1 Councilmember Zachary Parker 2 3 4 AN AMENDMENT 5 6 <u>#1</u> 7 8 IN THE COUNCIL OF THE DISTRICT OF COLUMBIA 9 10 11 **DATE:** May 2, 2024 12 13 **OFFERED BY:** Councilmember Zachary Parker 14 15 TO: B25-0469, the "Revised Project Labor Agreement Cost Threshold 16 Amendment Act of 2024" 17 18 **VERSION:** Introduced 19 Committee Report 20 **Committee Print** 21 First Reading 22 Amended First Reading Engrossed 23 24 Enrolled 25 Amendment in the Nature of a Substitute 26 27 28 **Amendment** 29 30 Sec. 2. Section 606(a)(3) of the Procurement Practices Reform Act of 2010, effective 31 October 8, 2016 (D.C. Law 21-158; D.C. Official Code § 2-356.06(a)(3)), is amended to read as 32 follows: 33 34 (a) Subsection (a)(3) is amended to read as follows: 35 36 "(3) The total construction costs, not including planning or ongoing operations 20 and maintenance, of the contract is anticipated to be \$50 million or more.". 37 38 39 (b) Subsection (b) is amended by adding new paragraphs (6) and (7) to read follows: 40 41 "(6) Outline a plan that details how expenditures of the construction project will support 42 the District's Certified Business Enterprise and Equity Impact Enterprises; 43 44 "(7) Outline a diversity plan that details efforts and commitments to conduct outreach and

recruitment for employment and apprenticeship positions on the construction project for minority

group members, members of disadvantaged communities, and women.".

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Rationale

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This amendment seeks to addresses concerns raised by members during the Council's last legislative meeting about the potential of negatively impacting the District's Certified Business Enterprises (CBEs) and Equity Impact Enterprises (EIEs) by lowering the District's Project Labor Agreement law threshold from \$75 million to \$50 million. The bill's Racial Equity Impact Assessment (REIA) is clear that "[r]esearch on project labor agreements and their impacts on racial equity or inequity is mixed and limited." The REIA also cites that recent PLA-covered construction projects have involved more minority- and women-owned businesses than anticipated. The REIA was also clear that training, mentoring, and apprenticeship opportunities—all of which the construction trades provide—are tools for increasing opportunities for CBE/EIEs on public construction projects. Even still, while there is no evidence that the concerns raised by some members have played out in practice, this amendment will require project labor agreements, agreed to pursuant to Section (b) of § 2–356.06, to 1) specifically outline how the construction project will benefit the District's Certified Business Enterprise and Equity Impact Enterprises and 2) create a plan for and thereafter specific outreach to employment and apprenticeship positions on the construction project for minority group members, members of disadvantaged communities, and women.