

The Honorable Donald J. Trump President of the United States The White House 1600 Pennsylvania Ave. NW Washington, DC 20500

Dear Mr. President:

Associated Builders and Contractors and our undersigned chapters and member companies write to express our significant concern with your administration's decision to continue enforcing the Biden administration's project labor agreement requirement and to urge you to rescind the policy immediately.

On June 12, the White House Office of Management and Budget announced that your administration will continue to enforce former President Joe Biden's Executive Order 14063 and its final rule mandating project labor agreements on federal construction projects valued at \$35 million or more. This mandate discourages competition from potential bidders by forcing contractors to sign union collective bargaining agreements, hire workers from union halls and apprenticeship programs and accept compulsory union representation on behalf of any members of their existing workforces.

While a <u>record-high 89.7%</u> of the construction industry workforce does not belong to a union, your administration is promoting a policy that restricts merit shop contractors around the country from competing on federal and federally assisted contracts. Merit shop contractors have the skills and success record to build and repair America's infrastructure without the restrictions of a PLA, and the American people deserve the most responsible investment of their tax dollars.

When mandated, PLAs also increase the cost of taxpayer-funded projects by <u>12% to 20%</u>. That means a smaller border wall and fewer American energy, manufacturing, infrastructure, affordable housing, military and school construction projects.

Your administration's decision to double down on this Biden-era policy is disappointing, perplexing and inconsistent with your commitment to merit and fairness. Government-mandated PLAs exclude most qualified contractors and skilled workers from participating in large-scale federal construction projects, delay critical national defense initiatives and contribute to the waste and abuse that your administration has worked to strip from the government.

In place of these failed Biden administration policies, we request a new executive order that will restore merit-based competition for federal and federally assisted construction contracts. By allowing for fair and open competition, you can save taxpayers an estimated \$10 billion in waste on public works projects annually and restore opportunities for all of the construction industry to build and rebuild America.

ABC and our undersigned chapters and members are committed to delivering taxpayer-funded federal and federally assisted construction projects on time and on budget, with the highest standards of health, safety and quality.

We urge you to reconsider this decision, end government-mandated PLAs and implement a policy that supports fair and open competition in the federal procurement process.

Sincerely,

Associated Builders and Contractors