

## Federal Acquisition Regulation

22.602

(1) The project will require multiple construction contractors and/or sub-contractors employing workers in multiple crafts or trades.

(2) There is a shortage of skilled labor in the region in which the construction project will be sited.

(3) Completion of the project will require an extended period of time.

(4) Project labor agreements have been used on comparable projects undertaken by Federal, State, municipal, or private entities in the geographic area of the project.

(5) A project labor agreement will promote the agency's long term program interests, such as facilitating the training of a skilled workforce to meet the agency's future construction needs.

(6) Any other factors that the agency decides are appropriate.

### 22.504 General requirements for project labor agreements.

(a) *General.* Project labor agreements established under this subpart shall fully conform to all statutes, regulations, and Executive orders.

(b) *Requirements.* The project labor agreement shall—

(1) Bind all contractors and sub-contractors engaged in construction on the construction project to comply with the project labor agreement;

(2) Allow all contractors and sub-contractors to compete for contracts and subcontracts without regard to whether they are otherwise parties to collective bargaining agreements;

(3) Contain guarantees against strikes, lockouts, and similar job disruptions;

(4) Set forth effective, prompt, and mutually binding procedures for resolving labor disputes arising during the term of the project labor agreement;

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

(6) Include any additional requirements as the agency deems necessary to satisfy its needs.

(c) *Terms and conditions.* As appropriate to advance economy and efficiency in the procurement, an agency may specify the terms and conditions of the project labor agreement in the

solicitation and require the successful offeror to become a party to a project labor agreement containing these terms and conditions as a condition of receiving a contract award. An agency may seek the views of, confer with, and exchange information with prospective bidders and union representatives as part of the agency's effort to identify appropriate terms and conditions of a project labor agreement for a particular construction project and facilitate agreement on those terms and conditions.

### 22.505 Solicitation provision and contract clause.

For acquisition of large-scale construction projects, if the agency decides pursuant to this subpart that a project labor agreement will be required, the contracting officer shall—

(a) Insert the provision at 52.222-33, Notice of Requirement for Project Labor Agreement, in all solicitations associated with the construction project.

(1) Use the provision with its Alternate I if the agency decides to require the submission of a project labor agreement from only the apparent successful offeror, prior to contract award.

(2) Use the provision with its Alternate II if an agency allows submission of a project labor agreement after contract award.

(b)(1) Insert the clause at 52.222-34, Project Labor Agreement, in all solicitations and contracts associated with the construction project.

(2) Use the clause with its Alternate I if an agency allows submission of the project labor agreement after contract award.

## Subpart 22.6—Contracts for Materials, Supplies, Articles, and Equipment

### 22.601 [Reserved]

### 22.602 Statutory requirements.

Except for the exemptions at 22.604, all contracts subject to 41 U.S.C. chapter 65 (the statute), and entered into by any executive department, independent establishment, or other agency or instrumentality of the United States, or by the District of Columbia, or by any

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corporation (all the stock of which is beneficially owned by the United States) for the manufacture or furnishing of materials, supplies, articles, and equipment (referred to in this subpart as supplies) in any amount exceeding \$15,000, shall include or incorporate by reference the stipulations required by the statute pertaining to such matters as minimum wages, maximum hours, child labor, convict labor, and safe and sanitary working conditions.

[79 FR 24205, Apr. 29, 2014, as amended at 85 FR 27091, May 6, 2020]

### 22.603 Applicability.

The requirements in 22.602 apply to contracts (including for this purpose, indefinite-delivery contracts, basic ordering agreements, and blanket purchase agreements) and subcontracts under Section 8(a) of the Small Business Act, for the manufacture or furnishing of supplies that—

(a) Will be performed in the United States, Puerto Rico, or the U.S. Virgin Islands;

(b) Exceed or may exceed \$15,000; and

(c) Are not exempt under 22.604.

[68 FR 28082, May 22, 2003, as amended at 75 FR 53133, Aug. 30, 2010]

### 22.604 Exemptions.

#### 22.604-1 Statutory exemptions.

Contracts for acquisition of the following supplies are exempt from the statute:

(a) Any item in those situations where the contracting officer is authorized by the express language of a statute to purchase “in the open market” generally (such as commercial items, see part 12); or where a specific purchase is made under the conditions described in 6.302-2 in circumstances where immediate delivery is required by the public exigency.

(b) Perishables, including dairy, livestock, and nursery products.

(c) Agricultural or farm products processed for first sale by the original producers.

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(d) Agricultural commodities or the products thereof purchased under contract by the Secretary of Agriculture.

[48 FR 42258, Sept. 19, 1983, as amended at 53 FR 4944, Feb. 18, 1988; 60 FR 48248, Sept. 18, 1995; 79 FR 24205, Apr. 29, 2014]

### 22.604-2 Regulatory exemptions.

(a) Contracts for the following acquisitions are fully exempt from the statute (see 41 CFR 50-201.603):

(1) Public utility services.

(2) Supplies manufactured outside the United States, Puerto Rico, and the U.S. Virgin Islands.

(3) Purchases against the account of a defaulting contractor where the stipulations of the statute were not included in the defaulted contract.

(4) Newspapers, magazines, or periodicals, contracted for with sales agents or publisher representatives, which are to be delivered by the publishers thereof.

(b)(1) Upon the request of the agency head, the Secretary of Labor may exempt specific contracts or classes of contracts from the inclusion or application of one or more of the Act’s stipulations; *provided*, that the request includes a finding by the agency head stating the reasons why the conduct of Government business will be seriously impaired unless the exemption is granted.

(2) Those requests for exemption that relate solely to safety and health standards shall be transmitted to the Assistant Secretary for Occupational Safety and Health, U.S. Department of Labor, Washington, DC 20210. All other requests shall be transmitted to the Administrator of the Wage and Hour Division, U.S. Department of Labor, Washington, DC 20210.

[48 FR 42258, Sept. 19, 1983, as amended at 61 FR 67410, Dec. 20, 1996; 68 FR 28082, May 22, 2003; 79 FR 24205, Apr. 29, 2014]

### 22.605 Rulings and interpretations of the statute.

(a) As authorized by the statute, the Secretary of Labor has issued rulings and interpretations concerning the administration of the statute (see 41 CFR 50-206). The substance of certain rulings and interpretations is as follows:

(1) If a contract for \$15,000 or less is subsequently modified to exceed