

Senate Labor Committee

153rd General Assembly

Wednesday, March 11, 2026

Senate Chamber/Virtual Meeting

12:05 p.m. – 1:29 p.m.

Senate Committee Recording

Committee Members Present:

Senator Bryan Townsend, Chair	Bryan.Townsend@delaware.gov
Senator John J. Walsh, Vice-Chair	John.Walsh@delaware.gov
Senator Daniel Cruce	Daniel.Cruce@delaware.gov
Senator Nicole Poore	Nicole.Poore@delaware.gov
Senator Laura V. Sturgeon	Laura.Sturgeon@delaware.gov
Senator Dave G. Lawson	Dave.Lawson@delaware.gov
Senator Bryant L. Richardson	Bryant.Richardson@delaware.gov

Staff:

Read Scott, Senate Majority Caucus
Kiki Evinger, Senate Majority Caucus
Brontë Pepper-Hicks, Senate Majority Caucus

Attendees

All public registrants, both in-person and virtual are listed in Appendix A.

Agenda

- I. **SB 241 (Walsh): AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO PROJECT LABOR AGREEMENTS.**
- II. **Approval of 1.28.26 Meeting Minutes**

Introduction

Senator Townsend commenced the meeting at 12:05 p.m. and explained the protocol for in-person and online public comment.

I. SB 241 (Walsh): AN ACT TO AMEND TITLE 29 OF THE DELAWARE CODE RELATING TO PROJECT LABOR AGREEMENTS [12:07:14]

Synopsis: This Act requires that a contract advertised after September 30, 2026, relating to a public works project (project) with an aggregate cost of \$5 million or more must include a project labor agreement with the Delaware Building and Construction Trades Council unless the project receives federal funding, the project is for highway construction, or there was only 1 bid for the craft under the contract. A project labor agreement is a type of collective bargaining agreement in the construction industry that is generally negotiated before construction begins. Project labor agreements are intended to provide a legally binding and enforceable contract primarily related to labor conditions and labor-management relations.

Senator Townsend turned to Senator Walsh to introduce SB 241.

Senator Walsh explained a Project Labor Agreement or “PLA” is a pre-hire collective bargaining agreement between project owners and local labor organizations that outline the terms and conditions for state-funded projects. PLAs also include community workforce agreements, similar to pre-hire agreements that contain community-based commitments related to a project. He stated PLAs can help projects succeed by ensuring the employment of highly skilled workers and would give more opportunities in construction to underrepresented and economically disadvantaged communities. Advocates of PLAs state they help ensure the efficiency, quality, and timeliness of large-scale public works projects while protecting taxpayer dollars. Further, advocates of PLAs specify wages and benefits for workers, enforce safety and apprenticeship rules while binding contractors to “no strike, no lockout” clauses that include arbitration and grievance procedures. A “no strike” or “no knockout” clause is a union agreement that no member shall engage in or encourage any strike or general work stoppage.

Senator Walsh stated through a recent mini bond in 2023 (SB 35, 152nd General Assembly), the General Assembly created a Community Workforce Agreement or “CWA” pilot program that authorized the use of these agreements for up to 6 public works projects in the state. The FY 26 Bond Bill also authorized PLA projects for the University of Delaware, Delaware State University, and Delaware Technical Community College. Senator Walsh stated the Port of Wilmington will also be completed using a PLA. He also cited New York, New Jersey, California, Oregon, Washington, Illinois, Maine, and Connecticut having similar agreements for state funded projects. Senator Walsh stated SB 241 requires any contract advertised after September 30, 2026, for a project that costs \$5 million or more must include a PLA with the Delaware Building and Construction Trades Council. He clarified this does not apply to projects

that receive federal funding, highway construction, and any contract that only receives one bid. SB 241 ensures PLAs mandate provisions for controlled costs, quality, timely completion, a skilled workforce, safety, and is binding for sub-contractors and contractors alike through bid documentation.

