



March 26, 2019

United States House of Representatives
Washington, D.C. 20515

Dear Representative:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 69 chapters representing more than 21,000 members, I am writing to encourage you to cosponsor the ABC-supported Fair and Open Competition Act (H.R. 1858).

H.R. 1858, introduced by Representative Ted Budd (R-N.C.), would prevent federal agencies and recipients of federal assistance from requiring contractors to sign an anti-competitive and costly project labor agreement as a condition of winning a federal or federally assisted construction contract. It also would eliminate discriminatory PLA preference policies that discourage competition and result in potential delays, waste and favoritism during the procurement of federal and federally funded contracts for construction services.

When mandated by governments, PLAs typically require companies to recognize unions as the representatives of their employees on that job, use the union hiring hall and union apprenticeship programs to obtain workers and apprentices and follow inefficient union work rules. Most importantly, PLAs discourage the 87.2 percent of the private construction workforce that chooses not to join a union from working on those projects.

On Feb. 6, 2009, President Obama issued Executive Order 13502, which strongly encourages federal agencies to require PLAs on a case-by-case basis on federal construction projects exceeding \$25 million in total value and permits states and localities to mandate PLAs on federally assisted projects. To date, President Trump has not issued an executive order rescinding President Obama's pro-PLA policy or replaced it with a new executive order restricting government-mandated PLAs on federal and federally assisted projects, as has been issued by recent Republican administrations.

The Fair and Open Competition Act is a win-win for the construction industry and taxpayers because it welcomes all Americans to rebuild our nation's crumbling infrastructure, increases accountability and competition and reduces waste and favoritism in the procurement of taxpayer-funded construction contracts. In addition, H.R. 1858 does nothing to prevent a contractor from voluntarily entering into a PLA—it solely prevents the government from mandating or encouraging the use of a PLA as a condition of winning a taxpayer-funded contract.

For these reasons, a total of 25 states have enacted measures similar to the Fair and Open Competition Act to ensure government neutrality in the procurement of local and state public works contracts funded by taxpayer dollars.

If you would like to ensure that taxpayers get the best possible construction projects at the best possible price and welcome all Americans to rebuild their communities, please contact Alex Vargo (alex.vargo@mail.house.gov) in Rep. Budd's office and ask to cosponsor H.R. 1858.

Sincerely,

Kristen Swearingen
Vice President of Legislative & Political Affairs