



GOVERNOR JOSH SHAPIRO

March 27, 2024

To All Agency Heads:

The Commonwealth has planned a number of large capital projects in the near future, and I want to ensure that the Commonwealth's public contracting processes for these solicitations are executed in the most efficient and expeditious manner possible. I know that capital projects can be highly complex and are urgently needed to provide critical services to Pennsylvanians, necessitating a steady, consistent, and readily available supply of critical workers with the right skillsets. I also know how critical these projects are to carrying out our GSD approach in the Shapiro — Davis Administration.

To that end, Project Labor Agreements (PLAs) can be a powerful tool to support capital projects. When deemed appropriate, a Commonwealth-issued and negotiated PLA can ensure the availability of experienced and trained craft labor to help projects meet important timeliness needs while guaranteeing successful completion of capital projects at a fair cost to taxpayers. I strongly support the use of PLAs wherever appropriate. Effective April 1, 2024, I am charging that, going forward, all agencies under the Governor's jurisdiction examine all contract solicitations to determine if use of a PLA is appropriate and allowed. Pennsylvania law permits the inclusion of PLAs in certain solicitations, provided they do not preclude any contractor from bidding on the project, the bidding process is open to both union and nonunion contractors without discrimination, and the use of nonunion labor is allowed. PLAs are appropriate in situations where the PLA requirement relates to the need for the prompt completion of the project or concerns with the availability of qualified labor.

Moving forward, DGS will partner with your agencies to proactively attach PLAs to solicitations where DGS and your agency jointly establish the need for urgency of the project, recognize the complexity of the project, or validate concerns regarding the availability of qualified labor. Correspondingly, PennDOT will proactively attach PLAs to solicitations under the agency's purview if the projects meet the same criteria. Under this direction, PLAs will be used on future projects in every instance where the requisite urgency, complexity, or concerns regarding the availability of qualified labor workforce are demonstrated. Secretary Reggie McNeil and Secretary Mike Carroll are ready to answer any questions you might have regarding this process, the details of which will be conveyed in short order to your agency staff.

With your support in implementing this process, I am fully confident that we can strengthen our economy, our infrastructure, and our labor standards for all Pennsylvania residents and visitors. Let's continue to get stuff done.

Sincerely,

Governor Josh Shapiro