

MEMORANDUM OF UNDERSTANDING
BETWEEN THE
UNITED STATES DEPARTMENT OF COMMERCE
AND THE
UNITED STATES DEPARTMENT OF LABOR

I. BACKGROUND

America's diversity is our competitive advantage, but only if we give everyone an opportunity to fulfill their potential and fully participate. The Department of Commerce and the Department of Labor (the "Departments") are committed to ensuring our programs and policies address barriers to opportunity and build an economy that empowers *all* people, including individuals from underserved communities. As part of this shared commitment, we are working to ensure the economy is built upon good jobs that will grow the economy equitably and sustainably.

The Biden-Harris Administration is prioritizing federal infrastructure, regional economic development, and workforce development investments that leads directly to good-paying, high-quality jobs that offer workers the free and fair choice to form or join a union. Those investments, however, will fail to meet their full potential unless we harness the talents and strengths of *all* communities across the country, including underserved communities: persons adversely affected by persistent poverty, discrimination, or inequality, including Black, Indigenous, people of color; LGBTQ+ individuals; women; immigrants; veterans; youth and young adults; older adults and seniors; individuals with disabilities; individuals in rural communities; individuals without a college degree; individuals with or recovering from substance use disorder; and justice-involved individuals. Too often, individuals from these communities face systemic barriers to employment, are underrepresented in the workforce and concentrated in lower paying, less safe, non-unionized jobs across the economy.

Both employers and workers feel disadvantaged by our labor market. Companies looking to gain a competitive edge are looking for support as they seek to fill open jobs, develop their workforces, and retain skilled workers. Employers are increasingly looking for more opportunities to increase job quality and draw on diverse talent. Workers are pursuing job opportunities that provide family-sustaining wages, where they are empowered and respected, and that allow them to build their skills and progress in their workplaces. Therefore, the Departments will work with employers, workers, and their respective representatives to pursue workforce solutions and transformative practices that increase companies' competitiveness and help workers of all backgrounds to secure good jobs.

II. PURPOSE

The purpose of this Memorandum of Understanding ("MOU") is to promote cooperative efforts between the Departments of Commerce and Labor to build sustainable career pathways to meet industry's need for talent and workers' need for quality jobs with the free and fair choice to join or form a union. This cooperative effort will place an emphasis on drawing on the strength and creativity of every worker in America.

III. OBJECTIVES

The Departments enter into this MOU to leverage the individual and combined resources and expertise of both agencies to ensure the actions necessary to meet common goals related to expanding equitable access to quality jobs for workers and communities. Subject to the availability of appropriations and other relevant legal authority, this MOU supports both Departments' efforts, where permissible and appropriate, to:

- Assist employers, labor unions, state, Tribal, and local governments, and other stakeholders in their efforts to identify, train, employ, mentor, develop, upskill, reskill, and retain a diverse and highly skilled workforce.
- Define and promote job quality as an essential building block of an equitable economy that lifts up workers and families, builds communities, and makes our companies more competitive.
- Create a more diverse workforce and reduce occupational segregation.
- Integrate job quality, labor standards, and equal employment opportunity standards across Department of Commerce and Department of Labor investments, as appropriate.
- Leverage Federal spending to create more good-paying jobs, which are accessible to *all* workers, that are safe and healthy; provide retirement plans, paid leave, and other family-sustaining benefits that promote economic security and mobility; and offer workers a free and fair choice to join or form a union.
- Seek opportunities to align, complement, and mutually support workforce investments through language in Notices of Funding Opportunities that recognizes strategic relationships between the Departments' funding programs.
- Promote the development and expansion of Pre- and Registered Apprenticeships and other joint labor-management training programs, including by setting strong incentives for such training programs in infrastructure, economic development, and workforce development grants, as appropriate.
- Build new models of measuring and analyzing the labor market outcomes of workers whose training is funded by federal training programs or who complete Registered Apprenticeships and identify ways to collect additional data on unionization.
- Promote digital equity principles within Department of Labor workforce education and training investments to complement Department of Commerce investments, including the integration of digital literacy and digital upskilling strategies.
- Engage stakeholders and work with organizations that can draw on all of America's strength, talent, and skill, including the public workforce system and coalitions that represent women; Black, Indigenous, and other People of Color; and other populations

facing systemic barriers to employment. Leverage these partnerships to support the design and implementation of proven education and job training programs that include wraparound supportive services (as appropriate) and career pathways that lead to jobs that employers need and are prepared to fill.