Senator Walsh further stated the PLA is applicable regardless of the workplace location and requires effective and immediate binding procedures to resolve potential disputes. SB 241 also permits contractors and sub-contractors to retain a percentage of their current workforce. He emphasized PLAs do not prevent merit shops from bidding and winning contracts but rather set standards for contractors to adhere to. Senator Walsh explained community workforce provisions within PLAs prioritize hiring Delaware residents, whereas without one, out of state contractors can disregard these provisions. He stated PLAs are inherently flexible with the potential for local merit shops to fill the gaps of trades that may lack a union presence. Senator Walsh expressed PLAs provide a boost for small Delaware contractors by providing access to highly skilled workers through union managed apprenticeship and training programs. He further explained CWAs include participation targets for Disadvantaged Business Enterprises (DBEs) and local small businesses to ensure inclusion in public works projects.

Senator Walsh concluded by expressing that this effort would drive local economic impact through veterans, skilled workers, and community workforce acts, allowing PLAs to require workforce participation from various portions of the state. Senator Walsh highlighted PLAs and CWAs ensure that projects are comprised of highly skilled workers and include “no strike” and “no lockout” clauses which prevent labor disputes. He continued to state PLAs are effective for cross predictability given the provisions for worker wages and benefits. Senator Walsh asked if there were any questions from committee members.

Senator Lawson asked if SB 241 is a union backed bill.

Senator Walsh confirmed yes, SB 241 is.

Senator Townsend noted there are no other questions from committee members and opened the floor to public comment **[12:13:00]**

The following public commenters expressed support for SB 241: Michael Hackendorn, Delaware Building Trades Council; Christopher Muntz, Business Manager for Local Union 74 Pipefitters; Bob Gadsby, Business Agent for Local 19 Sheetmetal Workers; Taylor Hawk, Director of Legislative and Political Strategy for the Delaware State Education Association; Jim Ascione, Financial Secretary for Local 542 Operating Engineers; Richard Jordan, Business Manager for Local 451 Ironworkers; Howard VanBuren, Assistant Manager for Local 19 Sheetmetal Workers; Rob Testa, Business Agent for Local 74 Plumbers and Pipefitters; Sam Noel, Business Agent for Local 255 Carpenters; John Blyden, Labors International Union of North America; Trevor Blyden, Program Director for Pathways to Business; Mark Flanagan, President of Flanagan’s Rigging and member of Local 542; and Michael Smith.

The following public commenters expressed opposition to SB 241: Kevin Fasic, Office of Offit Kurman; Mary Dupont, Executive Director for La Plaza Delaware; Jen Cohan, President of Associated Buildings and Contractors; Ayanna Khan-Flowers, President of the Delaware Black Chamber of Commerce; James Dechene, Blue Hen Strategies, City of Newark; Jeff DiSabatino, Vice-President of Construction at DiSabatino Construction Company; Quennel Chapman, Nickle Electrical; Brandon Lately, Nickle Electrical; Angela Mariano, President of P & C Roofing Inc., Associated Builders and Contractors; Matthew Degli Obizzi, President of Ralph G. Obizzi & Sons; Jeff Faull, Vice-President of Master Interiors; Emir I. Cab, Associated Buildings and Contractors; Luis Rivera, Nickle Electrical; Crystal Timmons-Bryant, Executive Director for the American Council of Engineering Companies of Delaware; Biriviana DeLeon, Owner of Stone Nation, Inc.; Carmen Robiedo, Owner of Sheyenne Construction; Ken Ricardo-Grimmett, Eastern Highway Specialists; Katie Gillis, Executive Officer of the Home Builders Association of Delaware; James Ingrassia, Associated Buildings and Contractors; Christian Simms, Associated Buildings and Contractors; Bexi Onofre-Palma, Eastern Highway Specialists; Stephen Julian, President of Eastern States Construction Service Inc.; Steven Ritter, ThinkSecureNet; Drew Laroche, President of ThinkSecureNet; Peter Erony, Mumford and Miller Concrete, Inc.; Robert Suppe, RC Fabricators Inc.; Chris Baker, President of George & Lynch, Inc.; Nicholas Humphreys, L. Wilson Masonry, Inc.; Rashad Jones, Nickle Electrical; Will Riale, Director of Safety at Nickle Electrical; Felipe Rivas, Nickle Electrical; Stan Sykora, President and CEO of ERCO Ceilings and Interiors; Michelle Martinez-Velazquez, Nickle Electrical; Kianna Velazco-Becerra, Nickle Electrical; Carlos Collazo, Nickle Electrical; Michael Nelson, Nickle Electrical; Meghan Freeze, Fitzgerald Consulting and New Castle County Chamber of Commerce; and Dolores Lopez, Owner of Blue Coast Construction.

