



September 19, 2024

The Honorable James Comer
Chairman
Committee on Oversight and Accountability
U.S. House of Representatives
Washington, DC 20515

The Honorable Jamie Raskin
Ranking Member
Committee on Oversight and Accountability
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Comer, Ranking Member Raskin and Members of House Committee on Oversight and Accountability:

On behalf of Associated Builders and Contractors, a national construction industry trade association with 67 chapters representing more than 23,000 members, I write today to thank you for holding a [hearing](#) on the consequences of the Biden-Harris administration's policy failures.

Since January 2021, the Biden-Harris administration has taken an all-of-government approach to advance harmful policies and evade congressional intent and authority. While ABC continues to participate in the legislative and regulatory process through comments, letters and providing testimony at congressional hearings, the administration remains adamant in advancing its radical policy agenda. ABC is concerned the administration is continuing to issue rulemakings and executive orders that peel away worker freedoms, disrupt free markets and tilt the playing field in favor of the few at the expense of all Americans. Most critical for our members is President Joe Biden's [Executive Order 14063](#) and corresponding Federal Acquisition Regulatory Council [Use of Project Labor Agreements for Federal Construction Projects](#) final rule.

On Jan. 22, 2024, the administration's executive order mandating the use of project labor agreements on federal and federally assisted projects of \$35 million or more took effect. This rulemaking discourages competition from quality nonunion contractors and their employees, who comprise [89.3%](#) of the private U.S. construction industry workforce. Moreover, PLAs' impact on competition is found to increase costs of construction projects on taxpayers by [12% to 20%](#) and allow unions to steal up to [34%](#) of wages and benefits from the few nonunion workers allowed to work on a PLA jobsite in limited circumstances.

Prior to the rulemaking taking effect, ABC prime contractors played a significant role in enhancing America's infrastructure. Specifically, between fiscal years 2009-2023, ABC prime contractors won [more than half of large federal contracts of \\$35 million or more, representing 54% of their value](#). Now, the Biden-Harris administration is effectively telling ABC members they need not apply on qualifying federal construction projects unless they agree to recognize unions as the representatives of their employees on that job, use the union hiring hall to obtain most or all construction labor, hire apprentices from union-affiliated apprenticeship programs, follow union work rules and pay into union benefit and multiemployer pension plans that nonunion employees cannot access unless they join a union. It is apparent the mandate disregards the right of workers and [exposes businesses to unfunded multiemployer pension plan liabilities](#).

The Subcommittee on Cybersecurity, Information Technology, and Government Innovation found the rulemaking so egregious it held a hearing, "[Cutting Competition in Contracting: The Administration's Pricey Project Labor Agreement Mandate](#)," to evaluate the rule's impact on American workers, business and taxpayers. Yet, the administration remains steadfast in utilizing federal policy to favor unions and undermine competition to build taxpayer-funded infrastructure projects. In fact, on Sept. 6, President Biden issued [Executive Order 14126 on Investing in America and Investing in American Workers](#) to direct federal agencies to prioritize the distribution of federal financial assistance to applicants that:

- Utilize project labor agreements or other union agreements.

- Require [union neutrality agreements and deprive workers of secret ballot elections](#) when choosing union representation of its workplace, which will increase the growth of union membership.
- Pay wages based on [inaccurate, government-determined prevailing wages](#) or union wage scales.
- Focus workforce development efforts on union-affiliated training programs and government-registered apprenticeships.

By advancing policies that stifle fair and open competition and circumvent congressional intent, the administration is undermining the efficient and economical delivery of taxpayer-funded infrastructure, clean energy and manufacturing projects. At the same time, the administration's policies steer taxpayer-funded infrastructure contracts to unionized businesses and create jobs exclusively for union members at the expense of everyone else and the rule of law.

ABC urges members of the committee to co-sponsor [H.R. 1209](#), the Fair and Open Competition Act, introduced by Chairman James Comer, R-Ky., to ensure federal and federally assisted contract awards occur 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.

ABC appreciates the opportunity to comment on the committee's oversight of the Biden-Harris administration.

Sincerely,

A handwritten signature in black ink, appearing to read "Kristen Swearingen". The signature is written in a cursive, flowing style.

Kristen Swearingen
Vice President, Legislative & Political Affairs