

WRITTEN TESTIMONY IN SUPPORT OF SB 88

Prohibiting State Government Entities from Requiring Project Labor Agreements
New Hampshire House Committee on Labor, Industrial and Rehabilitative Services
Public Hearing: April 14, 2026

Submitted by:

Daryl Luter
President, Fulcrum Associates, LLC.
Amherst, New Hampshire

Position: SUPPORT

Introduction

Chairman and members of the Committee, thank you for the opportunity to submit testimony in strong support of SB 88. My name is Daryl Luter, and I am the President at Fulcrum Associates LLC, a commercial construction management firm based in New Hampshire with 35 full time employees. We serve clients across the state, including public utilities, NH State DOT, Veteran's Affairs, and private commercial developers. managing complex construction projects from pre-design through closeout.

Fulcrum is a merit shop. Every member of our team, and every subcontractor we work alongside, earns their place on a project through skill, performance, and commitment to the work. We do not discriminate based on union status. We hire the best people. That is what this bill protects: the right of New Hampshire contractors, owners, and workers to compete and collaborate on the merits. SB 88 is straightforward and necessary. It prohibits state government entities from mandating Project Labor Agreements (PLAs) as a condition of bidding on or performing publicly funded construction work. I urge this committee to pass it.

A Personal and Professional Stake in This Legislation

Fulcrum is not a large national firm. We are a New Hampshire company, employing New Hampshire people, building projects for New Hampshire institutions. Our clients include local entrepreneurs, State agencies, and private commercial developers who depend on us to bring competitive, high-quality construction management to their projects.

If PLA mandates were allowed to spread into state-funded work, firms like ours would face a choice between compromising the workforce model that defines us or withdrawing from public work entirely. Neither outcome benefits New Hampshire. The loss would be felt not just by us, but by the clients we serve, the subs we work with, and the communities whose buildings we build.



I have spent my career in this industry and in this community. I sit on nonprofit boards, I am engaged in civic leadership programs across the Merrimack Valley, and I have deep respect for the work of this legislature. I do not come before this committee lightly. I come because this bill matters, to our firm, to our industry, and to the principle that New Hampshire's public dollars should generate the most value for the people of this state.

What Is a Project Labor Agreement and Why It Matters

A Project Labor Agreement is a pre-hire collective bargaining agreement that requires all contractors and subcontractors on a project to operate under union-negotiated terms. On its face, it may sound like a technical labor arrangement. In practice, it is a gatekeeping mechanism that systematically excludes merit shop contractors from competing for publicly funded work.

When a PLA is mandated on a state project, open-shop contractors like Fulcrum face an impossible choice: surrender control over our workforce structure, compensation packages, and subcontractor relationships to terms we had no role in negotiating or walk away from the project entirely. For a firm that has spent years building a qualified, reliable, non-union workforce in New Hampshire, that is not a fair choice. It is exclusion dressed up in contract language.


PLAs Cost Taxpayers More, Sometimes Far More

The fiscal argument against mandatory PLAs is not theoretical. Real-world data from comparable states is stark. In Virginia, one county projected a PLA-mandated project at \$23.8 million. When the project was put out without a PLA requirement, the winning bid came in at \$9.6 million, a 60 percent cost reduction on the same scope of work. That is not an outlier. It is what happens when you reduce the bidding pool to a fraction of qualified contractors.

New Hampshire taxpayers deserve better than that. State agencies, municipalities, and institutions spending public money on construction deserve access to the full competitive market. When PLAs are mandated, competition is artificially suppressed, and costs rise accordingly. SB 88 ensures that state-funded projects receive genuine competitive bids from the full breadth of New Hampshire's construction industry.

The NH Construction Workforce Is Overwhelmingly Non-Union

Our construction industry has grown and thrived on a foundation of open competition, market-driven wages, and employer-provided benefits. The vast majority of construction



workers in our state, and across New England, are employed by merit shop contractors. They are skilled, they are paid competitively, and they are proud of the work they do. In fact, you will be hard pressed to find a qualified merit shop contractor who pays less than the area prevailing wage.

A mandatory PLA does not protect those workers. It disadvantages them. When a PLA is required, open-shop subs who have built longstanding relationships with general contractors like Fulcrum are sidelined. Smaller New Hampshire subcontractors, the ones who are the backbone of our local construction economy, often cannot comply with PLA terms and are shut out of projects their tax dollars funded

This is not hypothetical. It is happening in states that have allowed PLA mandates to creep into public contracting. New Hampshire has an opportunity to draw a clear line. SB 88 draws it.

Open Competition Is a New Hampshire Value

New Hampshire has long understood that government should not put its thumb on the scale when it comes to labor markets. We do not mandate union membership. We do not discourage union shop, either. We do not impose prevailing wage requirements on state projects. We believe, and the evidence confirms, that open, competitive bidding produces better outcomes for owners, better value for taxpayers, and broader opportunity for workers.

SB 88 is entirely consistent with that tradition. It does not prohibit PLAs, private owners remain free to use them if they choose. It simply prohibits state government from requiring them as a condition of receiving public contracts or grants. That is a reasonable, principled line. Government should be neutral. It should not be an instrument for advancing one segment of the labor market over another.

Conclusion

SB 88 is good policy on every dimension. It protects taxpayers from inflated project costs. It preserves a level playing field for the merit shop contractors who represent the overwhelming majority of New Hampshire's construction workforce. It upholds the open competition principles that have made this state's construction market one of the most competitive and productive in the region. And it keeps government in its proper role: neutral, not preferential.



I urge this committee to vote Ought to Pass on SB 88 and send it to the full House for passage.

Thank you for your time and your service to the people of New Hampshire.

Respectfully submitted,

Daryl Luter

President, Fulcrum Associates, LLC.

New Hampshire