Janelle Cornwell, Executive Director for the Delaware League of Local Governments and Paul Bauer, President of Delaware League of Local Governments expressed opposition to SB 241 unless they are provided clarification that local municipalities and counties that use state funding are exempt from the Bill.

Senator Townsend informed the public that additional public comment could be submitted for the next 24 hours at senatelabor@delaware.gov. He acknowledged that all committee members were present at 1:28 p.m.

SB 241 was reported out of committee: 4 Favorable; 0 On Its Merits; 0 Unfavorable

II. Approval of 1.28.26 Meeting Minutes [01:28:57]

Senator Townsend entertained a motion to approve meeting minutes from January 28, 2026. Senator Walsh initiated a motion to approve, which was seconded by Senator Poore and met with no opposition.

Senator Townsend adjourned the meeting at 1:29 p.m.

Meeting Minutes prepared by Brontë Pepper-Hicks, Legislative Fellow, 3/12/2026

Appendix

Appendix A: *Members of the public pre-registered for the webinar and in-person sign-in sheet attendees.*

Michael Hackendorn, Delaware Building Trades Council
Kevin Fasic, Office of Offit Kurman
Christopher Muntz, Business Manager for Local Union 74 Pipefitters
Mary Dupont, Executive Director for La Plaza Delaware
Bob Gadsby, Business Agent for Local 19 Sheetmetal Workers
Jen Cohan, President of Associated Buildings and Contractors
Taylor Hawk, Director of Legislative and Political Strategy for the Delaware State Education Association
Ayanna Khan-Flowers, President of Delaware Black Chamber of Commerce
Jim Ascione, Financial Secretary for Local 542
James Dechene, Blue Hen Strategies and City of Newark
Richard Jordan, Business Manager for Local 541 Ironworkers
Jeff DiSabatino, Vice President of Construction at DiSabatino Construction Company
Howard VanBuren, Assistant Manager for Local 19 Sheetmetal Workers
Quennel Chapman, Nickle Electrical
Rob Testa, Business Agent for Local 74 Plumbers and Pipefitters
Sam Noel, Business Agent for Local 255 Carpenters
Brandon Lately, Nickle Electrical
Janelle Cornwell, Executive Director for Delaware League of Local Governments
Angela Mariano, President of P & C Roofing Inc.
Matthew Degli Obizzi, President of Ralph G. Degli Obizzi & Sons
John Blyden, Labors International Union of North America
Trevor Blyden, Program Director for Pathways to Business
Jeff Faull, Vice-President of Master Interiors
Emir I. Cab, Associated Buildings and Contractors
Luis Rivera, Nickle Electrical
Crystal Timmons-Bryant, Executive Director for the American Council of Engineering Companies
Mark Flanagan, President of Flanagan's Rigging and Member of Local 542
Biriviana DeLeon, Owner of Stone Nation Inc.
Carmen Robiedo, Owner of Sheyenne Construction
Ken Ricardo Grimmatt, Eastern Highway Specialists
Katie Gillis, Executive Officer of Home Builders Association of Delaware
James Ingrassia, Associated Buildings and Contractors
Christian Simms, Associated Buildings and Contractors

