



October 30, 2025

The Honorable Jerry Moran
U.S. Senate
521 Dirksen Senate Office Building
Washington, DC 20510

Dear Senator Moran:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 67 chapters and more than 23,000 members, I write to thank you for introducing the Affordable Housing Expansion Act. Across the nation, contractors face mounting challenges in delivering affordable housing due to outdated and burdensome federal regulations under the Davis-Bacon and Related Acts. By making targeted reforms to streamline wage determinations and reduce unnecessary administrative costs, this legislation represents a critical step toward expanding the supply of affordable homes and revitalizing the housing market for working families.

The DBRA requires contractors to pay administratively determined minimum wage rates, or “prevailing wages,” for construction labor on projects exceeding just \$2,000 in cost to the federal government. The U.S. Department of Labor determines prevailing wages for construction projects through incomplete, inconsistent and unrepresentative surveys that often reflect union rates, as unionized contractors are more likely to report uniform wage data. This can result in standardized union-level wages being applied across projects, regardless of whether contractors are unionized. As a result, the DBRA functions as a multibillion-dollar taxpayer subsidy for unionized construction contractors and, as the [Congressional Budget Office](#) estimates, will cost the federal government \$24.3 billion through 2032.

Additionally, labor classification rules based on collective bargaining agreements—often not publicly accessible—can cause unintentional violations and create burdensome compliance challenges, even for contractors that already pay competitive wages. This disadvantages small businesses that do not have the lawyers and compliance teams that are available to their larger counterparts. For this reason, the DBRA presents a significant barrier to entry for a vast majority of the construction industry. Reforming this outdated system will empower more contractors to compete fairly and efficiently, thereby increasing housing production in communities that need it most.

The Affordable Housing Expansion Act will provide much-needed relief to contractors by reducing compliance burdens and redirecting resources toward building more homes, not more bureaucracy. The bill changes the wage determination process by allowing wage surveys to use broader geographic groupings. In addition, it orders the DOL to review and update how it collects wage data within one year and ensure that surveys are more reliable and have better participation and balance between union and nonunion employers.

By cutting regulatory red tape and ensuring wage determinations are modernized and transparent, this legislation will help unleash private sector capacity to meet the nation’s urgent housing demand. We commend Sen. Moran for his leadership and urge Congress to advance this commonsense proposal.

Sincerely,

Kristen Swearingen
Vice President, Government Affairs