- Secure that infrastructure project inputs from outside the United States do not undermine U.S. jobs and are produced in compliance with international labor standards consistent with international obligations.

IV. AUTHORITIES

As the Departments collaborate, each will rely on its own legal authorities and available appropriations, including new authorities and programs under the Infrastructure Law. Specific authorities that may include, but are not limited to, the following.

Department of Commerce:

- Title I of Division F, Section 60102 of the Infrastructure Investment and Jobs Act (“IIJA”), which establishes the Broadband Equity Access and Deployment grant program, which requires States and Territories to develop plans to ensure reliable, affordable, high-speed internet for their residents and will include a requirement to specifically address how the projects will be staffed with an appropriately skilled and credentialed workforce.
- Section 905 of division N of the Consolidated Appropriations Act, 2021 (Public Law 116-260), as amended by Title II of Division F, Section 60201 of the IIJA, establishing the Tribal Connectivity Program.
- The Digital Equity Act of 2021, Title III of Division F of the IIJA, the purpose of which is to promote the achievement of digital equity, support digital inclusion activities, and build capacity for efforts by States, Territories, localities, and others relating to the adoption of broadband by residents of those States.
- Title IV of Division F, Section 60401 of the IIJA, establishing a middle mile grant program to expand and extend middle mile infrastructure to reduce the cost of connecting areas that are unserved or underserved to the internet backbone.
- Participation by the Departments in the Telecommunications Interagency Working Group established by Title IV of Division F, Section 60602 of the IIJA.
- Encouragement of project labor agreements on construction projects funded by the Department of Commerce, as set forward under E.O. 13502, “Use of Project Labor Agreements for Federal Construction Projects.”
- The Public Works and Economic Development Act of 1965 (42 U.S.C. § 3121 et seq., 15 U.S.C. § 278g-3; E.O. 13800, Strengthening the Cybersecurity of Federal Networks and Critical Infrastructure
- 15 U.S.C. § 278s
- 15 U.S.C. § 278k
- 13 U.S.C. Section 6
- 13 U.S.C. 8(b)

Department of Labor:

- Enforcement of federal wage and labor standards through the Wage and Hour Division including: 29 U.S.C. §§ 201, et seq.; 29 U.S.C. §§ 2001-2009; 29 U.S.C. §§ 2611-2654; 40 U.S.C. §§ 3141 et seq.; 15 U.S.C. §§ 1671-1677; *see also* 29 CFR § 5.1 (“Related Acts”);-Executive Order (E.O.) 13658, Establishing a Minimum Wage for Contractors; E.O. 13706, Establishing Paid Sick Leave for Federal Contractors.
- Enforcement of safety and health standards through the Occupational Safety and Health Administration including, Occupational Safety and Health Act of 1970, 29 U.S.C. § 651 et seq.
 - Expertise of the Office of Federal Contract Compliance Programs in enforcing labor standards in Federal contracts: for employers doing business with the Federal government including:E.O.11246, Sec. 205 as amended, Equal Employment Opportunity, at 41 CFR part 60-1 and part 60-4; Public Law (P.L.) 81-152, 63 Stat. 377; Section 503 of the Rehabilitation Act, 29 U.S.C. § 793; Section 4212 of the Vietnam Era Veterans’ Readjustment Assistance Act, 38 U.S.C. § 4212; 41 U.S.C. §§ 6701- 6707; 41 U.S.C. §§ 6501-6511;
- Programs administered by the Office of Labor-Management Standards to ensure that when federal funds are used to acquire, improve, or operate a mass transit system that arrangements are in place to protect the interests of mass transit employees, embracing their rights to organize and collectively bargain, including 49 U.S.C. § 5333(b).
- Programs administered by the Office of Labor-Management Standards to promote labor organization democracy, financial integrity, and transparency, and highlight the important role unions play in the modern American economy including: E.O. 13496; Notification of Employee Rights Under Federal Labor Laws; 29 U.S.C. §§ 401 – 531
- Workforce development programs funded and administered by the Employment and Training Administration to support job training and workforce development services including: 29 U.S.C. § 3101, *et seq.*; 29 U.S.C. § 50; 29 U.S.C. § 49, *et seq.*; 19 U.S.C. § 2271, *et. seq.*
- Programs operated by the Women’s Bureau including those focused on getting women into non-traditional occupations including: 29 U.S.C. § 13.
- Programs operated by the Office of Disability Employment Policy that focus on increased workplace success for people with disabilities including: 29 U.S.C. § 557b.
- Programs operated by the Veterans’ Employment and Training Service that assist veterans, reservists, and National Guard members in securing employment including: 38 U.S.C. §§ 2021, 2021A, 2023, 4102A, 4103A, and 4104.
- Tariff Act of 1930, EO 13126 (1999), Generalized System of Preferences, 19 USC 2461 *et seq.*

V. JOINT RESPONSIBILITIES OF THE DEPARTMENTS

- A. **Strategic Engagement:** Subject to the availability of appropriations and other relevant legal authority, the Departments will support the development of strategic engagement

with organizations and coalitions that can help connect workers to good- paying jobs, including organizations that represent workers who are underrepresented in skilled jobs. Specifically, the Departments will collaborate to:

- Jointly engage key stakeholders and implement a process for informing workforce strategy design and gathering feedback from communities on the responsiveness of federal investments to the needs of underrepresented workers and communities.
- Jointly engage State, local, and Tribal governments, employers, labor unions, and other stakeholders to advance shared job-quality and workforce equity priorities.
- Jointly engage philanthropies interested in workforce, job quality, and federal investments on how they can support and amplify the Departments' efforts including by supporting States and localities to use funding available to advance equitable workforce development strategies.
- Document and disseminate best practices and profiles of success in national, State, and local efforts that are addressing barriers to access to, and retention and progression in, quality jobs.
- Any other items identified as appropriate as mutually agreed to.

B. Job Quality, Standards and Metrics, Workplace Equity and Inclusion: Subject to the availability of appropriations and other relevant legal authority, the Departments will support job quality across infrastructure, economic development, and workforce development investments and grants to ensure diverse workers benefit from safe and healthy, good-paying jobs with benefits, and a free and fair choice to form and join a union. Specifically, the Departments will collaborate to:

- Integrate job quality standards into Department of Commerce grants. This would build on the Department of Commerce's existing efforts to encourage project-labor agreements and local hire.
- Promote compliance with applicable federal labor and employment laws as permitted by statute.
- Develop mechanisms to support unionized workers and ensure that workers have a free and fair opportunity to unionize.
- Develop ways to leverage flexibility around local hiring in Department of Commerce funding opportunities, setting clear expectations and establishing accountability mechanisms and designing incentives for hiring and retaining underrepresented populations.
- Develop and implement best practices for creating fair and safe workplaces that promote the recruitment and/or retention of underrepresented populations, including participation in the Office of Federal Contract Compliance Programs Mega Construction Projects Program where applicable.
- Identify critical occupations and industries where federal funding can be leveraged to enhance job quality to support stable, resilient, and equitable workforces.
- Address workplace harassment and discrimination by requiring grant recipients and contractors to comply with existing equal opportunity standards, adopt workplace standards, accountability, and training to combat on-the-job hostility and harassment, and harassment or retaliation that may result from an employee's report on misuse of government funds, reporting or challenging discrimination, or participating in an investigation or hearing.

