



January 21, 2021

The Honorable Maria Cantwell  
U.S. Senate Committee on Commerce,  
Science, and Transportation  
Washington, DC 20510

The Honorable Roger Wicker  
U.S. Senate Committee on Commerce,  
Science, and Transportation  
Washington, DC 20510

Dear Senators Cantwell, Wicker and Members of the U.S. Senate Committee on Commerce, Science, and Transportation:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 69 chapters representing more than 21,000 members, I write today regarding the committee's hearing to consider the nomination of Peter Buttigieg to be secretary of the U.S. Department of Transportation.

Last week, a report was released [that found America's infrastructure spending deficit is projected to be \\$2.6 trillion by 2029, and more than \\$5.6 trillion by 2039](#). The Biden administration's Build Back Better plan has promised to push a large infrastructure package forward so that all Americans can benefit. However, ABC is concerned that efforts to ensure competition and access to infrastructure contracts for all American businesses will be opposed in favor of government-mandated project labor agreements on federally assisted construction projects that would strip the ability of many small businesses to compete fairly for these projects.

The U.S. Department of Transportation's Federal Highway Administration has approved project labor agreements mandated by state and local governments on [513 FHWA-financed construction projects in nine states valued at \\$12.89 billion from calendar year 2009 through the end of 2020](#). Research has shown that government-mandated PLAs increase the cost of construction projects by 12% to 20% and discourage competition from qualified contractors and more than 87% of the U.S. construction industry workforce because they are not affiliated with unions that receive special treatment in PLAs.

At a time when many small businesses are struggling to survive due to the ongoing COVID-19 pandemic and efforts to thwart its spread, small construction businesses, including women-, minority- and veteran-owned businesses, could be ineligible to participate in critical federally funded infrastructure projects should government-mandated PLAs be implemented in any large infrastructure package passed by Congress and signed into law by President Biden. This could severely impact the ability of our nation to fully recover from the pandemic.

To provide hardworking taxpayers with the value that they deserve, improve America's infrastructure and create opportunities for all small businesses, skilled construction workers and qualified companies to compete, we must ensure a level playing field for taxpayer-funded contracts financed by any federally funded infrastructure investment. ABC believes all contracts should be awarded through a fair and open competitive bidding process that allows qualified union and nonunion contractors to compete on a level playing field based on merit, experience, quality and safety.

ABC is also concerned that an infrastructure proposal could exclude the overwhelming majority of America's construction industry professionals who are not educated in federal registered apprenticeship programs, leaving out the "all-of-the-above" approach that ABC has advocated for, by not including recognition for industry-led programs, in favor of only federal registered apprenticeship programs.

The [America's Transportation Infrastructure Act of 2019](#), which passed with bipartisan support in the U.S. Senate Committee on Environment and Public Works during the 116<sup>th</sup> Congress, contains a provision in Sec. 3006 of the bill that supported additional workforce development opportunities through

current DOT programs, including pre-apprenticeship programs and workforce training programs for the construction industry to fill workforce gaps. ABC would support the inclusion of this language in any future infrastructure package proposed by the White House or Congress.

ABC looks forward to working with Mr. Buttigieg should he be confirmed as the U.S. Secretary of Transportation, as ABC members are committed to building taxpayer-funded projects with the highest standards of safety and quality and stand ready for the chance to build and maintain America's infrastructure.

Sincerely,

A handwritten signature in black ink, appearing to read "Kristen Swearingen". The signature is fluid and cursive, with a large initial "K" and a long, sweeping underline.

Kristen Swearingen  
Vice President, Legislative & Political Affairs