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March 15, 2023

The Honorable James Comer
Chairman, Committee on
Oversight & Accountability
U.S. House of Representatives
Washington, D.C. 20515

The Honorable Jamie Raskin
Ranking Member, Committee on
Oversight & Accountability
U.S. House of Representatives
Washington, D.C. 20515

Dear Chairman Comer and Representative Raskin:

On behalf of the Construction Employers of America (CEA) and the 15,000 signatory contractors and 1.4 million employees we represent, we are writing to express our opposition to H.R. 1209, a bill that would nullify Executive Order (E.O.) 14063 ("Use of Project Labor Agreements for Federal Construction Projects") and its implementing regulations. In so doing, this bill would upend the structure and stability that project labor agreements (PLAs) provide to large-scale construction projects, facilitate the misclassification of employees as independent contractors, and have the effect of depressing wages for American workers.

The CEA is made up of seven employer associations that represent construction firms that utilize union craftworkers. Our members adhere to the highest standards and provide superior wages and benefits—including health insurance, pensions, and investments in worker safety and training—and are committed to working to strengthen the construction industry and provide opportunities for our workers. Our members' efforts help provide the best value to project owners while securing high-value compensation and benefits for workers, their families, and their communities.

President Biden's February 2022 E.O. 14063 is grounded in a continuation of the policy determination made by his two predecessors that PLAs "promote economy and efficiency" on large-scale construction projects. It builds upon the PLA E.O. issued by President Obama and left in place by President Trump. The E.O. and its proposed implementing regulations do not mandate the use of PLAs, despite the fact that the use of these pre-negotiated agreements between project owners, contractors, and subcontractors protects taxpayer-provided funds by guaranteeing project deadlines and ensuring high standards for quality, safety and health, and fair compensation for workers. E.O. 14063 also does not discriminate against non-signatory contractors or prevent them from bidding on projects, nor does it create an uneven playing field between signatory and non-signatory contractors. Rather, it provides a more level playing field between construction companies investing in their workforce by sponsoring privately funded training programs to ensure a future skilled construction workforce and honoring their commitment to treat their workers fairly as employees and those seeking to compete by depressing wages and evading their obligation to pay overtime, health and retirement benefits, and employment taxes.



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The simple fact is that the preference for PLAs on public construction projects has been the policy of the Executive Branch across Administrations of both parties. It ensures the federal government realizes the same cost savings, project quality and safety assurances, and project stability and continuity benefits that large U.S. corporations have enjoyed for decades. Our member's private sector customers choose to utilize PLAs to promote stability and effective delivery in the construction of large, complex projects and furthers the owner's economic interests. E.O. 14063 ensure that large federally funded projects can benefit from the same substantial safety and productivity advantages, cost controls, and assurances of the timely completion of construction projects enjoyed by private sector owner-customers utilizing PLAs.

It is well-established that PLAs help save taxpayer money in the long run, which is especially critical as Congress considers ways to reduce the national debt and the Administration implements transformative, bipartisan infrastructure legislation. It is for these reasons that we urge the Committee to reject H.R. 1209 and enable federal agencies to realize the benefits of PLAs.

Sincerely,

The Construction Employers of America
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FCA International
International Council of Employers of Bricklayers and Allied Craftworkers
Mechanical Contractors Association of America
National Electrical Contractors Association
Sheet Metal & Air Conditioning Contractors' National Association
Signatory Wall and Ceiling Contractors Alliance
The Association of Union Constructors