Bexi Onofre-Palma, Eastern Highway Specialists
Stephen Julian, President of Eastern States Construction Service Inc.
Steven Ritter, ThinkSecureNet
Drew Laroche, President of ThinkSecureNet
Peter Erony, Mumford and Miller Concrete Inc.
Paul Bauer, President of Delaware League of Local Governments
Michael Smith
Robert Suppe, RC Fabricators Inc.
Chris Baker, President of George & Lynch Inc.
Nicholas Humphreys, L. Wilson Masonry Inc.
Rashad Jones, Nickle Electrical
Will Riale, Director of Safety at Nickle Electrical
Felipe Rivas, Nickle Electrical
Stan Sykora, President and CEO of ERCO Ceilings and Interiors
Michelle Martinez-Velazquez, Nickle Electrical
Kianna Velazco-Becerra, Nickle Electrical
Carlos Collazo, Nickle Electrical
Michael Nelson, Nickle Electrical
Meghan Freeze, Fitzgerald Consulting and New Castle County Chamber of Commerce
Dolores Lopez, Owner of Blue Coast Construction
Anita Keller
Dan Peralta
Guido Lauer, Nickle Electrical
Josh Miceli
Malcolm Williams, Nickle Electrical
Marcus McMahan, Securenet MD
Michelle Devillers, Celestial Shoes & Kickin Rocks Footwear Co.
Nicholas Sliner
Taylor Burden
Trisha Moses, Delaware Black Chamber of Commerce
Zachary Taylor, Nickle Electrical

Appendix B: *Written Testimony*

Dear Members of the Senate Labor Committee,

On behalf of the officers and members of Plumbers & Pipefitters UA Local 74, I write to express our strong support for Senate Bill 241, which would require Project Labor Agreements on state-funded vertical construction projects.

As Business Manager of UA Local 74, I represent a highly skilled workforce of plumbers, pipefitters, and HVACR service technicians who live and raise their families here in Delaware. Our members take great pride in the work they perform and, in the facilities, they help build across our state. SB 241 helps ensure that taxpayer-funded construction is completed safely, efficiently, and to the highest standards of craftsmanship that the public deserves.

Project Labor Agreements provide structure, stability, and accountability on complex construction projects. By establishing consistent standards for wages, benefits, safety training, and dispute resolution, PLAs help maintain workforce stability and reduce the risk of costly delays or disruptions. They also help curb the problem of worker misclassification by reinforcing proper employment standards and accountability across all contractors on a project. Together, these safeguards create a framework that keeps projects on schedule while protecting both Delaware workers and the investment being made by taxpayers.

Just as important, PLAs strengthen Delaware's workforce development pipeline. UA Local 74 invests heavily in registered apprenticeship and advanced training programs that prepare Delaware residents for long-term careers in the skilled trades. When public projects utilize PLAs, they help ensure that these investments translate into real opportunities for Delaware workers while maintaining the high training and safety standards required on complex projects.

SB 241 reinforces fair competition while maintaining the professionalism, safety, and accountability expected on publicly funded construction. It helps ensure that schools, public buildings, and other important state facilities are built by qualified tradespeople who are properly trained and fairly compensated.

For these reasons, I respectfully urge the Delaware General Assembly to support and pass SB 241. Doing so will strengthen Delaware's commitment to quality construction, workforce development, and responsible stewardship of public funds.

Thank you for your continued service to the people of Delaware. UA Local 74 stands ready to work with you to ensure the success of this important legislation.

Sincerely,

Christopher W. Muntz
Business Manager
UA Local Union 74
Plumbers, Pipefitters, & Service Technicians
Cell: 302-545-7364

Office: 302-636-7400
muntz@ualocal74.com

Appendix C: *Written testimony*

Members of the Committee,

My name is Matthew Amandola. I am a union electrician and a member of IBEW Local 313 working in Delaware. I am writing to express my support for Senate Bill 241.

As someone who works daily in the construction industry, I believe project labor agreements are an effective way to ensure that large public projects are built safely, efficiently, and with a highly skilled workforce. Major projects funded by Delaware taxpayers deserve reliable scheduling, strong safety standards, and experienced tradespeople who are properly trained through registered apprenticeship programs.

Project labor agreements help achieve these goals by establishing clear working conditions before construction begins. They create stability on large projects by setting standards for safety, workforce qualifications, and dispute resolution, which helps prevent costly delays and disruptions. For public owners and taxpayers, this means projects that are more likely to stay on schedule and maintain high quality.

Delaware's building trades invest heavily in apprenticeship and training programs that develop the next generation of skilled workers. Policies that encourage the use of a trained workforce strengthen that pipeline and help ensure that young people entering the trades have access to stable careers while also supporting a strong local workforce.

