

February 24, 2021

U.S. Senate
Washington, DC 20510

U.S. House of Representatives
Washington, DC 20515

Dear Senator/Representative:

The diverse group of construction and business associations undersigned below writes in strong support of Sen. Todd Young (R-Ind.) and Rep. Ted Budd's (R-N.C.) Fair and Open Competition Act (S. 403/H.R. 1284).

The Fair and Open Competition Act would prevent federal agencies and recipients of federal assistance from requiring or encouraging contractors to sign a controversial project labor agreement as a condition of winning a

this legislation would allow federal agencies to award contracts to businesses that voluntarily utilize PLAs before or after a fair and open competitive bidding process, a common industry practice permitted by the National Labor Relations Act.

A total of 25 states have passed measures similar to the Fair and Open Competition Act in order to curb waste and favoritism in the procurement of construction projects and ensure taxpayer dollars are spent responsibly by letting the market determine if a PLA is appropriate.

The undersigned organizations support fair and open competition and oppose government-mandated PLAs on federal and federally assisted projects because hardworking taxpayers deserve more efficient and effective policies that will encourage all qualified contractors and their skilled workforce to compete to build long-lasting, quality projects at the best price.

According to economic models,⁴ every \$1 billion in extra overall construction spending generates an average of at least 6,500 construction jobs, and every \$1 billion in extra construction spending on infrastructure generates an average of at least 3,300 construction jobs. As the construction industry faces a 9.4% unemployment rate⁵ due to the recession caused by the COVID-19 pandemic and America's infrastructure faces an estimated \$2.6 trillion investment gap by 2029,⁶ lawmakers need to do everything possible to maximize taxpayer investments in infrastructure while helping all construction workers find quality jobs to rebuild their communities.

If you would like to promote fairness, efficiency and transparency in government contracting, please contact Nancy Martinez (nancy_martinez@young.senate.gov) in Sen. Todd Young's office and Charlie Hobbs (Charlie.Hobbs2@mail.house.gov) in Rep. Ted Budd's office and ask to cosponsor the Fair and Open Competition Act (S. 403/H.R. 1284).

Your opposition to any legislative language promoting controversial government-mandated PLAs on future infrastructure and spending bills, coupled with your support of the Fair and Open Competition Act, will create a level playing field in the procurement of government construction contracts, increase competition, help small businesses grow, curb construction costs and spread the job-creating benefits of federal and federally funded contracts throughout the construction industry.

Sincerely,

American Council of Engineering Companies
American Fire Sprinkler Association
American Pipeline Contractors Association
American Road and Transportation Builders Association
Associated Builders and Contractors
Business Coalition for Fair Competition
Construction Industry Round Table
Electronic Security Association
Independent Electrical Contractors
National Association of Home Builders
National Black Chamber of Commerce
NFIB
National Ready Mixed Concrete Association
National Utility Contractors Association
Power and Communication Contractors Association
Small Business and Entrepreneurship Council
United States Hispanic Chamber of Commerce

⁴ <https://abc.org/News-Media/Newsline/entryid/17036/the-construction-industry-needs-to-hire-an-additional-550-000-workers-in-2020>.

⁵ BLS construction industry unemployment rate for January 2021, <https://www.bls.gov/iag/tgs/iag23.htm>.

⁶ See ASCE's 2021 report, [Failure to Act: Economic Impacts of Status Quo Investment Across Infrastructure Systems](#).