



October 17, 2022

Director William F. Clark
Office of Government-wide Acquisition Policy
General Services Administration
1800 F Street NW
Washington, DC 20405

***Subject:** Docket No. FAR-2022-0003, Notice of Proposed Rulemaking on Federal Acquisition Regulation (FAR); FAR Case 2022-003, Use of Project Labor Agreement for Federal Construction Projects [RIN: 9000-AO40]*

Dear Director Clark,

We, the undersigned Governors, submit comment expressing our opposition to the project labor agreement (PLA) mandates proposed by the Federal Acquisition Regulatory (FAR) Council. In April of this year, 18 governors wrote a letter to President Biden expressing opposition to PLA mandates, and with this letter, we formally submit our concerns to the rulemaking process.

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 the proposed rule requiring controversial government-mandated PLAs on federal construction contracts funded by taxpayers exceeding \$35 million. In addition, we oppose Executive Order 14063 and 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

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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 proposed rule 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.

Earlier this year, 16 governors wrote to President Biden 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.

Thank you for consideration of our public comment to Document ID No. FAR-2022-0003-0001.

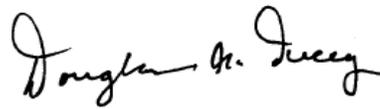
Sincerely,



Governor Asa Hutchinson
State of Arkansas



Governor Kay Ivey
State of Alabama



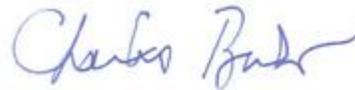
Governor Doug Ducey
State of Arizona



Governor Brian Kemp
State of Georgia



Governor Kim Reynolds
State of Iowa



Governor Charlie Baker
Commonwealth of Massachusetts



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

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Governor Henry McMaster
State of South Carolina



Governor Kristi Noem
State of South Dakota



Governor Bill Lee
State of Tennessee



Governor Greg Abbott
State of Texas



Governor Spencer Cox
State of Utah



Governor Glenn Youngkin
Commonwealth of Virginia



Governor Mark Gordon
State of Wyoming

cc: Mitch Landrieu
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