

## Text of Presidential Memo on Project Labor Agreements

THE WHITE HOUSE  
WASHINGTON

June 5, 1997

MEMORANDUM FOR THE HEADS OF  
EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Use of Project Labor Agreements for Federal  
Construction Projects

The National Performance Review and other executive branch initiatives have sought to implement rigorous performance standards, minimize costs, and eliminate wasteful and burdensome requirements. This Presidential memorandum continues these efforts by encouraging departments and agencies in this Administration to consider project labor agreements as another tool, one with a long history in governmental contracting, to achieve economy and efficiency in Federal construction projects. Therefore, by the authority vested in me as President by the Constitution and the laws of the United States of America and to ensure the economical and efficient administration and completion of Federal Government construction projects, it is hereby directed as follows:

Section 1. Executive departments or agencies during this Administration authorized to award a contract for the construction of a facility to be owned by a Federal department or agency may, on a project-by-project basis, use a project labor agreement on a large and significant project, (a) where a project labor agreement will advance the Government's procurement interest in cost, efficiency, and quality, and in promoting labor-management stability as well as compliance with applicable legal requirements governing safety and health, employment equal opportunity, labor and employment standards, and other matters, and (b) where no laws applicable to the specific construction project precludes the use of the proposed project labor agreement.

Section 2. If an executive department or agency during this Administration determine that use of a project labor agreement will serve the goals set forth in section 1(a) of this memorandum on a large and significant project, and that no law precludes the use of a project labor agreement on the project, the executive department or agency may require that every contractor or subcontractor on the project agree, for that project, to negotiate or become a party to a project labor agreement with one or more appropriate labor organizations. The executive department or agency has discretion whether to include such a requirement.

Section 3. Any project labor agreement reached pursuant to this memorandum:

(a) shall bind all contractors and subcontractors on the construction project through the inclusion of appro-

priate clauses in all relevant solicitation provisions and contracts documents;

(b) shall allow all contractors and subcontractors wishing to compete for contracts and subcontracts on the project to do so, without discrimination against contractors, subcontractors, or employees based on union or nonunion statutes;

(c) shall contain guarantees against strikes, lockouts, and similar work disruptions;

(d) shall set forth effective, prompt, and mutually binding procedures for resolving labor disputes arising during the project;

(e) shall provide other mechanisms for labor-management cooperation on matters of mutual interest and concern, including productivity, quality of work, safety, and health; and

(f) shall fully conform to all applicable statutes, regulations, and Executive orders.

Section 4. This memorandum does not require an executive department or agency to use a project labor agreement on any project, nor does it preclude use of a project labor agreement in circumstances not covered here, including leasehold arrangements and federally funded projects. This memorandum also does not require contractors to enter into a project labor agreement with any particular labor organization.

Section 5. The heads of executive departments or agencies covered by this memorandum, in consultation with the Federal Acquisition Regulatory Council, shall establish, within 120 days of the date of this memorandum, appropriate written procedures and criteria for the determinations set forth in Section 1.

Section 6. This memorandum is not intended to create any right for benefit, substantive or procedural, enforceable by a nonfederal party against the United States, its departments, agencies, or instrumentalities, its officers, or employees, or any other person.

Section 7. (a) "Construction" as used in this memorandum shall have the same meaning it has in section 36.102 of the Federal Acquisition Regulation.

(b) "Executive department or agency" as used in this memorandum means any Federal entity within the meaning of 40 USC 472(a).

(c) "Labor organization" as used in this memorandum shall have the same meaning it has in 62 USC 1000e(d).

(d) "Large and significant project," as used in this memorandum, shall mean a Federal construction project with a total cost to the Federal Government of more than \$5 million.

Section 8. This memorandum shall be effective immediately and shall apply to all solicitations issued after notice of establishment of the procedure and criteria required under section 5 of this memorandum.

/s/ William J. Clinton