shall act as custodian of the
11 fund and disburse moneys contained in the fund as directed by
12 the vision Iowa board, including automatic disbursements of
13 funds received pursuant to the terms of bond indentures and
14 documents and security provisions to trustees. The fund shall
15 be administered by the vision Iowa board which shall make
16 expenditures from the fund consistent with the purposes of the
17 vision Iowa program without further appropriation. An
18 applicant under the vision Iowa program shall not receive more
19 than seventy-five million dollars in financial assistance from
20 the fund. Moneys in the fund shall be considered public funds
21 for purposes of compliance with the requirements of section
22 72.6.

23 Sec. 2. NEW SECTION. 72.6 PROJECT LABOR AGREEMENTS --
24 PROHIBITED -- CIVIL REMEDIES.

25 1. DEFINITIONS. As used in this section, unless the
26 context otherwise requires:

27 a. "Public contracting entity" means a person that has
28 authority to enter into an agreement that expends public funds
29 relating to a public works project.

30 b. "Public works" means a public building or other public
31 construction work, including a public improvement as defined
32 in section 384.37.

33 c. "Public works project" includes the construction,
34 maintenance, or repair of a public works, or the manufacture
35 or procurement of products or services concerning a public

1 works, which is paid for in whole or in part by public funds.

2 2. PROHIBITED ACTIVITIES. A public contracting entity
3 shall not do any of the following relating to a public works
4 project:

5 a. Require that any person execute, adhere to, enforce, or
6 otherwise become a party to any agreement, including a project
7 labor agreement, collective bargaining agreement, prehire
8 agreement, or agreement with any labor organization, which
9 requires a person to do any of the following as a condition of
10 bidding, negotiating, being awarded, or performing work on a
11 public works project:

12 (1) Become a member of or affiliated with a labor
13 organization.

14 (2) Be required to be subjected to a referral screening
15 process through a labor organization.

16 (3) Pay dues or fees, including health, welfare or pension
17 fund dues or fees, to a labor organization.

18 b. Require that any person enter into any agreement with
19 any labor organization as a condition of bidding, negotiating,
20 being awarded, or performing work on a public works project.

21 c. Require that any person become a party to any
22 agreement, including a collective bargaining agreement, that
23 provides or allows for the financing, operation, or ownership
24 of an interest in a public works by a person, or an affiliate
25 of the person, as a condition of bidding, negotiating, being
26 awarded, or performing work on a public works project.

27 d. Discriminate against any person for refusing or failing
28 to remain a party to any agreement otherwise prohibited by
29 this subsection or who brings a civil action to enforce this
30 section.

31 3. CIVIL REMEDIES. This section may be enforced through a
32 civil action. A public contracting entity who violates this
33 section or who aids in the violation of this section is liable
34 to an aggrieved person for damages, or any other equitable
35 relief, as the court deems appropriate. In addition, when a

1 public contracting entity commits, is committing, or proposes
2 to commit, an act in violation of this section, an injunction
3 may be granted through an action in district court to prohibit
4 the public contracting entity from continuing such acts. Any
5 aggrieved person, which shall include any taxpayer of this
6 state, has standing to bring a civil action to enforce this
7 section, including an action for injunctive relief, in the
8 district court for the county in which the aggrieved person is
9 a resident. A public contracting entity found to have
10 violated this section shall be required to pay the fees and
11 other expenses, as defined in section 625.28, relating to the
12 civil action to enforce this section.

13 Sec. 3. EFFECTIVE DATE. This Act, being deemed of
14 immediate importance, takes effect upon enactment.

15 EXPLANATION

16 This bill establishes a new Code section which prohibits a
17 public contracting entity from entering into certain labor-
18 related agreements for the purposes of a public works project.
19 The bill defines a public contracting entity as any person
20 that has the authority to enter into an agreement that expends
21 public funds relating to a public works project. A public
22 works project is defined as the construction, maintenance, or
23 repair of a public works, or the manufacture or procurement of
24 products or services concerning a public works which is paid
25 for, in whole or in part, by public funds. Public works is
26 defined as any public building, public construction work, or
27 public improvement.

28 The bill amends Code section 12.72 to provide that moneys
29 in the vision Iowa fund are considered public funds to which
30 new Code section 72.6 applies.

31 The bill creates new Code section 72.6 to prohibit a public
32 contracting entity from requiring any person to become a
33 member of a labor organization, to be required to use a
34 referral screening process through a labor organization, or to
35 pay dues or fees to a labor organization as a condition for

1 being eligible to be a party to or work on a public works
2 project. The bill prohibits a public contracting entity from
3 requiring a person to enter into any agreement with a labor
4 organization or to finance, operate, or own an interest in a
5 public works as a condition of being involved in a public
6 works project. The bill also prohibits a public contracting
7 entity from discriminating against any person for refusing or
8 failing to remain a party to any agreement prohibited by this
9 new Code section or for bringing a civil action to enforce
10 this new Code section.

11 The new Code section provides that the section can be
12 enforced through a civil action, including injunctive relief.
13 The bill provides that any aggrieved person, including any
14 taxpayer of the state, has standing to bring a civil action to
15 enforce the new Code section in the district court for the
16 county in which the aggrieved person is a resident. A public
17 contracting entity found to have violated this section shall
18 be required to pay attorney fees, expert witness expenses, and
19 court costs relating to the civil action.

20 The bill takes effect upon enactment.

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