

CLIENT ALERT

New Push Toward Project Labor Agreements For Federal Construction Work

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On April 13, 2010, the FAR Councils issued a final rule implementing an executive order that encourages federal agencies to use project labor agreements--defined as pre-hire collective bargaining agreements with one or more labor unions that establish the terms and conditions of employment for a specific project--for federal construction contracts, when the total cost to the government is \$25 million or more. If an agency determines that such agreements would "[a]dvance the Federal Government's interest in achieving economy and efficiency in Federal procurement producing labor-management stability, and ensuring compliance with laws and regulations governing safety and health, equal employment opportunity, labor and employment standards, and other matters," it must insert a solicitation and/or contract provision requiring prime contractors and subcontractors (if engaged in construction services) to negotiate a project labor agreement with one or more labor unions for the term of the construction contract.

For more information, please contact the professional(s) listed below, or your regular Crowell & Moring contact.

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