



The Honorable Donald Trump
President of the United States
The White House
1600 Pennsylvania Ave. NW
Washington DC 20500

The Honorable J.D. Vance
Vice President of the United States
The White House
1600 Pennsylvania Ave. NW
Washington DC 20500

Dear Mr. President and Mr. Vice President:

Associated Builders and Contractors and our undersigned chapters and member companies write in strong opposition to President Joe Biden's Executive Order 14063 and subsequent final rule, Use of Project Labor Agreements for Federal Construction Projects, mandating project labor agreements on federal construction projects worth \$35 million or more. We also oppose the Biden administration's costly imposition of PLA mandates and encouragements on federally assisted construction projects via federal agency grant programs and tax incentives. In place of these failed Biden administration policies, we request a new executive order that will restore merit-based competition for federal and federally assisted construction contracts. ABC, along with 24 construction and business groups, requested this much-needed relief in a [letter](#) sent to your office on Jan. 9.

PLA mandates discourage competition from potential bidders by forcing contractors to sign special union collective bargaining agreements, hire workers from union halls and apprenticeship programs and accept compulsory union representation on behalf of any members of their existing workforces. This exposes those workers to union wage theft of up to [34% of their compensation](#) unless they join a union and vest in union benefits plans.

When mandated, PLAs increase the cost of taxpayer-funded projects by [12% to 20%](#). That means a smaller border wall and fewer American energy, manufacturing, infrastructure, affordable housing, military and school construction projects. By allowing for fair and open competition, you can save taxpayers an estimated [\\$10 billion](#) in waste on public works projects annually and restore opportunities for all of the construction industry to build and rebuild America.

Moreover, 97% of surveyed ABC members said a construction contract that required a PLA would be more expensive compared to a contract procured via fair and open competition. While a [record-high 89.7%](#) of the construction industry workforce does not belong to a union, the Biden administration promoted policies that restrict merit shop contractors around the country from competing on federal and federally assisted contracts. Merit shop contractors around the country have the skills to build and repair America's infrastructure without the restrictions of a PLA, and the American people deserve the most responsible investment of their tax dollars.

ABC estimates the construction industry will need to attract [439,000 additional workers](#) to meet the demand for labor in 2025. Discouraging America's merit shop contractors and workforce from competing to win federal construction projects will only further exacerbate the construction industry's skilled workforce shortage.

Recently, the U.S. Court of Federal Claims [ruled](#) in favor of ABC members that filed bid protests challenging this controversial policy on 12 federal contracts. The court ruling is further evidence that PLA requirements violate the Competition in Contracting Act by stifling competition and raising costs on federal construction contracts nationwide. Further, ABC and its Florida First Coast chapter filed [suit](#) in federal court in 2024 to block Biden's PLA final rule. While the case is fully briefed, plaintiffs are awaiting a decision on the overall case and a ruling on the [motion](#) for preliminary injunction.

We thank you for your continued support for our industry. ABC and our undersigned chapters and members are committed to delivering taxpayer-funded federal and federally assisted construction projects on time and on budget, with the highest standards of safety and quality.

Sincerely,

Associated Builders and Contractors