

July 23, 2025

The Honorable Kevin Cramer Chairman Committee on Environment and Public Works Subcommittee on Transportation and Infrastructure U.S. Senate Washington, DC 20510 The Honorable Angela Alsobrooks
Ranking Member
Committee on Environment and Public Works
Subcommittee on Transportation and Infrastructure
U.S. Senate
Washington, DC 20510

Dear Chairman Cramer, Ranking Member Alsobrooks and Members of the U.S. Senate Committee on Environment and Public Works's Subcommittee on Transportation and Infrastructure:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 67 chapters representing more than 23,000 members, thank you for holding the hearing, "The Road Ahead: Proposals to Improve America's Transportation Infrastructure." I write to encourage the committee to prioritize fair and open competition and an all-of-the-above approach to workforce development to maximize the effectiveness of federal infrastructure dollars this Congress.

ABC members play a significant role in building America's infrastructure and <u>between fiscal years 2009-2023</u>, <u>ABC members won 54% of federal contracts worth \$35 million or more</u>. Specific to transportation infrastructure, ABC members have competed for, won and built Federal Highway Administration projects of all sizes, including those in excess of \$200 million. These projects include the construction and replacement of roads and bridges and were completed free from project labor agreement mandates and encouragements.

While ABC members have traditionally played a substantial role in building and modernizing America's infrastructure, exclusionary policies advanced during the Biden administration discouraged their participation, delayed projects and increased taxpayer costs. Many of these anticompetitive and inflationary policies were designed to steer federal contracts to union construction companies, who only represent 10% of America's private construction workforce.

With the ongoing Surface Transportation Act reauthorization, ABC urges the committee to advance a neutral bill 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 price. The following principles make this objective possible:

- Fair and Open Competition: The most cost-effective way to build infrastructure is to
 promote a fair and open competitive procurement process, free from project labor agreement
 mandates. This process ensures all qualified contractors, regardless of labor affiliation, can
 compete for federal projects. ABC urges the committee to oppose language requiring the
 use of PLAs as they discourage competition from quality nonunion contractors and their
 employees, who comprise 89.7% of the private U.S. construction industry workforce. PLA
 requirements also increase costs for federal projects by 20%, limiting the miles built per
 dollar invested in America's infrastructure.
- Workforce Development: At a time when the construction industry needs to attract an estimated 439,000 additional workers to meet the demand for labor, attracting employees remains one of the industry's greatest challenges. To address this challenge, Congress

should prioritize an all-of-the-above workforce development strategy that provides opportunities for all workers regardless of labor affiliation.

ABC supports policies that provide workers and employers the freedom to choose the best way to create value and help build and rebuild America. By promoting both industry-driven and government-registered apprenticeship programs, or GRAPs, the committee can enhance small businesses participation on federal projects and reduce the deterrence of registered apprenticeship program's costs and paperwork.

ABC and its 67 chapters currently provide more than 450 GRAPs in over 20 construction industry trades such as electrical, plumbing, carpentry, HVAC, welding and more. None of these ABC chapter GRAPs are affiliated with unions. ABC urges the committee to oppose policies that make federal contract awards contingent upon completing exclusionary programs that disregard the skills of existing workers.

• Davis-Bacon and Related Acts: The Davis-Bacon Act, as currently administered by the U.S. Department of Labor, unnecessarily hinders economic growth and stifles contractor productivity by mandating wage rates on federal construction projects that fail to reflect true, market-based rates. The main culprit for these frequent discrepancies is the flawed, unscientific wage survey process the DOL uses to calculate these so-called "prevailing" wages. According to DOL estimates, the Davis-Bacon Act collectively applies to an estimated \$217 billion in federal and federally assisted construction spending per year—which is about two-thirds of all public works spending in 2021.

ABC supports the true reform and/or repeal of the Davis-Bacon Act to save valuable taxpayer dollars, improve federal wage determinations, eliminate unnecessary and cumbersome bureaucracy for contractors, limit the negative impacts of the DOL's prevailing wage policy and support benefit rates that accurately reflect the current construction market.

ABC appreciates the opportunity to comment on today's hearing and looks forward to continuing to work with the committee during the 119th Congress.

ABC members stand ready to build America's infrastructure in the 21st century.

Sincerely,

Kristen Swearingen

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Vice President, Government Affairs