Senate Bill 241 supports these outcomes by providing a framework for project labor agreements on major public works projects. From the perspective of someone working in the field, this approach helps promote safety, craftsmanship, accountability, and reliable project delivery on large construction jobs across our state.

Thank you for considering my comments and for your attention to the people who build and maintain Delaware's infrastructure.

Respectfully,

Matthew Amandola
IBEW Local 313
Delaware

Appendix D: *Written testimony*

TRUTH & LIES REGARDING SB 241

Project Labor Agreements (PLAs) will increase costs. FALSE.

While PLAs and CWAs create a forum for workers to negotiate for decent wages and work conditions, research finds that these sorts of agreements do not increase overall project costs. This is due to a number of factors: Workers on these sites are more experienced and productive; overall labor costs account for a relatively small share of total costs; work proceeds without disruption from labor disputes; and the agreements allow for a harmonization of schedules across employers and trades. Moreover, one construction industry consultant found that union labor is 14 percent more productive, and projects with collective bargaining agreements experience lower turnover, fewer shortages, and an average overall reduction in project cost by 4 percent compared with projects without these sorts of agreements.

PLAs prevent non-union contractors from bidding and winning projects. FALSE

It is false that Project Labor Agreements (PLAs) prevent non-union contractors from working on projects. PLAs are pre-hire collective bargaining agreements for specific projects that allow both union and non-union contractors to compete, provided they abide by the agreed-upon terms, such as wage rates and, often, union hiring halls for the project.

PLAs prevent workers who are not part of a union or work for a non-union contractor from working on projects with a PLA. FALSE

A non-union worker can work on a job with a Project Labor Agreement (PLA), but they must adhere to the terms of the agreement, which typically includes using union hiring halls, paying union dues/fees, and adhering to union benefit plans. The non-union contractors know that once workers see the benefits of a union and the dignity and security it provides, those non-union employers risk workers empowering themselves and unionizing.

Non-union construction workers are treated the same financially as union workers. FALSE.

Through collectively bargained agreements under affiliated building trades, union workers receive comprehensive, portable health coverage, employer-funded annuities, and defined-benefit pensions that guarantee lifetime monthly income. In contrast, non-union workers usually rely on employer-dependent health plans - if any health care benefits at all - and 401(k)s tied to market performance - if there are any retirement plan at all. With steadier retirement income, better healthcare access, and multiple streams of employer-funded benefits, union construction workers generally enjoy greater financial stability and a more secure retirement.

PLAs hurt minority owned contractors. FALSE.

While opponents of project labor agreements (PLAs) often argue they hurt minority-owned contractors, there is credible research showing that PLAs do not inherently disadvantage minority firms and can, in fact, support inclusive contracting when designed and implemented with clear goals. For example, a major study of state construction projects in Illinois found that PLA use was associated with more competitive bidding and increased bid activity, and that projects covered by PLAs were more likely to meet minority business enterprise participation goals than non-PLA projects — suggesting that PLAs did not reduce opportunities for minority-owned businesses and may have encouraged broader access to public contracts.

Additionally, some project outcomes in the Baltimore–Washington region demonstrate that PLAs can be structured to support local and minority participation: projects such as the MGM National Harbor saw significant local hiring and substantial minority and women-owned business participation while completing work on time and on budget.

Finally, academic research cited by reputable institutions has found no evidence that PLAs inherently discriminate against employers or workers or limit the pool of bidders — a key concern often raised in critiques — and instead notes that impacts like cost fluctuations are more closely tied to project complexity than to PLA use itself.

Taken together, these sources indicate that with intentional contracting goals and oversight, PLAs do not inherently hurt minority-owned contractors and can be a tool to support competitive, inclusive participation in public construction projects.

PLAs discourage free market competition. FALSE.

A 2025 report analyzing 773 public building projects in Illinois found that PLAs were associated with 14% more bids than non-PLA projects, increasing competition among contractors. This matters because each additional bid was correlated with a 4% decrease in contract award amounts and a 6% greater likelihood that projects were awarded below engineers' cost estimates, which helps control costs for taxpayers.

The Associated Building Contractors (ABC) are advocating on behalf of non-union workers. FALSE.

