



April 26, 2022

The Honorable Eleanor Holmes Norton
Chair
House Committee on Transportation and
Infrastructure Subcommittee on Highways
and Transit

The Honorable Rodney Davis
Ranking Member
House Committee on Transportation
Infrastructure Subcommittee on Highways
and Transit

Dear Chair Norton and Ranking Member Davis:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 69 chapters representing more than 21,000 members, I write to comment on the U.S. House Committee on Transportation and Infrastructure Subcommittee on Highways and Transit hearing titled, “Examining Workforce Development and Job Creation in Surface Transportation Construction.”

According to the subcommittee’s description, “The purpose of this hearing is for Members of the subcommittee to learn about the current state of the surface transportation construction workforce, how recent investments in American infrastructure will increase the need for a skilled construction workforce, and how current programs and initiatives can provide pathways into the construction sector.” ABC is happy to offer feedback to the subcommittee on how members can ensure that jobs and opportunities from the recently passed Infrastructure Investments and Jobs Act can provide pathways into the construction sector for all Americans.

Snapshot of the Construction Industry Labor Market:

Construction is poised to power America’s recovery and economic engine, as the industry offers competitive wages and many [opportunities](#) to both begin and advance in an industry that builds the places where we live, work, play, worship, learn and heal.

The construction industry added 19,000 jobs on net in March, according to [ABC analysis of data](#) released by the U.S. Bureau of Labor Statistics. After 23 months of recovery, construction employment has at last exceeded pre-pandemic levels. On a year-over-year basis, industry employment has expanded by 220,000 jobs, an increase of 3.0%. However, the construction industry continues to face many workforce development challenges going forward, particularly the need for qualified, skilled craft professionals, as the [industry faces a shortage of 650,000 workers in 2022](#), according to ABC’s [workforce shortage model](#).

With the implementation of the Infrastructure Investment and Jobs Act and the American Rescue Plan, the federal government will pump hundreds of billions in new spending into our nation’s most critical infrastructure, and qualified craft professionals are essential to efficiently modernize roads, bridges, energy production and other projects across the country. However, to fully take advantage of the investments in infrastructure, Congress should note that more regulations and less worker freedom will make it harder to fill any potential job created.

To help meet this demand, ABC member contractors use flexible, competency-based and market-driven education methodologies to build a construction workforce that is safe, skilled and productive. This all-of-the-above approach to workforce development has produced a network of ABC chapters and affiliates across the country that offer more than 800 apprenticeship, craft, safety and management education programs—including more than 300 government-registered

apprenticeship programs across 20 different occupations—to build the people who build America.

ABC urges the subcommittee to consider ways in which they can promote an all-of-the-above workforce development strategy—and not limit the benefits of federal legislation from reaching the vast majority of construction workers due to their labor affiliation.

Project Labor Agreements:

Of interest to the subcommittee, ABC believes that several discriminatory policies being pursued by the Biden administration will prevent many opportunities for the entire construction industry, particularly small businesses, to benefit from infrastructure investments.

On Feb. 4, President Joe Biden signed [Executive Order 14063](#) requiring federal construction contracts greater than \$35 million to be subjected to [project labor agreements](#). This executive order will exacerbate the construction industry's skilled workforce shortage and needlessly increase construction costs and reduce opportunities for local contractors and skilled tradespeople.

Government-mandated PLAs increase the cost of construction by [12% to 20%](#), reduce competition by excluding [87.4% of the construction industry workforce](#) and [steal up to 34% of wages from the few nonunion workers allowed to work on a PLA jobsite](#).

By tying federal infrastructure investments to government-mandated project labor agreements, the Biden administration will discriminate against the majority of our nation's small, women-, veteran- and minority-owned businesses and workers that choose to operate on a merit shop basis. In an industry of more than 7 million, a way to ensure that does not happen is through the subcommittee's intention of helping small businesses.

ABC urges the committee to consider ways to ensure that construction firms of all labor affiliation can compete for taxpayer-funded construction projects to rebuild their own communities. All contracts funded by the federal government should be awarded through a fair and competitive bidding process that allows all qualified contractors to compete on a level playing field based on merit, experience, quality and safety. To deliver the highest quality projects at the best cost to taxpayers, it is critical that any federal investment in infrastructure includes the entire construction industry.

In a pair of recent letters sent to the White House by [House](#) and [Senate](#) lawmakers, many in Congress wrote that they believe the most cost-effective way to rebuild infrastructure is to promote open competition. On April 26, 16 Republican governors sent a [letter](#) President Biden opposing policies promoting government-mandated project labor agreements on taxpayer-funded construction projects. On April 6, more than 1,200 ABC member and chapter signatures voiced strong opposition in a [letter](#) to President Biden's PLA EO.

These letters also lay out concerns with [other federal agency policies](#) promoting PLAs on federally assisted construction projects, which would affect the allocation of funds under the \$1.2 trillion bipartisan infrastructure package, as well as other laws providing funds for state and local governments to improve its infrastructure.

Further, ABC urges members of the subcommittee to support the Fair and Open Competition Act, [H.R. 1284](#), which would prevent federal agencies and recipients of federal assistance from

requiring contractors to sign controversial project labor agreements as a condition of winning a federal or federally assisted construction contract. This bill would ensure that taxpayer-funded construction contracts are awarded through fair and open competition—guaranteeing the best value for hardworking taxpayers while prohibiting a rigged federal procurement process.

Conclusion:

ABC encourages the subcommittee to promote inclusive, win-win policies that welcome all of America's construction industry to compete to rebuild our nation's crumbling infrastructure, increase accountability and competition and reduce waste and favoritism in the procurement of public works projects.

ABC and its members are committed to building taxpayer-funded projects with the highest standards of safety and quality. ABC members stand ready for the opportunity to build and maintain America's infrastructure to the benefit of the communities that it will serve. ABC appreciates the opportunity to comment on the committee's important work to improve our nation'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