



July 25, 2022

The Honorable Carolyn Maloney
Chairwoman
Committee on Oversight and Reform
U.S. House of Representatives
2157 Rayburn HOB
Washington, DC 20515

The Honorable James Comer
Ranking Member
Committee on Oversight and Reform
U.S. House of Representatives
2105 Rayburn HOB
Washington, DC 20515

Dear Chairwoman Maloney and Ranking Member Comer:

On behalf of Associated Builders and Contractors, a national trade association with 68 chapters representing more than 21,000 members, I am writing to express our concern with the committee's recent vote on H.R. 6548, the Justice in Power Plant Permitting Act, which would encourage costly project labor agreements on renewable energy projects.

ABC supports an all-of-the-above approach to the United States' energy needs and has significant concerns with the proposals included in H.R. 6548 that could have detrimental effects on our nation's critical energy infrastructure and energy independence. ABC is also concerned with the bill's provision allowing for the extension of renewable energy public utility contracts from 10 years to 40 years if the contracts impose costly and unfair project labor agreements and inflated, unscientific prevailing wage rates. ABC appreciates the recent amendment offered by Ranking Member Comer and supported by many of the Republicans on the committee to remove these costly labor provisions from the legislation.

Using federal policy to encourage PLAs often discourages competition from quality, qualified nonunion contractors and effectively prevents many small, women-, veteran- and minority-owned businesses and their workforce from participating in federally funded projects.

Further, Davis-Bacon prevailing wage rates add unnecessary and burdensome red tape that excludes many small contractors from participating in these federal projects. While the Biden administration is on the cusp of implementing a regressive and costly rule to modify Davis-Bacon and impose grossly inflated wages for our nation's federal construction projects, it has been shown that Davis-Bacon prevailing wage rates, as currently administered by the U.S. Department of Labor, unnecessarily hinder economic growth, stifle contractor productivity on federal construction projects, and 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. The Government Accountability Office has found widespread errors in the Davis-Bacon wage determination process and noted that it suffers from a serious lack of transparency.

ABC supports fair and open competition and opposes language promoting PLA and prevailing wage requirements on federally funded 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.

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 of Legislative & Political Affairs