April 26, 2022

President Joseph R. Biden Jr.
The White House
1600 Pennsylvania Ave NW
Washington, DC 20500

Dear Mr. President,

As governors, we support policies that ensure robust competition for taxpayer-funded construction projects that welcome all of America’s construction industry to compete to rebuild our nation’s infrastructure on an even playing field. We aim to provide value to taxpayers as we partner with the federal government to deliver roads, bridges, communications, water, energy, and transportation systems safely, on time, and on budget, but we cannot deliver the best results with onerous and unnecessary constraints.

We oppose Executive Order 14063 requiring controversial government-mandated project labor agreements (PLAs) on federal and federally assisted construction contracts funded by taxpayers exceeding $35 million. In addition, we oppose other federal policies promoting PLAs on federally assisted projects via federal agency guidance and grant programs that state and local governments can utilize to help fund critical infrastructure projects.

When mandated by government agencies, PLAs can interfere with existing union collective bargaining agreements and needlessly discourage competition from quality nonunion contractors and their employees who comprise 87.4% of the private U.S. construction industry workforce according to the U.S. Bureau of Labor Statistics. Reducing competition from some of the best union and nonunion construction firms and workers will exacerbate the construction industry’s skilled labor shortage, delay projects, and increase construction costs by estimates of 12% to 20% per project, which will result in fewer infrastructure improvements, less construction industry job creation, and higher taxes.

We call on you to be equitable in your treatment of America’s construction workers whether union or nonunion. In short, the aforementioned policies will undermine taxpayer investment in billions of dollars of forthcoming public works projects financed by the Infrastructure Investments and Jobs Act of 2021 and additional bipartisan legislation passed by Congress, all of which was signed into law free from language requiring or encouraging the use of PLAs.

Three months ago, sixteen governors wrote to you seeking a flexible partnership in implementing public works projects. The federal government cannot do this job itself and requires the states to lead on the execution of infrastructure initiatives. As a partner in this endeavor, we ask again: please pull back from
introducing partisan policies into infrastructure. Taxpayers cannot afford such wasteful and exclusionary policies.

We ask that the Office of Management and Budget—along with respective federal agencies charged with implementation, grant programs, draft regulations, and guidance related to legislation funding infrastructure projects—afford states and localities maximum regulatory flexibility free from anti-competitive and costly pro-PLA policies. Doing so will deliver more value to taxpayers and create opportunities for all—including small, minority-owned, and women-owned—businesses and workers in the construction industry to compete to build America.

Sincerely,

Governor Asa Hutchinson  Governor Bill Lee  Governor Ron DeSantis
State of Arkansas  State of Tennessee  State of Florida

Governor Brian Kemp  Governor Kim Reynolds  Governor Tate Reeves
State of Georgia  State of Iowa  State of Mississippi

Governor Mike Parson  Governor Pete Ricketts  Governor Chris Sununu
State of Missouri  State of Nebraska  State of New Hampshire

Governor Doug Burgum  Governor Kevin Stitt  Governor Henry McMaster
State of North Dakota  State of Oklahoma  State of South Carolina

Governor Kristi Noem  Governor Greg Abbott  Governor Spencer Cox
State of South Dakota  State of Texas  State of Utah

Governor Mark Gordon
State of Wyoming
cc: Mitch Landrieu
   Senior Advisor and Infrastructure Implementation Coordinator
   The White House
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   Washington, DC 20500

   Shalanda Young
   Director
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