The Associated Builders and Contractors (ABC) often position itself as a defender of non-union workers, but this claim rings hollow when you look at where its priorities truly lie. ABC is a trade association for contractors and business interests, and its advocacy consistently reflects employer cost-cutting, deregulation, and opposition to workers' collective bargaining power — not genuine protection of individual labor rights. In practice, ABC's policy agenda benefits contractor profit margins and management flexibility, often at the expense of wage standards, benefits, and job security for workers. In contrast, the Delaware Building Trades are labor unions that exist solely to represent workers, negotiating for fair wages, health care, pensions, and safe working conditions without any inherent business profit motive. Unlike ABC, the Building Trades have no financial stake in minimizing labor costs; their sole accountability is to the men and women on the jobsite. This clear difference in mission and accountability exposes ABC's "worker protection" rhetoric as a front for contractor interests, while the Building Trades' record shows real, tangible support for working families.

The ABC has a history of advocating for workers' rights and protections across the country. FALSE.

- **Opposing expanded OSHA worker protections:** ABC publicly opposed a U.S. Department of Labor/OSHA rule that would have allowed employees to choose a third-party representative — such as a union or worker advocate — to accompany safety inspectors during jobsite walkarounds, framing it as an intrusion, even though the change aimed to strengthen workplace safety enforcement for employees. Critics see this as discouraging workers' access to independent safety advocacy.
- **Resisting the PRO Act:** ABC has been a lead opponent of the Protecting the Right to Organize (PRO) Act, legislation designed to make it easier for workers to form and join unions and expand collective bargaining rights. ABC framed the bill as harmful to employee choice, but labor advocates argue its opposition effectively slows efforts to strengthen worker organizing rights.

- Opposing changes to apprenticeship regulations: ABC also opposed federal proposals to revise and strengthen the National Apprenticeship System, raising concerns about bureaucracy but drawing criticism that its stance could limit expansions in structured apprenticeship standards that benefit workers entering the trades.

- Arguing against labor law reforms that protect new union workers: ABC opposed the Faster Labor Contracts Act, which would impose deadlines for first-contract agreements between employers and newly formed unions, arguing that mandatory arbitration undermines voluntary negotiation — a position critics say makes unions less effective at securing protections for workers.

Collectively, these actions illustrate how ABC’s advocacy often aligns with employer flexibility and anti-union policies, stances undermine workers’ safety rights, organizing rights, and access to stronger training and bargaining protections.

President Biden got it wrong when he signed an Executive Order requiring PLAs on federal projects. FALSE.

President Biden’s executive order requiring PLAs on federal construction projects helped workers by guaranteeing fair wages, benefits, and safe working conditions. PLAs reduce strikes and labor disputes, provide pensions and health care, and open doors for apprentices and minority workers, ensuring stable, well-paying jobs and long-term career growth in federally funded projects. We can build on this legacy by passing SB 241.

PLAs have no impact on apprenticeship or training Delaware’s work force. FALSE.

Project labor agreements (PLAs) can be powerful tools for expanding apprenticeship and job training opportunities on public construction projects. Research shows that PLA-covered projects had 5 % more labor hours worked by apprentices and were 23 % more likely to meet apprenticeship utilization goals, with significantly higher participation by women and people of color compared to non-PLA projects. This indicates PLAs help create real pathways into skilled construction careers, increasing opportunities for students and apprentices to gain hands-on experience and enter the trades.

SB 241 impacts contractors who work on highway and road infrastructure projects. FALSE.

SB 241 specifically excludes state and federal funded highway construction. In Delaware’s most recent capital budget, approximately \$212 million of a \$977 million total was allocated specifically for state roads and infrastructure, which is roughly 22 % of the capital budget. This category includes highway, bridge, and related transportation projects and will not fall under the PLA requirement.

Contractors and those businesses opposed to SB 241 can be trusted to treat their workers fairly and the unions are not necessary. FALSE.

Construction trade unions serve as a critical watchdog against the misclassification of workers, ensuring that employers do not incorrectly label employees as independent contractors to avoid paying fair wages, benefits, or payroll taxes. By monitoring job sites, filing complaints, and working with state and federal labor agencies, unions help protect workers’ rights to proper compensation, health care, and retirement benefits. This oversight not only safeguards the workforce but also levels the playing field for contractors who follow the law, discouraging unscrupulous practices that undercut wages and safety standards in the construction industry.

