

Michigan's Second PLA Law Also Pre-empted By NLRA

November 21, 2012 | Labor And Employment



Gerald F. Lutkus

Of Counsel (Retired)

2

Back in July, we told you about Michigan's second stab at putting limits on the use of Project Labor Agreements (PLA) in the state. Michigan's first PLA-limiting law was blocked by a federal court ruling that the subject area covered by the PLA law was pre-empted by the National Labor Relations Act.

Late last week, a federal court judge in Michigan called strike two on the state finding the revised version of the PLA bill also was pre-empted by the National Labor Relations Act.

The law, entitled the Michigan Fair and Open Competition in Government Construction Act, would have barred local communities from entering into contracts (PLAs) which required bidders, contractors and subcontractors to adhere to the terms of or become signatories to collective bargaining agreements for work on that particular project. The Court applied the U.S. Supreme Court's decision in *Garmon* which concluded that the right to enter

RELATED PRACTICE AREAS

Labor and Employment Labor Relations into PLAs is a right protected by Sections 7 and 8 of the NLRA.

We'll continue to monitor this - and the previous case - as they go through the appellate system.