

109TH CONGRESS  
1ST SESSION

# H. R. 1449

To preserve open competition and Federal Government neutrality towards the labor relations of Federal Government contractors on Federal and federally funded construction projects.

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## IN THE HOUSE OF REPRESENTATIVES

MARCH 17, 2005

Mr. SULLIVAN (for himself, Mrs. MUSGRAVE, Mr. WICKER, Mr. RADANOVICH, Mr. WILSON of South Carolina, Mr. SOUDER, Mr. NORWOOD, Mrs. MYRICK, Mr. MCHENRY, Mr. INGLIS of South Carolina, Mr. FLAKE, and Mr. KING of Iowa) introduced the following bill; which was referred to the Committee on Government Reform

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## A BILL

To preserve open competition and Federal Government neutrality towards the labor relations of Federal Government contractors on Federal and federally funded construction projects.

1       *Be it enacted by the Senate and House of Representa-*  
2       *tives of the United States of America in Congress assembled,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Government Neutrality  
5       in Contracting Act”.

6       **SEC. 2. PURPOSES.**

7       It is the purpose of this Act to—

1           (1) promote and ensure open competition on  
2       Federal and federally funded or assisted construc-  
3       tion projects;

4           (2) maintain Federal Government neutrality to-  
5       wards the labor relations of Federal Government  
6       contractors on Federal and federally funded or as-  
7       sisted construction projects;

8           (3) reduce construction costs to the Federal  
9       Government and to the taxpayers;

10          (4) expand job opportunities, especially for  
11       small and disadvantaged businesses; and

12          (5) prevent discrimination against Federal Gov-  
13       ernment contractors or their employees based upon  
14       labor affiliation or the lack thereof, thereby pro-  
15       moting the economical, nondiscriminatory, and effi-  
16       cient administration and completion of Federal and  
17       federally funded or assisted construction projects.

18 **SEC. 3. PRESERVATION OF OPEN COMPETITION AND FED-**  
19 **ERAL GOVERNMENT NEUTRALITY.**

20       (a) PROHIBITION.—

21           (1) GENERAL RULE.—The head of each execu-  
22       tive agency that awards any construction contract  
23       after the date of enactment of this Act, or that obli-  
24       gates funds pursuant to such a contract, shall en-  
25       sure that the agency, and any construction manager

1 acting on behalf of the Federal Government with re-  
2 spect to such contract, in its bid specifications,  
3 project agreements, or other controlling documents  
4 does not—

5 (A) require or prohibit a bidder, offeror,  
6 contractor, or subcontractor from entering into,  
7 or adhering to, agreements with 1 or more  
8 labor organization, with respect to that con-  
9 struction project or another related construction  
10 project; or

11 (B) otherwise discriminate against a bid-  
12 der, offeror, contractor, or subcontractor be-  
13 cause such bidder, offeror, contractor, or sub-  
14 contractor—

15 (i) became a signatory, or otherwise  
16 adhered to, an agreement with 1 or more  
17 labor organization with respect to that con-  
18 struction project or another related con-  
19 struction project; or

20 (ii) refused to become a signatory, or  
21 otherwise adhere to, an agreement with 1  
22 or more labor organization with respect to  
23 that construction project or another related  
24 construction project.

1           (2) APPLICATION OF PROHIBITION.—The provi-  
2       sions of this section shall not apply to contracts  
3       awarded prior to the date of enactment of this Act,  
4       and subcontracts awarded pursuant to such con-  
5       tracts regardless of the date of such subcontracts.

6           (3) RULE OF CONSTRUCTION.—Nothing in  
7       paragraph (1) shall be construed to prohibit a con-  
8       tractor or subcontractor from voluntarily entering  
9       into an agreement described in such paragraph.