PLAs will increase labor costs. FALSE.

A Project Labor Agreement (PLA) does not increase labor costs because worker pay rates are already determined by prevailing wage laws, which set the minimum compensation for each trade on publicly funded construction projects. These wage rates are established in advance—typically based on local market standards—meaning contractors must pay the same base wages and benefits regardless of whether a PLA is in place. As a result, a PLA does not raise labor costs; instead, it standardizes work rules, reduces the risk of labor disputes, and helps ensure projects are completed efficiently without changing the wage rates contractors are already legally required to pay.

Mike Hackendorn
UA Local 74

Appendix E: *Written testimony*



Dear Chair and Members of the Committee,

I am writing as a Delaware taxpayer, constituent, and employee of a non-union electrical contractor that regularly performs public construction work throughout our state. I respectfully urge you to oppose the proposed Senate Bill 241 requiring Project Labor Agreements (PLAs) on public works projects exceeding \$5 million.

This legislation would effectively prevent many qualified non-union contractors—like the company I work for—from competing for state-funded projects, despite the fact that our businesses and employees pay the same taxes that fund them. This is blatant discrimination. Public projects should remain open to all qualified contractors, both union and non-union, so the state receives the best value through fair competition.

Mandating PLAs will reduce the number of bidders and likely increase construction costs for taxpayers (historically from 12-20% increase). When public project costs increase, it puts pressure on already limited public budgets. As a mother with children in our local schools in Clayton, I am particularly concerned that increased construction costs for school projects could divert funding away from educational resources and programs.

This bill has the potential to significantly impact my employer, my job stability, my children, and the ability of many Delaware businesses and workers to fairly compete for publicly funded work.

For these reasons, I respectfully ask that you oppose this legislation and support policies that maintain open competition and fair opportunity for all qualified contractors.

Thank you for your time and consideration.

Kelly Cale
Clayton, DE
302.545.6960

Appendix F: *Written testimony*



Dear Members of the Senate Labor Committee,

Last week, Senate Bill 241 was introduced as legislation that would significantly alter the bidding process for certain public construction projects in Delaware. Specifically, the bill would restrict bidders on state-funded projects with an aggregate cost of \$5 million or more to contractors that are signatory to a union agreement through a Project Labor Agreement (PLA). This requirement would apply to projects administered by the Office of Management and Budget (OMB), the Department of Natural Resources and Environmental Control (DNREC), school construction projects, and other publicly funded projects.

We want to highlight a long-established and well-documented principle in public procurement: when the number of bidders is reduced, the cost of the project increases. This conclusion has been consistently demonstrated through multiple research studies.

For your review, we have attached the following studies:

- *Investigation of Bid Price Competition Measured through Prebid Project Estimates, Actual Bid Prices, and Number of Bidders* by Paul G. Carr, P.E., M.ASCE
- *Correlating Bid Price with the Number of Bidders and Final Construction Cost of Public Street Projects* by Pramen Prasad Shrestha and Nipesh Pradhanang

These studies include the following findings:

"The analysis found that restricting the number of bidders would reduce competitive pressures and increase the accepted bid price."

"The sample data show that, if there is any restriction on bidding competition, a higher price penalty is to be expected. The greater the number of bidders participating in the bidding process, the lower the bid price the owner receives."

"If there is any restriction on competition, there is to be an expected price penalty paid."

Senate Bill 241 contains the following language:

"If a public works project under this chapter has an aggregate cost of \$5 million or more, a contract relating to that public works project must include a project labor agreement with the Delaware Building and Construction Trades Council."

The requirement to sign a Project Labor Agreement is not practical for many companies that operate in a non-union environment. Double payment of fringe benefits, additional union fees, and other operational inefficiencies make entering into a PLA unrealistic for many firms. As a

result, this language effectively deters participation and reduces the number of bidders on public projects.

Additionally, companies operating under an Employee Stock Ownership Plan (ESOP) structure cannot legally sign a PLA, which would exclude those companies from bidding entirely. Furthermore, contractors who are signatory to collective bargaining agreements with unions outside of the Building Trades would also be barred from participating.

