State of Arizona
House of Representatives
Fifty-fifth Legislature
First Regular Session
2021

HOUSE BILL 2014

AN ACT

AMENDING SECTION 34-321, ARIZONA REVISED STATUTES; RELATING TO PUBLIC WORKS CONTRACTS.

(TEXT OF BILL BEGINS ON NEXT PAGE)
Be it enacted by the Legislature of the State of Arizona:

Section 1. Section 34-321, Arizona Revised Statutes, is amended to read:

34-321. Public policy; public works contracts; prohibited agreements; definitions

A. The public interest in the rates of wages paid under public works contracts transcends local or municipal interests and is of statewide concern.

B. Agencies and political subdivisions of this state shall not require, by regulation, ordinance or in any other manner, public works contracts to contain a provision requiring the wages paid by the contractor or any subcontractor to be not less than the prevailing rate of wages for work of a similar nature in the state or political subdivision where the project is located.

C. Agencies and political subdivisions of this state shall not require in any public works contracts that a contractor, subcontractor, material supplier or carrier engaged in the construction, maintenance, repair or improvement of public works do any of the following as a condition of or a factor in bidding, negotiating, evaluating, being awarded or performing work on a public works contract:

1. Negotiate, execute or otherwise become a party to any project labor agreement or other agreement with employees, employees' representatives or any labor organization.
2. Enter into a neutrality agreement with any labor organization.
3. Participate in or contribute to an apprenticeship program that is registered with the United States department of labor.
4. Provide a wage or salary amount that is different than what the agency or political subdivision requires for other contracts or industries operating in the jurisdiction of or on behalf of the agency or political subdivision.
5. Demonstrate the existence of a labor management agreement, employee grievance policy or procedure or similar management practice, including a harmony or labor peace agreement.
6. Demonstrate labor organization status.

D. Subsection C of this section does not:

1. Prohibit private parties from entering into individual collective bargaining relationships.
2. Regulate or interfere with activity protected by law, including the national labor relations act.

E. For the purposes of this section:

1. "Agency" has the same meaning prescribed in section 41-1001.
2. "Neutrality agreement" includes an agreement to remain neutral toward any labor organization, release private employee information not required by federal labor law, allow access to property beyond what is
required by federal labor law and recognize a labor organization without a
secret ballot election conducted pursuant to federal labor law.

3. "Political subdivision" means a city, charter city, town,
county, school district, community college district, multi-county water
conservation district, industrial development authority or special taxing
district established pursuant to title 48 that is primarily supported by
taxes.

4. "Project labor agreement" means any prehire, collective
bargaining, model construction or similar type of agreement entered into
with one or more labor organizations, employees or employee
representatives that establishes the terms and conditions of employment on
a construction project.

5. "Public works contract" means a contract to which this state or
a political subdivision OF THIS STATE is a party involving AND THAT
INVOLVES the employment of laborers, workmen WORKERS or mechanics in the
construction CONSTRUCTING, alteration ALTERING or repair—of REPAIRING
public buildings or improvements.