

the order. The Contracting Officer will require that an executed copy of the project labor agreement be submitted to the agency—

- (i) With the order offer;
- (ii) Prior to award of the order; or
- (iii) After award of the order.

(2) The Offeror shall require its subcontractors to become a party to the resulting project labor agreement for the term of the order.

- 11. Amend section 52.222–34 by—
- a. Revising the date of the clause;
- b. Adding in alphabetical order definitions for “Construction” and “Large-scale construction project” and revising the definition “Labor organization” in paragraph (a);
- c. Removing from paragraph (b) “this contract in accordance with solicitation provision 52.222–33, Notice of Requirement for Project Labor Agreement” and adding “the contract” in its place;
- d. Removing from paragraph (c) “all subcontracts” and adding “subcontracts” in its place;
- e. In Alternate I:
- i. Revising the date and paragraph (b);
- ii. Removing from paragraph (c) introductory text “Consistent with applicable law, the project” and adding “The project” in its place;
- iii. Removing from paragraph (c)(1) “and all” and adding “and” in its place;
- iv. Removing from paragraph (c)(4) “the project” and adding “the term of the project” in its place; and
- v. Removing from paragraph (f) “clause in all subcontracts” and adding “clause in subcontracts” in its place; and
- f. Adding Alternate II.

The revisions and additions read as follows:

52.222–34 Project Labor Agreement.

* * * * *

Project Labor Agreement (Jan 2024)

(a) * * *

Construction means construction, reconstruction, rehabilitation, modernization, alteration, conversion, extension, repair, or improvement of buildings, structures, highways, or other real property.

Labor organization means a labor organization as defined in 29 U.S.C. 152(5) of which building and construction employees are members.

Large-scale construction project means a Federal construction project within the United States for which the total estimated cost of the construction contract(s) to the Federal Government is \$35 million or more.

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Alternate I (Jan 2024) * * *

(b) The Contractor shall—

(1) Negotiate or become a party to a project labor agreement with one or more labor organizations for the term of this construction contract; and

(2) Submit an executed copy of the project labor agreement to the Contracting Officer as required in the solicitation.

* * * * *

Alternate II (Jan 2024). As prescribed in 22.505(b)(3), substitute the following paragraphs (b) through (f) for paragraphs (b) through (f) of the basic clause:

(b) When notified by the agency (*e.g.*, by the notice of intent to place an order under 16.505(b)(1)) that this order will use a project labor agreement, the Contractor shall negotiate or become a party to a project labor agreement with one or more labor organizations for the term of the order. The Contracting Officer shall require that an executed copy of the project labor agreement be submitted to the agency—

- (1) With the order offer;
- (2) Prior to award of the order; or
- (3) After award of the order.

(c) The project labor agreement reached pursuant to this clause shall—

(1) Bind the Contractor and subcontractors engaged in construction on the construction project to comply with the project labor agreement;

(2) Allow all contractors and subcontractors 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) Fully conform to all statutes, regulations, Executive orders, and agency requirements.

(d) Any project labor agreement reached pursuant to this clause does not change the terms of this contract or provide for any price adjustment by the Government.

(e) The Contractor shall maintain in a current status throughout the life of the order any project labor agreement entered into pursuant to this clause.

(f) *Subcontracts.* For each order that uses a project labor agreement, the Contractor shall—

(1) Require subcontractors engaged in construction on the construction project

to agree to any project labor agreement negotiated by the prime contractor pursuant to this clause; and

(2) Include the substance of paragraphs (d) through (f) of this clause in subcontracts with subcontractors engaged in construction on the construction project.

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DEPARTMENT OF DEFENSE

GENERAL SERVICES ADMINISTRATION

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

48 CFR Chapter 1

[Docket No. FAR–2023–0051, Sequence No. 7]

Federal Acquisition Regulation; Federal Acquisition Circular 2024–02; Small Entity Compliance Guide

AGENCY: Department of Defense (DoD), General Services Administration (GSA), and National Aeronautics and Space Administration (NASA).

ACTION: Small Entity Compliance Guide (SECG).

SUMMARY: This document is issued under the joint authority of DoD, GSA, and NASA. This *Small Entity Compliance Guide* has been prepared in accordance with section 212 of the Small Business Regulatory Enforcement Fairness Act of 1996. It consists of a summary of the rule appearing in Federal Acquisition Circular (FAC) 2024–02, which amends the Federal Acquisition Regulation (FAR). Interested parties may obtain further information regarding this rule by referring to FAC 2024–02, which precedes this document.

DATES: December 22, 2023.

ADDRESSES: The FAC, including the SECG, is available at <https://www.regulations.gov>.

FOR FURTHER INFORMATION CONTACT: For clarification of content, contact the analyst whose name appears in the table below. Please cite FAC 2024–02 and the FAR Case number. For information pertaining to status or publication schedules, contact the Regulatory Secretariat Division at 202–501–4755 or GSARegSec@gsa.gov. An asterisk (*) next to a rule indicates that a regulatory flexibility analysis has been prepared.

RULES LISTED IN FAC 2024-02		
Subject	FAR case	Analyst
* Use of Project Labor Agreements for for Federal Construction Projects	2022-003	Bowman.

SUPPLEMENTARY INFORMATION: A summary for the FAR rule follows. For the actual revisions and/or amendments made by this FAR rule, refer to the specific subject set forth in the document preceding this summary. FAC 2024-02 amends the FAR as follows:

Use of Project Labor Agreements for Federal Construction Projects (FAR Case 2022-003)

This final rule amends the Federal Acquisition Regulation (FAR) to implement Executive Order (E.O.) 14063, Use of Project Labor Agreements

for Federal Construction Projects. E.O. 14063 expands the definition of “construction,” raises the threshold for a large-scale construction project from \$25 million to \$35 million and establishes a series of exceptions to the PLA requirements. Additionally, the E.O. mandates that Federal Government agencies require the use of project labor agreements (PLAs) for large-scale Federal construction projects, where the total estimated cost of the construction contract to the Government is \$35 million or more, unless an exception

applies. The final rule is not expected to have a significant economic impact on a substantial number of small entities participating on a project that requires a PLA because the E.O. limits the requirement for mandatory PLAs to projects exceeding \$35 million, unless an exception applies.

William F. Clark,
Director, Office of Government-wide Acquisition Policy, Office of Acquisition Policy, Office of Government-wide Policy.
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