The practical effect of these provisions would be a significant reduction in competition for public construction projects.

For these reasons, we respectfully request that an accurate Fiscal Note be prepared and attached to Senate Bill 241 before further consideration of the legislation. According to figures presented in the Governor's Budget, this bill could affect more than \$380 million in construction projects. A conservative estimate suggests that reduced competition could increase project costs by 5 to 10 percent.

Based on those estimates, Delaware taxpayers could face additional costs of \$19 million to \$38 million per year, with some studies suggesting the impact could reach as much as \$68 million annually.

If the fiscal impact cannot be precisely determined, it would nevertheless clearly exceed the statutory threshold of \$100,000. Therefore, we respectfully request that the legislation be referred to the Senate Finance Committee and the House Appropriations Committee for further review consistent with the General Assembly's fiscal oversight procedures.

Given the potential fiscal impact, we respectfully request that the Senate hearing currently scheduled for Wednesday, March 11 be postponed until a comprehensive Fiscal Note is completed and made available. Without this information, it is not possible to fully analyze and discuss the financial implications of this legislation.

Thank you for your consideration of this request.

Sincerely,

Companies of Drive Delaware Forward,
Eastern Highway Specialists
Mumford and Miller
Diamond Materials
Eastern States Construction
A-Del Construction
Quality Exteriors Inc.
Coraddo



Appendix G: *Written testimony*



March 5, 2026

Senate Labor Committee
Legislative Hall
411 Legislative Ave.
Dover, DE 19901

Dear Senate Labor Committee,

I am the owner of Ducts Unlimited Inc., a woman-owned sheet metal contracting company operating in Smyrna, Delaware since 2005. We proudly employ approximately 35 employees in the construction field consisting of licensed sheet metal journeymen, registered sheet metal apprentices, minorities, woman in the trades and more. We commonly partner with local high schools to help students transition from high school into the trades. We own many buildings in the Town of Smyrna that we have greatly renovated and kept our business growing to employ local construction workers and keep people in our niche field working locally to their homes.

I am writing to respectfully express my opposition regarding Senate Bill 241, which proposes changes to Delaware law relating to Project Labor Agreements on public construction projects. As a small, non-union business, legislation that mandates the use of Project Labor Agreements has the potential to significantly limit our ability to compete for public construction projects funded by our own tax dollars. This is a bill that could directly put our business and other local construction companies completely out of business.

Approximately 87% of Delawares construction workforce chooses not to affiliate with a union. This bill disregards that reality. We fully support fair wages and safe working conditions across the construction industry, but this bill imposes a mandate that limits opportunity and lacks fairness in public contracting. We are asking that you vote no to SB 241 to support local companies that give back locally, pay taxes, and employ skilled tradespeople from your community. This bill will undermine the growth of small and diverse contractors who are trying to establish themselves in an already competitive industry.

I respectfully ask that you reconsider the impact that Senate Bill 241 will have on companies like ours. Public construction projects should remain open and accessible to all qualified contractors so that the State benefits from healthy competition, fair pricing, and a diverse contracting community. Not only will this bill pose significant harm to small businesses, it will raise project costs significantly, meaning fewer schools renovated, fewer public buildings improved and fewer investments made in your community. Tax payers should not have to bear the cost that will come from restricting competition and driving up the costs of state funded projects.



DUCTS UNLIMITED, INC.

SHEET METAL • FABRICATION • INSTALLATION
421 Smyrna Clayton Blvd • P.O. Box 242 • Smyrna, DE 19977
Office: 302-653-8448

Please vote NO to SB 241 to keep local small construction companies like ours open and the 87% of construction workers in Delaware that choose to stay non-union. At a time when we are working to expand workforce participation and small business growth, this bill would move Delaware in the wrong direction.

Thank you for your time. I welcome the opportunity to discuss with you further how this legislation will impact my business and our local workforce either on the phone or in person.

Sincerely,

Cheryl Sparco

Ducts Unlimited Inc.

Office (302) 653-8448 ext. 101

Cell (302) 893-5605

CC: Senate Labor Committee
Senator Kyra Hoffner
Representative William Carson

DK