



KEY VOTE

March 25, 2015

United States Senate
Washington, DC 20510

Dear Senator:

On behalf of Associated Builders and Contractors (ABC), a national construction industry trade association with 70 chapters representing nearly 21,000 chapter members, I am writing to express our strong support for amendment 665 to S.Con.Res. 11 offered by Sen. Jeff Flake (R-Ariz.) to establish a spending-neutral reserve fund relating to prohibiting the awarding of construction contracts based on awardees entering or not entering into agreements with labor organizations. ABC urges your **support** of this amendment and will consider this a **Key Vote** for our 114th Congressional Scorecard.

Simply put, Sen. Flake's amendment would prohibit the government from mandating a project labor agreement (PLA) on federal or federally funded construction projects authorized by this bill. This good-government proposal would help to increase competition and curb waste and favoritism in the procurement of construction contracts.

PLAs act as special interest kickbacks that typically require companies that have been awarded government contracts to recognize unions as the representatives of their employees on that job, use the union hiring hall to obtain workers and follow notoriously inefficient union work rules. Most importantly, PLAs discourage the 86.1 percent of the private construction workforce that chooses not to join a union from bidding on that project. This amendment will lead to increased competition, less litigation and more accountability on taxpayer-funded construction projects.

On Feb. 6, 2009, President Obama issued Executive Order 13502, which strongly encourages federal agencies to require PLAs on a case-by-case basis on federal construction projects exceeding \$25 million in total cost. In response, 18 states have enacted legislation or executive orders restricting PLA requirements and preferences on state and local projects since 2011. To date, a total of 21 states have measures that guarantee fair and open competition on taxpayer-funded construction projects.

Sen. Flake's amendment does nothing to prevent a contractor from voluntarily entering into a PLA—it solely prevents the government from mandating the use of a PLA as a condition of winning the contract.

Again, we urge your support of Sen. Flake's amendment 665 and will consider this a **Key Vote** for our 114th Congressional Scorecard.

Sincerely,

Geoffrey Burr
Vice President, Government Affairs