10       (b) RECIPIENTS OF GRANTS AND OTHER ASSIST-  
11    ANCE.—The head of each executive agency that awards  
12    grants, provides financial assistance, or enters into cooper-  
13    ative agreements for construction projects after the date  
14    of enactment of this Act, shall ensure that—

15           (1) the bid specifications, project agreements,  
16       or other controlling documents for such construction  
17       projects of a recipient of a grant or financial assist-  
18       ance, or by the parties to a cooperative agreement,  
19       do not contain any of the requirements or prohibi-  
20       tions described in subparagraph (A) or (B) of sub-  
21       section (a)(1); or

22           (2) the bid specifications, project agreements,  
23       or other controlling documents for such construction  
24       projects of a construction manager acting on behalf  
25       of a recipient or party described in paragraph (1),

1 do not contain any of the requirements or prohibi-  
2 tions described in subparagraph (A) or (B) of sub-  
3 section (a)(1).

4 (c) FAILURE TO COMPLY.—If an executive agency,  
5 a recipient of a grant or financial assistance from an exec-  
6 utive agency, a party to a cooperative agreement with an  
7 executive agency, or a construction manager acting on be-  
8 half of such an agency, recipient or party, fails to comply  
9 with subsection (a) or (b), the head of the executive agency  
10 awarding the contract, grant, or assistance, or entering  
11 into the agreement, involved shall take such action, con-  
12 sistent with law, as the head of the agency determines to  
13 be appropriate.

14 (d) EXEMPTIONS.—

15 (1) IN GENERAL.—The head of an executive  
16 agency may exempt a particular project, contract,  
17 subcontract, grant, or cooperative agreement from  
18 the requirements of 1 or more of the provisions of  
19 subsections (a) and (b) if the head of such agency  
20 determines that special circumstances exist that re-  
21 quire an exemption in order to avert an imminent  
22 threat to public health or safety or to serve the na-  
23 tional security.

24 (2) SPECIAL CIRCUMSTANCES.—For purposes  
25 of paragraph (1), a finding of “special cir-

1        cumstances” may not be based on the possibility or  
2        existence of a labor dispute concerning contractors  
3        or subcontractors that are nonsignatories to, or that  
4        otherwise do not adhere to, agreements with 1 or  
5        more labor organization, or labor disputes con-  
6        cerning employees on the project who are not mem-  
7        bers of, or affiliated with, a labor organization.

8            (3) ADDITIONAL EXEMPTION FOR CERTAIN  
9        PROJECTS.—The head of an executive agency, upon  
10       application of an awarding authority, a recipient of  
11       grants or financial assistance, a party to a coopera-  
12       tive agreement, or a construction manager acting on  
13       behalf of any of such entities, may exempt a par-  
14       ticular project from the requirements of any or all  
15       of the provisions of subsections (a) or (c), if the  
16       agency head finds—

17            (A) that the awarding authority, recipient  
18            of grants or financial assistance, party to a co-  
19            operative agreement, or construction manager  
20            acting on behalf of any of such entities had  
21            issued or was a party to, as of the date of the  
22            enactment of this Act, bid specifications, project  
23            agreements, agreements with one or more labor  
24            organizations, or other controlling documents  
25            with respect to that particular project, which

1 contained any of the requirements or prohibi-  
2 tions set forth in subsection (a)(1); and

3 (B) that one or more construction con-  
4 tracts subject to such requirements or prohibi-  
5 tions had been awarded as of the date of the  
6 enactment of this Act.

7 (e) FEDERAL ACQUISITION REGULATORY COUN-  
8 CIL.—With respect to Federal contracts to which this sec-  
9 tion applies, not later than 60 days after the date of enact-  
10 ment of this Act, the Federal Acquisition Regulatory  
11 Council shall take appropriate action to amend the Fed-  
12 eral Acquisition Regulation to implement the provisions of  
13 this section.

14 (f) DEFINITIONS.—In this section:

15 (1) CONSTRUCTION CONTRACT.—The term  
16 “construction contract” means any contract for the  
17 construction, rehabilitation, alteration, conversion,  
18 extension, or repair of buildings, highways, or other  
19 improvements to real property.

20 (2) EXECUTIVE AGENCY.—The term “executive  
21 agency” has the meaning given such term in section  
22 105 of title 5, United States Code, except that such  
23 term shall not include the General Accounting Of-  
24 fice.

1           (3) LABOR ORGANIZATION.—The term “labor  
2           organization” has the meaning given such term in  
3           section 701(d) of the Civil Rights Act of 1964 (42  
4           U.S.C. 2000e(d)).

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