- Jointly design evaluation plans and establish methods of capturing key job quality measures as well as worker and community demographic characteristics from federal statistical agencies' surveys and administrative data as a way to measure the success of joint efforts.
- Any other items identified as appropriate as mutually agreed to.

C. Equitable and Effective Workforce Development: Subject to the availability of appropriations and other relevant legal authority, the Departments will support the creation and expansion of high-quality, equitable, employer-and labor-management-led workforce development programs that connect workers and communities to quality jobs. Specifically, the Departments will collaborate to:

- Identify the highest priority geographic and sectoral workforce shortfalls to enable more focused work with the private sector.
- As appropriate, align infrastructure and economic development funding with proven workforce development practices and workforce investments to deliver training and services needed to link workers and communities to quality jobs, including underrepresented workers and communities. The Departments will make available guidance on how State and local funding could be leveraged for these practices. The Departments will also encourage workforce development activities through federal infrastructure and economic development grants to build a skilled, diverse workforce to ensure the success of those investments.
- Encourage and incentivize State agencies to leverage new funding flexibilities to invest in infrastructure training programs targeted to underrepresented workers (including pre-apprenticeship programs linked to Registered Apprenticeship programs), with an emphasis on covering supportive services and living expenses while supporting equitable training access, retention, and completion.
- Support the development and expansion of Registered Apprenticeship and related pre-apprenticeship programs, with incentives and accountability for program uptake and serving underrepresented populations. The Departments will seek to dedicate funding to Registered Apprenticeship and pre-apprenticeship in infrastructure fields and share best practices for promoting apprenticeship and pre-apprenticeship in procurement policy.
- As a part of employer- and labor-management-led, sector-based workforce investments, promote best practices that create and expand training programs to support long-term careers.
- Share best practices on how State and local governments and regional workforce training systems can partner with the workforce system to support mutual goals, including workforce boards, community colleges, sector partnerships, Registered Apprenticeship programs and career and technical education programs.
- Share best practices on how State and local governments and regional workforce training systems track and report metrics related to job creation and workforce needs.
- Any other items identified as appropriate as mutually agreed to.

VI. EFFECTIVE DATE AND TERMINATION

This Memorandum of Understanding is effective on the date of signature and shall continue in force indefinitely. It may be terminated by either agency by giving 90-day written notice to the

other agency. Its provisions will be reviewed annually and amended or supplemented in writing as agreed upon mutually.

VII. EFFECT

Nothing in this Memorandum of Understanding shall be interpreted as limiting, superseding, or otherwise affecting either Department's normal operations or decisions in carrying out its statutory or regulatory duties, and all efforts described shall be carried out consistent with the law. This Memorandum of Understanding does not limit or restrict either agency from participating in similar activities or arrangements with other entities.

This Memorandum of Understanding is an internal governmental agreement designed to improve the efficiency of government and does not confer any rights on any other parties.

This Memorandum of Understanding does not obligate any funding of the Departments.

VIII. POINTS OF CONTACT

Department of Commerce:

- Kevin Gallagher, Senior Advisor (Broadband and Upskilling)
- David Langdon, Acting Deputy Director, Office of Policy & Strategic Planning
- Michele Chang, Deputy Assistant Secretary, Economic and Development Administration
- Lucy Moore, Special Policy Advisor, National Telecommunications and Information Administration

Department of Labor:

- Brent Parton, Acting Assistant Secretary, Employment and Training Administration
- Lynn Rhinehart, Senior Advisor
- Katelyn Walker Mooney, Director, Good Jobs Initiative

IX. AUTHORIZING SIGNATURE AND DATES

The signatories below warrant and represent that they have the competent authority on behalf of their respective agencies to enter into the obligations set forth in this Agreement.



Gina Raimondo, Secretary of Commerce

SIGNED:

DATE: 6/21/22



Marty Walsh, Secretary of Labor

SIGNED:

DATE: 6-21-22