

# Support the Fair and Open Competition Act

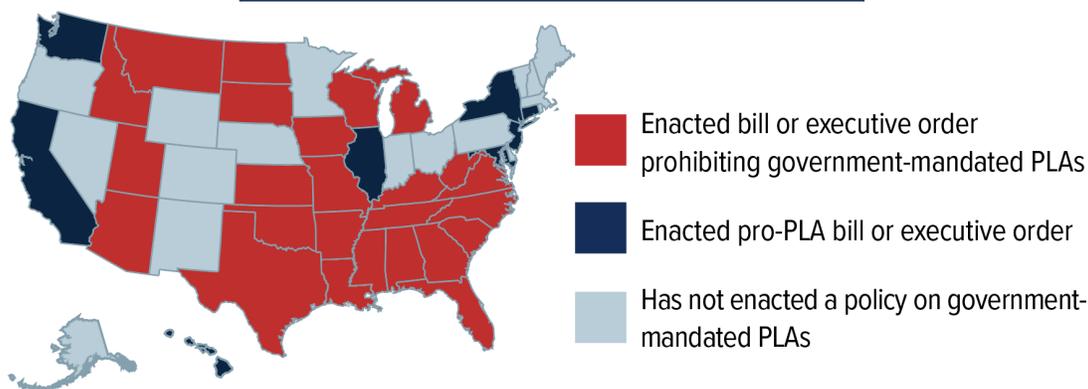
The Fair and Open Competition Act, H.R. 1284 /S. 403, would prevent federal agencies and recipients of federal assistance from requiring contractors to sign controversial project labor agreements as a condition of winning a federal or federally assisted construction contract. This bill would ensure that taxpayer-funded construction contracts are awarded through fair and open competition—guaranteeing the best value for hardworking taxpayers while prohibiting a rigged federal procurement process that discriminates against many small construction businesses.

A PLA is a project-specific collective bargaining agreement with multiple unions that is unique to the construction industry. When a PLA is mandated by a government agency, construction contracts can be awarded only to contractors and subcontractors that agree to the terms and conditions of the PLA. PLAs effectively prevent **87.3%** of the U.S. construction workforce that chooses not to join a labor union from fairly competing for contracts to build taxpayer-funded projects on a level playing field. Further, government-mandated PLAs discourage the vast majority of small, women-, minority- and veteran- owned businesses from competing on projects.

Not only do contracts subject to government-mandated PLAs deny critical construction jobs to local workers, but they also drive-up the cost of critical infrastructure projects by **12% to 20%**. Simply put, hardworking taxpayers can't afford government-mandated PLAs that significantly drive-up construction costs, forcing taxpayers to pay more and get less.

While FOCA would prohibit federally **mandated** PLAs and ensure a level playing field for competition during the procurement of taxpayer-funded construction projects, it would still allow federal agencies to award contracts to businesses that **voluntarily** enter into a PLA.

## 25 States Welcome All Americans to Compete on Construction Projects



A total of 25 states have passed measures like FOCA, resulting in a better investment in local infrastructure and the creation of more construction industry jobs. These state laws 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.

To deliver the highest quality projects at the best price to hardworking taxpayers, any infrastructure proposal should be free from government-mandated PLAs, allowing all qualified contractors to fairly compete to build and work on these taxpayer-funded projects.

## ***Support:***

- The Fair and Open Competition Act. H.R. 1284 /S. 403, which would prevent the government from mandating a PLA as a condition of winning federal or federally assisted construction contracts.
- Legislative or executive measure to preserve fair and open competition on public construction contracts by requiring government neutrality regarding a contractor's use of PLA.
- Federal construction contracts awarded based on sound and credible criteria, such as quality of work, experience and cost—not a company's union affiliation or willingness to execute a PLA.

President Obama's pro-PLA Executive Order 13502 is still in effect. This gives unionized construction companies an unfair advantage when competing for federal contracts. We need to unwind this burdensome rule and give the decision-making power back to the markets for federal contracts exceeding \$25 million.

## ***Oppose:***

- Government-mandated PLAs and discriminatory PLA preferences on federal and federally assisted construction projects.
- Efforts from the Biden administration to expand upon or create new anti-competitive initiatives to mandate PLAs.
- Legislative measures seeking to mandate and encourage PLAs on construction contracts awarded through the legislation.
- Claims by PLA proponents that government mandates and preferences for PLAs will improve the economy and efficiency in federal contracting.