



February 17, 2011

The Honorable Frank Guinta
1223 Longworth House Office Building
Washington, DC 20515

Dear Representative Guinta,

The Associated General Contractors of America (AGC) thanks you for your support for full and open competition in the bidding process for federal and federally funded construction projects. On behalf of its members, AGC supports your amendment (#166) to the Continuing Resolution (H.R. 1), which prohibits federal agencies from requiring by contract the use of a project labor agreement (PLA), for the rest of fiscal year 2011. We believe this amendment will ensure fairness in procurement of federal and federally funded construction projects.

AGC strongly supports free, open, and competitive bidding for all federal and federally-funded work – among all qualified firms, without regard to their lawful labor policies. Government-mandated PLAs effectively compel both union and open shop contractors to alter their hiring practices, work rules, job assignments, and benefits in order to compete for or to perform work on publicly funded projects. This not only constitutes inappropriate government interference with private labor relations, it amounts to an unfair government preference that can significantly impact the cost of public works.

Project owners have many ways to ensure that their construction contractors complete their projects in a timely manner, and there is no reliable evidence that project labor agreements improve the performance that an owner can expect in the absence of such an agreement. In addition, PLAs can give rise to jurisdictional disputes that would not otherwise occur.

Once again, thank you for your efforts to keep in place the well-settled patterns of labor-management relations in the construction industry and the cost-effective construction of public works.

Sincerely,

A handwritten signature in black ink, appearing to read "Stephen E. Sandherr".

Stephen E. Sandherr
Chief Executive Officer