NDCO
NATIONAL DEMOCRATIC
COUNTY OFFICIALS

NDCO PLA Resolution & Snapshot of PLA's in 4 Counties

On July 19, 2026, NDCO hosted a panel discussion luncheon about PLA's

NDCO Chair Denise Driehaus- In co-sponsorship with St Louis County, Minnesota, recommends NDCO support and adopt a PLA RESOLUTION…

The Resolution in Support of County Authority to Determine the Use of **Project Labor Agreements on Federally Funded Local Construction Projects** received approval at the **NACo Conference** on Monday July 20th, 2026.

Issue: County governments administer thousands of federally funded road, bridge and infrastructure projects each year as intergovernmental partners, and they make procurement decisions on those projects based on their own adopted local policies. Some counties have adopted policies that require pre-arranged workforce agreements called Project Labor Agreements (PLAs) on local construction projects; others have adopted policies prohibiting such requirements. When federal agencies apply their review of county PLA decisions inconsistently, or act on those decisions on an unpredictable timeline, counties risk delaying critical infrastructure, wasting project-development costs or losing federal funding.

Proposed Policy: The National Association of Counties (NACo) supports the authority of county governments to determine, in a manner consistent with their own adopted procurement policies, whether to use a project labor agreement on construction projects they administer using federal funds or not. NACo urges all federal agencies that fund local construction to apply their existing, published criteria for evaluating proposed PLAs consistently and on a predictable timeline.

Background: County governments administer federally funded construction projects, including road and bridge projects funded through the Federal Highway Administration (FHWA). Project labor agreements are a longstanding and widely used construction procurement tool, and successive administrations of both parties have recognized their legitimacy. The Office of Management and Budget under President Biden described PLAs as improving the economy and efficiency of federal contracting, and OMB under President Trump stated in 2025 that the administration supports their use when practicable and cost-effective. Counties make procurement decisions on these projects, including whether to use a PLA, under their own locally adopted policies. When federal funds are involved, federal agencies review certain procurement decisions for consistency with applicable law. For federal-aid highway projects, FHWA evaluates proposed PLAs under criteria that consider whether the agreement advances the government's interest and is consistent with the competition requirements in 23 U.S.C. 112.

In recent years, federal agency application of PLA review has at times been inconsistent in both substance and timing. Because federal-aid construction projects operate on fixed bidding and construction schedules, delays or uncertainty in federal review can affect a county's ability to deliver programmed projects and retain the federal funding assigned to them.

Fiscal/Urban/Rural Impact: Inconsistent or delayed federal review of county procurement decisions exposes counties of all sizes to delayed infrastructure delivery or lost federal funding. Rural counties are especially vulnerable, because they often program a small number of large federal-aid projects per season with a limited local workforce and have little flexibility to absorb a turned-back grant or swap funds within a tight construction window. Predictable federal review against published criteria protects county budgets, keeps programmed funds in local communities and preserves counties' standing as dependable federal funding partners.