



February 5, 2025

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

The Honorable Gerald Connolly
Ranking Member
Committee on Oversight and Government Reform
U.S. House of Representatives
Washington, DC 20515

Dear Chairman Comer, Ranking Member Connolly and Members of House Committee on Oversight and Government Reform:

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 the hearing, "[Rightsizing Government](#)." This hearing is essential to improving America's trajectory by identifying opportunities to reverse the Biden administration's policy failures.

Unfortunately, the Biden administration took an all-of-government approach to advance harmful policies that reject merit in federal government hiring and contracting, promoting special classes at the expense of all Americans. Specific to the construction industry, the Biden administration eliminated merit-based federal contracting through the issuance of [Executive Order 14063](#) and the corresponding January 2024 Federal Acquisition Regulatory Council [Use of Project Labor Agreements for Federal Construction Projects](#) final rule. This rulemaking mandates federal agencies require project labor agreements on federal construction projects of \$35 million or more and discourages competition from quality nonunion contractors and their employees, who comprise [89.7%](#) of the private U.S. construction industry workforce. At the same time, this anti-competitive policy inflates federal construction projects costs by [12% to 20%](#), needlessly wasting [billions of taxpayer dollars annually](#).

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 members won 54% of federal contracts worth \\$35 million or more](#), and built award-winning projects safely, on time and on budget. However, the Biden administration effectively told ABC members that 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. By limiting the class of workers who can participate on federal construction projects, the Biden administration rulemaking continues to disregard worker rights and increase taxpayer costs, all for the sake of steering federal contracts to union contractors who represent just 10.3% of the construction industry.

Notably, the Biden administration's exclusionary and inflationary mandate is so egregious that it has been subject to congressional and judicial review. On Jan. 21, 2025, the U.S. Court of Federal Claims [ruled](#) in favor of ABC members that filed bid protests challenging former President Joe Biden's controversial policy requiring anti-competitive, inflationary, union-favoring PLAs on federal construction projects of \$35 million or more. In addition, the Subcommittee on Cybersecurity, Information Technology, and Government Innovation held a June 27, 2024, hearing, "[Cutting Competition in Contracting: The Administration's Pricey Project Labor Agreement Mandate](#)," to

evaluate the rule's harmful impact on American workers, business and taxpayers. The decision and hearing highlight that the Biden administration's policy undermines merit-based contracting, competition and the efficient and economical delivery of taxpayer-funded infrastructure and manufacturing projects.

Now, Congress and the Trump administration have the opportunity to restore merit to federal contracting. It can do this by advancing fair and open competition, which ensures federal and federally assisted contracts are awarded 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 believes it is incumbent upon all branches of government to be responsible stewards of taxpayer dollars and reject policies detrimental to America's system of free enterprise.

ABC appreciates the opportunity to comment on today's hearing and looks forward to working with the committee during the 119th Congress.

Sincerely,

A handwritten signature in black ink, appearing to read 'K Swearingen', written in a cursive style.

Kristen Swearingen
Vice President, Legislative & Political Affairs