

May xx, 2022

Shalanda Young
Director
The Office of Management and Budget
725 17th St NW
Washington, D.C. 20503

Dear Director Young,

As leaders representing state and local governments around the country, we write to you today regarding the recent report from the White House Task Force on Worker Organizing and Empowerment. This report represents an important opportunity to strengthen unions and lift up workers in every part of the country, and we are committed to working with the Biden administration to implement the recommendations included in the report.

One provision in particular encourages the Office of Management and Budget (OMB) to consider updating the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance), which dictates how states and localities like the ones we represent can spend federal money. Specifically, the report encourages OMB to update the Uniform Guidance to:

- Allow states and localities to consider job, wage, and worker empowerment impacts when contracting with federal funds.
- Ensure that states and localities have the freedom to apply worker-empowering, high-road conditions, including local-hire and PLA obligations, on their subgrantees.
- Ensure that federal financial assistance programs cannot be used to deny workers the right to organize.

We strongly support these proposed updates. We want to be able to create fulfilling, safe, high-road jobs, and make them accessible to communities that have not traditionally had access to jobs on projects funded through federal awards - especially for people of color, women, returning citizens, veterans, and other workers facing barriers to employment.

As states and cities begin receiving federal funding from the Infrastructure Investment and Jobs Act (IIJA), we also ask that OMB issue an interim guidance supporting these changes. This would allow states and cities to broadly implement policies, like local and targeted hire, while

OMB proceeds with the formal update of the Uniform Guidance. This interim guidance would also align with Section 25019 of the IIJA, which removes the ban on local hire for highway construction projects.

Updating the Uniform Guidance is a crucial step to connect good-paying jobs to the communities that need them the most. Money earned by those workers strengthens local economies by channeling resources back into their communities. Local hire programs can also help communities address historic inequities by creating on-ramps to construction careers for low income workers, who are more likely to be people of color.

We look forward to working with the Biden administration to empower state and local recipients of federal funds to take substantial strides in improving job creation, quality, and equity for workers in hundreds of industries across the United States.

Sincerely,