



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

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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
State of Arkansas



Governor Bill Lee
State of Tennessee



Governor Ron DeSantis
State of Florida



Governor Brian Kemp
State of Georgia



Governor Kim Reynolds
State of Iowa



Governor Tate Reeves
State of Mississippi



Governor Mike Parson
State of Missouri



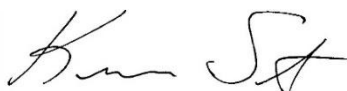
Governor Pete Ricketts
State of Nebraska



Governor Chris Sununu
State of New Hampshire



Governor Doug Burgum
State of North Dakota



Governor Kevin Stitt
State of Oklahoma



Governor Henry McMaster
State of South Carolina



Governor Kristi Noem
State of South Dakota



Governor Greg Abbott
State of Texas



Governor Spencer Cox
State of Utah



Governor Mark Gordon
State of Wyoming

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cc: Mitch Landrieu
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Washington, DC 20500

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Executive Office of the President
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